



# California State Treasurer Fiona Ma, CPA News Release

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## State Treasurer Fiona Ma Announces First Loans for State's Distressed Hospitals; Three Facilities Receive \$64.3 Million

**SACRAMENTO** – State Treasurer Fiona Ma today announced that three California hospitals have received \$64.3 million in loan funds from the state's \$300 million Distressed Hospital Loan Program (DHLP). The facilities include Watsonville Community Hospital in Santa Cruz County (\$8.3 million), Pioneers Memorial Hospital in Imperial County (\$28 million), and El Centro Regional Medical Center, also in Imperial County (\$28 million).

"For the people and communities who depend on health care from these hospitals, this program is a lifeline," said Treasurer Ma. "My team has worked diligently in the short time since this program was created to ensure that these funds are distributed as quickly as possible. We look forward to issuing more loans soon and to assisting these facilities however we can going forward."

The DHLP provides zero-interest loans to financially distressed non-profit and public hospitals, with the goal of helping them stay open and achieving long-term financial stability. The program is jointly run by the California Health Facilities Financing Authority (CHFFA) and Department of Health Care Access and Information (HCAI). Nearly all funds were awarded to 17 facilities following the program's initial application period.

Not-for-profit or public hospitals in significant financial distress, or a governmental entity representing a closed hospital, were eligible for loans. The loans carry a 72-month term with an initial 18-month payment deferment period. CHFFA will provide loan servicing and ongoing assistance to borrowers.

Formal approval letters were sent to approved borrowers beginning in August 2023 with detailed instructions and a list of required documents. CHFFA can begin the loan execution and disbursement process upon receipt of required documents from the borrower.

Additional loans will be issued in the coming weeks.

For details and additional information, visit: [www.treasurer.ca.gov/chffa/programs/dhlp.asp](http://www.treasurer.ca.gov/chffa/programs/dhlp.asp).

CHFFA, an arm of the State Treasurer's Office and chaired by Ma as state treasurer, also administers the HELP II loan program for small and rural health care facilities. Since 1995, CHFFA has issued 302 loans.

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*Fiona Ma is California's 34th State Treasurer. She was first elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state's history and reelected on November 8, 2022. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Presently, her office processes more than \$3 trillion in banking transactions. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.*

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