

Submitter: Rita Moore
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB681

Thank you for the opportunity to comment in support of SB 681.

I am a retired state employee, former member of AAUP and SEIU, and current PERS recipient. After a lifetime of government service in positions with modest salaries, my financial solvency depends on the pension benefits I earned. With Social Security increasingly under threat, the reliability of PERS becomes even more critical for me and the 400,000 other Oregonians who depend on it to put food on the table.

So SB 681 is personal for me.

The State has a fiduciary responsibility to invest taxpayer money in instruments that are both reliable and socially productive. Private investments are neither. I was shocked to learn that in recent years, they constituted more than 26% of PERS investments.

Notoriously untransparent and minimally regulated, private equity funds are extremely difficult to evaluate for risks and costs, and tend to have high fees and complex structures that erode returns. Indeed, these investments often underperform over time compared to other, more transparent and lower risk investments.

Moreover, private equity firms have for decades been a scourge on the American economy, engaging in forms of “vulture capitalism” that harm workers and communities. By reducing public investments in private equity, governments can promote more sustainable economic growth and protect public funds from being used in ways that may be contrary to the public interest.

Finally, private equity funds invest disproportionately in fossil fuels. Knowing what we know about climate change, it is not only morally indefensible to invest in fossil fuels, it is fiscally irresponsible. Fossil fuels are a dying industry. As renewable energy becomes cheaper and more efficient, energy markets are shifting. Meanwhile, the costs attributable to climate change – costs that will be borne by governments – increase exponentially.

Our Treasury can and should choose sustainable investments that protect the portfolio and the planet – not fossil fuels, not predatory private investment firms, and not companies that greenwash the environmental impact of their activities.

My generation has a lot to answer for. We are already bequeathing future

generations with a planet in crisis. I ask that our pension funds not be used to further exacerbate it.

Please vote the Pause Act out of committee. Thank you for your support of SB 681.

Sincerely,
Rita Moore, PhD
Third Act Oregon
HD 44