



Jan 31, 2023

Senate Committee on Finance and Revenue
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

RE: Testimony in Support of Senate Bill 541

Chair Meek, Vice-Chair Boquist, and Members of the Senate and Finance and Revenue Committee,

Thank you for the opportunity to share support for SB541 on behalf of the American Civil Liberties Union of Oregon (ACLU of Oregon). The ACLU of Oregon is a nonpartisan, nonprofit organization dedicated to preserving and enhancing civil liberties and civil rights, with more than 28,000 members statewide.

The ACLU is committed to raising human rights standards in Oregon and the United States in accordance with foundational protections of international human rights law. The United States—and the state of Oregon—continually fall short of these benchmarks,¹ making SB541 a critical first step to uplifting human rights norms in our governance.

Without legislative guidance like SB541, Oregon has failed to responsibly analyze the human rights implications of several fraught investments. In 2019, the state of Oregon drew international attention because our state's pension fund was the single largest shareholder in NSO, an Israeli spyware company notorious for phone-hacking software Pegasus.²

Pegasus has been wielded against human rights lawyers, political dissidents, and their family members. It is the technology implicated in the targeted killings of Saudi Washington Post journalist Jamal Khashoggi and Mexican investigative journalists Javier Valdez Cárdenas and Cecilio Pineda Birto.³ The surveillance software was detected repeatedly attempting to hack the phone of NYT Beirut Bureau Chief Ben Hubbard⁴ and implicated in the revenge porn leak of

¹ ACLU, "Human Rights Program", <https://www.aclu.org/issues/human-rights>.

² Andrew Selskey, "Official: Oregon lags in socially conscious investing", Associated Press, November 19, 2019, <https://apnews.com/article/9b2c1b851bbd4832923be3bdb8535aa9>.

³ Committee to Protect Journalists, "Widow of slain Mexican journalist Javier Valdez targeted by spyware", March 20, 2019, <https://cpj.org/2019/03/widow-of-slain-mexican-journalist-javier-valdez-ta/>; Nina Lakhani, "Revealed: murdered journalist's number selected by Mexican NSO client", The Guardian, July 18, 2021, <https://www.theguardian.com/news/2021/jul/18/revealed-murdered-journalist-number-selected-mexico-nso-client-cecilio-pineda-birto>.

⁴ Bill Marczak, John Scott-Railton, Siena Anstis, Bahr Abdul Razzak, and Ron Deibert, Breaking the News New York Times Journalist Ben Hubbard Hacked with Pegasus after Reporting on Previous Hacking Attempts, Citizen Lab, October 21, 2021, <https://citizenlab.ca/2021/10/breaking-news-new-york-times-journalist-ben-hubbard-pegasus/>.



Fatima Movlamli, a teenage civil society activist and journalist in Azerbaijan,⁵ among many other such incidents.

Pegasus has been used to silence and suppress an untold number of stories. This spyware has robbed citizens across the globe of news and information that provide the foundation to democracy and civic society.

The Biden administration blacklisted NSO for the company's role in espionage and human rights violations.⁶ Yet Oregon's major investment in the company occurred just as these allegations came to light.⁷

Oregon's investment in NSO is no aberration: Oregon's Public Employee Retirement System (PERS) also invested in GEO Group and CoreCivic, two prison companies running immigrant detention facilities in California, Florida, Texas, and New Mexico despite Oregon's highly publicized status as a sanctuary state.⁸

This is not an abstract issue. Oregon's investments have real and material consequences—investments which have been made in the name of Oregon residents. PERS has made Oregonians complicit in gross violations of human rights and civil liberties around the world.

Oregon's failed oversight on the human rights implications of its investments also failed state employees. In addition to implicating beneficiaries in horrific human rights violations, such scandal-ridden investments made a considerable—and ultimately losing—gamble of pensioner resources.

SB541 provides a simple directive that the Oregon Investment Council *consider* these human rights consequences. This directive will not hold the decisive vote on pensioners' futures but will ensure Oregon moves forward with a more intentional approach in their investment strategy. It would provide Oregonians greater transparency on how these funding decisions are made.

The ACLU of Oregon urges your support of SB541 and asks you to pass it out of committee.

Thank you,

Emily Hawley (She/Her/Hers)

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⁵ Fatima Movlamli, "Azerbaijani Activist", Organized Crime and Corruption Reporting Project, July 18, 2021, <https://www.occrp.org/en/the-pegasus-project/fatima-movlamli-azerbaijani-activist>.

⁶ David E. Sanger, Nicole Perlroth, Ana Swanson and Ronen Bergman, U.S. Blacklists Israeli Firm NSO Group Over Spyware, New York Times, November 3, 2021, <https://www.nytimes.com/2021/11/03/business/nso-group-spyware-blacklist.html>.

⁷ Stephanie Kirchgassner, "Oregon public pension fund gave blessing to NSO Group deal, sources suggest", The Guardian, March 17, 2022, <https://www.theguardian.com/world/2022/jan/17/oregon-public-pension-fund-gave-blessing-to-nso-group-deal-sources-suggest>.

⁸ Selskey, "Official: Oregon lags in socially conscious investing".