
From: Mandi Jackson <mandijackson@globallaborjustice.org>
Sent: Thursday, May 29, 2025 8:07 AM
To: KERSGAARD Jennifer
Subject: Material risk for Oregon's Pension Funds–Nike's Failure to Engage with Workers' Unions in its Supply Chain
Attachments: 25.05.26 OIC Letter from GLJ Re. Nike.pdf; GLJ April 2025 Nike Investor Guidance.pdf

You don't often get email from mandijackson@globallaborjustice.org. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Dear Jennifer,

Please find attached a pdf of a letter submitted at yesterday's meeting by Nike supplier factory workers from Indonesia, Dinar Swandini and Leni Sari, who attended the OIC meeting representing the Asia Floor Wage Alliance.

Also attached is investor guidance prepared by Global Labor Justice in response to questions from other Nike shareholders.

Please feel free to contact me if you have any questions.

Thank you for your time.

Sincerely,
Mandi Jackson

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Mandi Jackson, Ph.D. | she her hers
Strategic Research Director
Director, Capital Market Strategies



Oregon Investment Council

c/o Oregon State Treasury

867 Hawthorne Ave. SE

Salem, OR 97301

May 28, 2025

To: Members of the Oregon Investment Council

From: Global Labor Justice (GLJ)--on behalf of Asia Floor Wage Alliance and 30 unions representing workers in Asian garment factories

Re: Material risk for Oregon's Pension Funds--Nike's Failure to Engage with Workers' Unions in its Supply Chain

Dear Members of the Oregon Investment Council,

We write to call your attention to **Nike's ongoing refusal to meet with labor unions representing workers in its supply chain—a practice that places both workers and investors at risk.**

During the COVID-19 pandemic, Nike canceled and reduced orders, leaving supply chain workers across Asia facing economic devastation. Many are still living with the consequences: lost income, rising debt, and job insecurity. As new risks emerge—such as high tariffs on Asian garment exports—workers urgently need a seat at the table to ensure future crises do not leave them behind again.

Despite these realities, Nike has refused repeated requests from Global Labor Justice (GLJ), Asia Floor Wage Alliance (AFWA), and unions in its supply chain for dialogue. Of seven major brands contacted in 2022 about COVID-era wage theft, Nike was the **only** one that did not respond. In 2023, 20 unions from five countries filed a formal complaint with the U.S. State Department under the OECD Guidelines.

Nike's refusal to engage with labor unions poses a serious material risk to investors. Instead of direct communication with workers' representatives, Nike relies on internal, voluntary tools such as hotlines and audits—mechanisms shown to be ineffective and subject to manipulation, especially in high-risk labor environments. **In Sri Lanka and Cambodia, workers report being unaware of these systems or unable to trust them due to fear of retaliation.**

By failing to engage directly with labor, Nike is not only ignoring core due diligence expectations under the OECD Guidelines—it is also undermining its own claims of responsible sourcing and creating blind spots in its understanding of real-time labor risks. **For institutional investors like the funds overseen by the Oregon Investment Council, this means increased exposure to reputational, operational, and regulatory risk.**

As fiduciaries, you have a responsibility to ensure companies in your portfolio address and remediate human rights harms.

We urge you, as fiduciaries of Oregon’s public pension funds, to take the following steps:

1. **Publicly call on Nike to meet with independent labor unions in its supply chain** to assess, mitigate, and prevent human rights risks;
2. **Insist that Nike comply with the OECD Guidelines**, including by engaging in two-way dialogue with workers’ representatives and remedying harms already done;
3. **Request information from Nike** about its current human rights risk mitigation processes, including:
 - How Nike intends to engage with unions going forward;
 - What policies will be adopted or amended in response to the OECD complaint;
 - Who at Nike is accountable for labor engagement and remediation;
 - How Nike plans to avoid another wave of worker exploitation in the face of future economic shocks.

We commend the OIC for engaging with companies on ESG risks, and for the fund’s vote in support of a 2024 shareholder proposal at Nike regarding worker-driven social responsibility. We encourage you to continue pressing Nike to align its practices with its values—and the values of Oregonians whose retirement funds are invested in the company.

Sincerely,



Mandi Jackson
Director, Capital Market Strategies
Global Labor Justice
mandijackson@globallaborjustice.org

Recommendations for Nike Investor Engagement

April 11, 2025

Summary

Nike should meet with labor unions in Asia who represent workers in its supply chain in order to assess, mitigate, and prevent human rights risks in its supply chain. When Nike cancelled and reduced orders during the COVID-19 pandemic, supply chain workers faced economic devastation, the impacts of which they are still facing today in the form of debt, reduced job security, and lost income. Corporate responses to high tariffs on garment-producing countries in Asia could precipitate the next economic crisis for garment workers unless companies engage with workers in their supply chain about a fair way to share that burden. Nike, which made historic profits during COVID, has refused to engage with workers in its supply chain to develop a strategy for shared risk and profits. The current moment underscores the urgency of Nike's obligation to engage with workers in its supply chain.

Nike stands out in the global garment and footwear industry in its unresponsiveness to labor. Since 2022, Global Labor Justice (GLJ) and Asia Floor Wage Alliance (AFWA) have been working directly with AFWA's affiliate labor unions in Nike's supply chain to engage the company in dialogue to address wage theft during the COVID crisis. Nike has consistently refused to meet with unions in its supply chain or address the issues they've raised. Following AFWA's July 2021 release of [Money Heist: COVID-19 Wage Theft in Global Garment Supply Chains](#), AFWA and GLJ contacted Nike four times (between September and November 2022) sending email communications to multiple staff at Nike's Responsible Supply Chain and Sustainable Manufacturing departments, outlining the severe human rights impacts during COVID and requesting an initial meeting to discuss these issues. Of seven publicly listed companies contacted during this time about these concerns, Nike was the only one that did not respond. This is a pattern that has persisted: while other multinational garment brands regularly engage in both ongoing dialogue and crisis problem solving, Nike consistently refuses.

Nike's refusal to engage with labor unions representing workers who make their products is a serious material issue for investors. When Nike bases its claims of compliance with standards like the OECD *Guidelines on Multinational Enterprises* on unreliable sources like audits or hotlines, it is relying on demonstrably unreliable mechanisms and creating material risk by foreclosing on the opportunity to access real-time information about actual labor risks from workers. Nike's refusal to engage with labor unions in Asia who represent workers in their supply chain to discuss the human rights impacts of their policies and practices is a direct violation of the OECD *Guidelines on Multinational Enterprises* — which expects companies to engage directly in good faith two-way communication with labor in supply chains. Nike's claims of effective human rights due diligence are belied by the fact that it was the only company against which workers had to file a legal complaint — in 2023, at the US State Department National Contact Point for the OECD *Guidelines* — in order for workers to be able to get a response from the

company. Investors have an obligation under the OECD *Guidelines* to track and remediate harms to which they are linked or to which they contribute through their investments. To do this, shareholders must make sure that the companies in which they invest are tracking, addressing, and remediating human rights risks effectively.

We are encouraged by the initiative taken by investors to hold Nike accountable for human rights risks in its supply chain through ongoing engagement and shareholder proposals, and value the opportunity to inform these engagements by sharing information that can help push Nike to take a high road on gender equality and fairness, the values it espouses publicly but has not yet made real for the workers who make its products.

Key facts on Nike's Failure to Engage with Workers in its Supply Chain

- **Nike is not a signatory to the Central Java Agreement** and should not be considered to be contributing to its success. Nike has not responded positively to engagement from Fanatics on the Agreement, and Nike's business with Fanatics is not indicative of any commitment on the part of Nike to the rights of workers in its supply chain. Nike has made no public statement in support of the Agreement.
- **Unions that have members who work in Nike's supply chain report that supplier-operated channels to raise grievances, and the Nike "Speak Up" portal, which Nike describes as being part of its worker engagement, are not effective.** In Sri Lanka and Cambodia, workers had not heard of or used these grievance channels. Similarly, at several Nike factories in Cambodia workers reported that they had never heard of the grievance channels. At another Nike factory in Cambodia, the union reported that the complaint channel is ineffective for several reasons, including that the channel is management controlled. Worker hotlines are insufficient on their own to effectively identify and mitigate labor risks due to fear of retaliation. (See [re:Structure Lab](#) 2022).
- **Nike did not respond to multiple requests for dialogue during 2022 about the COVID-19 pandemic from workers in its supply chain, resulting in an unprecedented Specific Instance against Nike by 20 garment sector unions in 5 countries in 2023.** While unions have engaged in good faith in the Specific Instance process conducted by the US State Department, unions expect that moving forward, Nike will engage them directly through two-way communication on material human rights risks as the OECD *Guidelines* expect. By failing to do so Nike is continuing to harm workers and investors. Workers are asking for dialogue to discuss how in future crises, when companies cut orders to their supply chains, companies do not treat workers like collateral damage but rather that they respect their human rights. The US State Department will make a public statement at the conclusion of the process about whether or not the unions raised genuine issues under the *Guidelines* and make recommendations to Nike.
- **Supply chain workers' demands for payment of wages lost during COVID is an issue that has not yet been addressed – much less resolved – effectively by Nike, which needs to sit down**

with workers to address how future crises will be handled. Recent *de minimis* payments by Nike to workers at the Hong Seng Knitting Factory in Thailand addresses neither the ongoing issues of low pay in Nike's supplier factories nor the full repayment of lost wages to all of the workers impacted by Nike's business decisions during COVID. Workers at Hong Seng continue to advocate for repayment of the full amount owed. Looking forward, workers are expecting to engage in a productive conversation with Nike about how to respect workers' rights in future crises.

Recommended Questions for Investor Engagement

- A [report](#) published by Global Labor Justice and Asia Floor Wage Alliance in 2023 compared human rights impacts of COVID-era wage disruptions for workers in Nike's supply chain after Nike abruptly canceled orders to massive stock buybacks the company paid out to enrich investors, especially the Knight family, during 2020. **What has Nike done to mitigate future human rights harms to workers in the future, especially as tariffs threaten another economic crisis in the industry that could lead to similar business responses and economic devastation for supply chain workers?**
- **Why has Nike refused to meet with labor unions in Asia who represent workers in its supply chain to discuss the human rights impacts of its business practices in India, Indonesia, Sri Lanka, Pakistan, and Cambodia?**
- **When a union representing workers in a supplier factory identifies a pattern of labor rights violations at a Nike supplier and/or an urgent, high risk issue that they are unable to address at the factory level, what is the process for engagement with Nike? Who within Nike's corporate structure is responsible for labor stakeholder engagement and human rights risk mitigation?**
- **Does Nike intend to change any existing policies or introduce any new policies** in response to the OECD complaint filed by 20 unions in Asia representing workers in its supply chain?

For more background information, please contact Mandi Jackson at mandijackson@globallaborjustice.org

From: Molly <mollysirois@gmail.com>
Sent: Monday, August 25, 2025 3:55 PM
To: OIC Public Comments
Subject: Divest of Boeing shares

This email is from a party external to Treasury. Use care with links and attachments.

Dear Members of the OIC;

I am writing to you again on behalf of my friends in Gaza and the West Bank who are being subjected to genocide, ethnic cleansing, and the injustices of the illegal Israeli occupation. As a PERS retiree, I am deeply troubled that my monthly distribution is derived from investments in the apartheid state of Israel and any entities or businesses associated with and/or supporting it.

Boeing has numerous ties to Israel, both commercial and military, with several billions of dollars in reciprocal agreements of investment (see https://www.boeing.com/content/dam/boeing/boeingdotcom/company/key_orgs/boeing-global/pdf/israelbackgrounder.pdf). Boeing has been and continues to be a major supplier of weapons and military aircraft to Israel despite its ongoing violations of international humanitarian law. In June of 2025, the Defense Security Cooperation Agency announced that Boeing would be the principal contractor for a proposed sale to Israel of Joint Direct Attack Munitions guidance kits used on bombs (<https://www.dsca.mil/Press-Media/Major-Arms-Sales/Article-Display/Article/4230375/israel-munitions-guidance-kits-and-munitions-support>).

OPERF has 96,157 shares in Boeing with a market value of \$17,501,536. I do not want my earnings invested in a company that manufactures any products used for killing and destruction. Can you imagine financially benefiting off of an investment in a company that is making the very weapons being used to kill your friends?

On behalf of my Palestinian friends and all of humanity, I implore you to divest OPERF of its holdings in Boeing.

Sincerely,
Molly Sirois

From: Nancy Bray <braynj@gmail.com>
Sent: Tuesday, August 26, 2025 9:02 AM
To: OIC Public Comments
Subject: Public comment: Divest from Boeing

You don't often get email from braynj@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Members of OIC:

I am a PERS retiree, with 32 years as a public school teacher. I am opposed to my earnings being invested in companies manufacturing products that cause harm. Boeing has been and continues to be a major supplier of weapons and military aircraft to Israel, contributing to the death and destruction currently taking place in Gaza. As of June 2024, OPERF public equity holdings in Boeing were 96,157 shares with a market value of \$17,501,536. I am asking you to divest OPERF from any and all holdings in Boeing immediately.

Sincerely,
Nancy Bray

July 7, 2025

Members of the OIC,

I am a PERS retiree; I retired after 32 years as an educator. I am opposed to my earnings being invested in companies manufacturing products that cause harm.

General Dynamics manufactures the MK 84 2000 lb bomb provided to the Israeli military in the tens of thousands and used to cause devastation and death in Gaza. OPERF has 41,070 shares in General Dynamics valued at \$11,916,050. According to a Defense Security Cooperation Agency document dated February, 2025, the Government of Israel requested to buy an additional thirty-five thousand five hundred twenty-nine (35,529) MK 84 or BLU-117 General Purpose (GP) bomb bodies, or a combination of both; and four thousand (4,000) I-2000 Penetrator warheads. General Dynamics is listed as the prime contractor.

To stop further harm to the people in Gaza, please immediately divest from any and all holdings in General Dynamics.

Sincerely,

Nancy Bray

From: Grady Fleming <noreply@adv.actionnetwork.org>
Sent: Friday, August 15, 2025 2:18 PM
To: OIC Public Comments
Subject: Do Not Reinvest in AID Israel

This email is from a party external to Treasury. Use care with links and attachments.

Oregon Investment Council,

Dear members of the Oregon Investment Council,

On April 26, \$30.5 million in the Oregon Treasury's Short-Term Fund will mature. I urge you not to reinvest these public funds in the bondholder listed as AID Israel, a U.S. Agency for International Development program that guarantees loans to the Israeli state.

The International Court of Justice has found "plausible" evidence that Israel is committing genocide in Gaza. Despite the Court's provisional measures to halt the violence, Israel has refused to comply. More than 32,000 Palestinians — most of them women and children — have been killed through indiscriminate bombing, tank fire, and sniper attacks. Thousands more are still buried under the rubble of destroyed homes, with 80% of Gaza's housing stock reduced to ruins.

Oregon Senator Jeff Merkley has reported that Israel routinely turns away humanitarian aid trucks for trivial reasons. The World Court has unanimously recognized that Israel is failing to provide adequate aid to Gaza and has ordered further measures.

The U.S. Congressional Research Service confirms that AID loan guarantees are fungible, freeing Israeli funds for military operations. This is why members of the U.S. Senate have called for investigations into whether U.S. aid to Israel violates the Leahy amendment, which prohibits funding entities engaged in gross human rights abuses.

Amnesty International, Human Rights Watch, and other respected organizations have found Israel to be practicing apartheid. Reinvesting in AID Israel under these circumstances would make Oregon complicit in both genocide and apartheid.

Public funds must never be used to support human rights violations. I urge you to reject any reinvestment in AID Israel or other financial instruments that benefit the Israeli state.

Grady Fleming

gradydflem@gmail.com

[REDACTED]

[REDACTED]

From: Emily Toney <noreply@adv.actionnetwork.org>
Sent: Friday, August 15, 2025 12:24 PM
To: OIC Public Comments
Subject: Do Not Reinvest in AID Israel

This email is from a party external to Treasury. Use care with links and attachments.

Oregon Investment Council,

Dear members of the Oregon Investment Council,

On April 26 a U.S. government bond held in the Oregon Treasury's Short-Term Fund in the amount of \$30.5 million will be maturing. I am writing to urge you not to reinvest this money in the bond holder listed as AID Israel. AID is an abbreviation for the U.S. Agency for International Development, and the bond is used to guarantee loans for the state of Israel.

I am especially concerned because the International Court of Justice, also known as the World Court, recently found "plausible" evidence that Israel is currently carrying out a genocide in Gaza. The Court issued a number of provisional measures designed to halt this genocide, but Israel has systematically ignored the Court's mandate.

At this writing, Israel's "indiscriminate" bombing of Gaza, a description used by U.S. President Joe Biden, along with drone, tank, artillery and sniper attacks have killed more than 32,000 Palestinians in Gaza, who were overwhelmingly civilians and mostly women and children. Other reports by respected humanitarian organizations and United Nations agencies say that another 7,000 people reported as missing are likely buried under the rubble of Gaza's buildings where 80 percent of the housing stock has been destroyed.

Oregon's U.S. Senator Jeff Merkley traveled to Gaza and reported that Israel routinely rejected and turned away aid trucks for trivial reasons. Last week the World Court noted in a unanimous finding that Israel had failed to provide Gaza with sufficient humanitarian aid and ordered further measures.

A recent study issued by the U.S. Congressional Research Service makes clear that loan guarantees provided to Israel by AID are in effect "fungible" and give Israel the ability to budget other funds for munitions used to carry out the genocide. The study noted that at least 10 U.S. senators have demanded that the State Department investigate whether Israel's use

of U.S. aid has violated the Leahy amendment to the Foreign Assistance Act, which prohibits the use of U.S funding for ongoing human rights violations.

For all of these reasons, and because four leading human rights organizations, including Amnesty International and Human Rights Watch, have found that Israel is an apartheid state, I urge you to formally notify the Oregon Treasury that it would be complicit in genocide and apartheid if it reinvests the maturing bond in AID Israel or any other financial instrument that benefits the state of Israel.

Emily Toney

22mortal-squeals@icloud.com

[REDACTED]

[REDACTED]

From: Laurie Doscher <doscherlaurie@gmail.com>
Sent: Friday, August 15, 2025 9:06 AM
To: OIC Public Comments
Subject: Protect public employee retirement funds from Trump Media

You don't often get email from doscherlaurie@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

I am writing to urge immediate action to protect public employee retirement funds from Trump Media & Technology Group (Truth Social's parent company).

Trump Media joined the Russell 3000 Index in June 2024, millions of teachers, firefighters, and public employees became involuntary investors in a company that lost \$401 million on just \$3.6 million in revenue. The company's own auditors have issued "going concern" warnings about its ability to even survive.

Public pension funds should not be forced to subsidize any politician's failing business ventures. I urge you to implement policies that exclude companies with bankruptcy warnings and politically exposed ownership from pension investments.

Please make sure our pension funds are not involved with this.

Thank you for your work.

Sincerely,

doscherlaurie@gmail.com

[REDACTED]

[REDACTED]

From: Joseph Niederriter <noreply@adv.actionnetwork.org>
Sent: Friday, August 15, 2025 8:35 AM
To: OIC Public Comments
Subject: Do Not Reinvest in AID Israel

This email is from a party external to Treasury. Use care with links and attachments.

Oregon Investment Council,

Dear members of the Oregon Investment Council,

On April 26 a U.S. government bond held in the Oregon Treasury's Short-Term Fund in the amount of \$30.5 million will be maturing. I am writing to urge you not to reinvest this money in the bond holder listed as AID Israel. AID is an abbreviation for the U.S. Agency for International Development, and the bond is used to guarantee loans for the state of Israel.

I am especially concerned because the International Court of Justice, also known as the World Court, recently found "plausible" evidence that Israel is currently carrying out a genocide in Gaza. The Court issued a number of provisional measures designed to halt this genocide, but Israel has systematically ignored the Court's mandate.

At this writing, Israel's "indiscriminate" bombing of Gaza, a description used by U.S. President Joe Biden, along with drone, tank, artillery and sniper attacks have killed more than 32,000 Palestinians in Gaza, who were overwhelmingly civilians and mostly women and children. Other reports by respected humanitarian organizations and United Nations agencies say that another 7,000 people reported as missing are likely buried under the rubble of Gaza's buildings where 80 percent of the housing stock has been destroyed.

Oregon's U.S. Senator Jeff Merkley traveled to Gaza and reported that Israel routinely rejected and turned away aid trucks for trivial reasons. Last week the World Court noted in a unanimous finding that Israel had failed to provide Gaza with sufficient humanitarian aid and ordered further measures.

A recent study issued by the U.S. Congressional Research Service makes clear that loan guarantees provided to Israel by AID are in effect "fungible" and give Israel the ability to budget other funds for munitions used to carry out the genocide. The study noted that at least 10 U.S. senators have demanded that the State Department investigate whether Israel's use

of U.S. aid has violated the Leahy amendment to the Foreign Assistance Act, which prohibits the use of U.S funding for ongoing human rights violations.

For all of these reasons, and because four leading human rights organizations, including Amnesty International and Human Rights Watch, have found that Israel is an apartheid state, I urge you to formally notify the Oregon Treasury that it would be complicit in genocide and apartheid if it reinvests the maturing bond in AID Israel or any other financial instrument that benefits the state of Israel.

Joseph Niederriter
niederriterjoseph@gmail.com

[REDACTED]

[REDACTED]

From: Chuck Kalnbach <ckalnbach@gmail.com>
Sent: Tuesday, August 5, 2025 9:49 AM
To: OIC Public Comments
Subject: Private Equity and Oregon Retirement Fund investments

You don't often get email from ckalnbach@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Good morning, In light of the possible Trump Administration Executive Order allowing Private Equity firms access to 401k funds, what is the Oregon Investment Council doing to ensure that NO Private Equity gets access to the Oregon Public Employees retirement fund (or that the funds which you oversee do not invest any money with Private Equity firms)?

Private Equity has a record of laying off middle income earners when they take over companies and that would mean that middle income earners with 401k's or part of the Oregon Public Employees Retirement are trying to make money off other people's layoffs. The costs for investing with private equity are not in the interests of investors and the returns are dubious at best.

Read "Bad Company: Private Equity and the Death of the American Dream" by Megan Greenwell or listen to The Lever podcast about private equity and 401ks (<https://www.levernews.com/your-401-k-is-billionaires-next-bailout-scheme/>) and you will see that it's not in the best interest of Oregon residents to have their money taken by Private Equity owners.

Thank you.

Chuck Kalnbach

Eugene

From: Susan Haywood <susansaphone2@yahoo.com>
Sent: Wednesday, July 3, 2024 5:12 PM
To: OIC Public Comments
Subject: DIVEST OREGON and Reinvest in a Fossil Free Future

[You don't often get email from susansaphone2@yahoo.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

This email is from a party external to Treasury. Use care with links and attachments.

To OIC and OST:

I just read that there has been a 25% increase in fossil fuel investment in PERS between 6-21 and 6-22, and that there has been increasing investment in 2023.

I am appalled. We are at risk from two existential crises: climate and biological diversity. The climate crisis is feeding the crisis of biological diversity. It is URGENT that we act on divestment now; the net zero goal of divestment by 2050 is more than 20 years too late.

The IPCC's 2022 Assessment Report has urged climate action NOW. Here in Portland we have experienced heat domes/waves, wildfires/deforestation, and drought. Recent warming has caused more ice to melt, and the ocean currents are at risk right now,.

There is no time to wait for divestment from the point of view of financial health, either. OST's 2022 Climate Risk Model states that publicly-traded fossil fuel investments will reduce OPERF returns MORE THAN divesting and reinvesting would do.

Let's have transparency and get started on divestment. There should be an immediate moratorium on all public/private fossil fuel investment.

There should be a divestment goal on OST's publicly-traded carbon intensive fossil fuel investments with a divestment goal of 2-24.

There should be a divestment goal on OST's private fossil fuel fund contracts with a divestment goal of 2-25.

We MUST commit to remove all carbon intensive fossil fuel funding by 2030.

There must be TRANSPARENCY on actual progress toward these goals by detailed reports being made to the OIC and the public.

Oregon has great natural resources, and I have invested my life's savings here. I have started a business, rebuilt a historic building, and developed two backyard habitat gardens. But the drought, heat domes, and forest fires have made it less comfortable to live here in the last few years.

Let's do everything we can to fight back against the crises we are all facing. And that means dumping fossil fuels.

Thank you,

Susan Haywood



From: Susan Palmiter <spalmiter@gmail.com>
Sent: Tuesday, July 15, 2025 2:33 PM
To: Cara Samples; Pia Wilson-Body; Lorraine Arvin; elizabeth@elizabethfororegon.com; Alline Akintore; OIC Kevin Olineck
Cc: ACKERMAN-MUNSON Sybil; KIM Rex; MAHON Ben; OIC Public Comments; jschramm@divestoregon.org
Subject: Next steps with HB 2081 - the Climate Resilience Investment Act

This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC Members and OST Leadership,

The Treasurer's "Climate Resilience Investment Act", [HB 2081](#), signed into law on June 26th and effective in September:

- Is a step towards implementation of Treasurer Steiner's campaign promise of enacting the net zero plan promulgated by Treasurer Read and "studying whether we can responsibly accelerate this timeline" [the plan's decarbonization goal of 50% by 2035 and net zero by 2050], [Elizabeth for Oregon](#).
- Ensures "future treasurers can't back down from the plan" ([Oregon Capital Chronicle](#), 6/16/2025).
- Is the first such legislation in the nation.
- Was supported by all major Oregon labor unions.

Specifically, the act:

- Requires the Treasury to:
 - Actively analyze and manage the risks of climate change to the Public Employees Retirement Fund;
 - Analyze how the integration of climate change analysis will help to achieve overall portfolio return objectives;
 - Pursue the goal of reducing the carbon intensity of the fund through a preference for investments that reduce net greenhouse gas emissions in order to participate in the energy transition;
 - Report biennially to the legislature on:
 - Progress toward carbon intensity investment goals;
 - Advancements in investing in public equity holdings aligned with a just transition;
 - Incorporation of new methodologies and advancements in measuring progress, acknowledging the evolving nature of carbon intensity metrics.
- Requires the State to indemnify the OIC, the Treasurer, and OST employees from all claims and damages incurred pursuant to this section.

For our take on the legislation, see [Divest Oregon's analysis](#).

The legislature has acted. Now it is up to the OIC and OST to follow its directive, make good on Treasurer Steiner's commitment to enact a net zero plan, and make that plan realistic in light of the accelerating climate risk to the Treasury portfolio.

The public expects to hear about progress on the implementation of HB 2081 to know that the Treasury is on track to meet its legal obligations. Can we look forward to progress updates in each of the upcoming OIC meetings?

Thank you for your service.

Sue and Jenifer
Co-leads, Divest Oregon

From: Amanda Silacci <asilacci@gmail.com>
Sent: Wednesday, July 9, 2025 10:13 AM
To: OIC Public Comments
Subject: Divestment

You don't often get email from asilacci@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

As a PERS member, I am opposed to my earnings being invested in companies manufacturing products that cause harm. General Dynamics makes such products. I am asking you to divest OPERF from any and all holdings in General Dynamics immediately.

Sincerely,
Amanda Silacci

From: Gail Sanford <madreiya@gmail.com>
Sent: Tuesday, July 8, 2025 7:37 PM
To: OIC Public Comments
Subject: PERS investments

You don't often get email from madreiya@gmail.com. [Learn why this is important](#)


This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC,

I have learned that PERS has investments with General Dynamics, which manufactures bombs given to Israel and used in the horrifying war against Gazans. I don't want to receive pension funds that come in part from war efforts.

Please get rid of those investments immediately.

Thank you,

Gail M Sanford


My info:

"General Dynamics, which has manufactured the MK 84 2000 lb bomb provided to the Israeli military in the tens of thousands. <https://www.reuters.com/world/us-has-sent-israel-thousands-2000-pound-bombs-since-oct-7-2024-06-28/> OPERF has 41,070 shares valuing \$11,916,050 (as listed in OPERF Pubic Equity Holdings published 12/2024.)

According to a Defense Security Cooperation Agency document dated February 2025, the Government of Israel requested to buy an additional thirty-five thousand five hundred twenty-nine (35,529) MK 84 or BLU-117 General Purpose (GP) bomb bodies, or a combination of both; and four thousand (4,000) I-2000 Penetrator warheads. <https://www.dsca.mil/Press-Media/Major-Arms-Sales/Article-Display/Article/4088258/israel-munitions-and-munitions-support> General Dynamics is listed as the prime contractor."

From: Juliet <overallenthusiasm@gmail.com>
Sent: Tuesday, July 8, 2025 4:03 PM
To: OIC Public Comments

You don't often get email from overallenthusiasm@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Members of the OIC,

As a PERS member I am opposed to my earnings being invested in companies manufacturing products that cause death and genocide. General Dynamics makes such products. I am asking you to divest OPERF from any and all holdings in General Dynamics immediately.

I am also opposed to companies that pollute the earth with AI data centers. AI also has every appearance of a bubble that will burst soon so I also consider it a mismanagement of our retirement funds to continue investing in it. I am uncertain if OPERF currently invests in any AI companies or data centers but i strongly ask you to divest from them if they are.

Juliet Sutton

From: Edel Davenport <edaven@uoregon.edu>
Sent: Monday, July 7, 2025 8:57 PM
To: OIC Public Comments
Subject: Subject: Divestment from General Dynamics Corporation

You don't often get email from edaven@uoregon.edu. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC Members,

As a former mental health professional and PERS retiree, I urge you to divest OPERF from any company, such as General Dynamics Corporation, that manufactures weapons or products potentially used to kill people, destroy countries and respective cultures.

I am horrified to think that some of my earnings are used in this way and that as a PERS member, I may have inadvertently, contributed/ contribute to the physical, mental, emotional pain and death of so many.

Thank you for your consideration,

Edel Davenport

From: WENDY SCHWALL <schwall9123@comcast.net>
Sent: Monday, July 7, 2025 1:15 PM
To: OIC Public Comments
Subject: Divestment

You don't often get email from schwall9123@comcast.net. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Members of OIC,

This is a post script to the letter I just sent you. Bombs and weapons made by General Dynamics Corporation, of course not only kill fellow human beings, but also destroy homes, hospitals, schools, etc.

Thank you for listening and divesting from companies that cause harm in the world.

Sincerely,

Wendy Schwall

From: WENDY SCHWALL <schwall9123@comcast.net>
Sent: Monday, July 7, 2025 1:05 PM
To: OIC Public Comments
Subject: Divestment from General Dynamics Corporation

You don't often get email from schwall9123@comcast.net. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC Members,

I am a PERS member/Retiree, once a first and second grade teacher. I was shocked and appalled to learn that my earnings are being invested in companies such as General Dynamics Corporation, which manufacture bombs and other weapons which cause great harm. This corporation has been the main supplier of bombs (many thousands of them) to the Israeli military, used to bomb and kill thousands of people, including many, many children. Please, I urge you to divest OPERF funds from any company or corporation that manufactures products that cause harm.

The thought that my earnings are being used to basically kill children is deeply disturbing to my heart and conscience.

Thank you,

Sincerely,

Wendy Schwall

From: cynthia gilliam <gilliam1950@gmail.com>
Sent: Monday, July 7, 2025 12:10 PM
To: OIC Public Comments
Subject: Divest from General Dynamics

You don't often get email from gilliam1950@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

As a PERS retiree, I count on my pension every month to cover my living expenses. I am concerned that my PERS investment includes support for weapons and military arms. Please divest from General Dynamics, which has manufactured the MK 84 2000 lb bomb provided to the Israeli military in the tens of thousands. I understand that you invest in the highest yield funds, but please consider other costs when you decide to invest in weaponry.. Lives are lost because we support General Dynamics.

Cynthia Gilliam



From: Molly <mollysirois@gmail.com>
Sent: Monday, July 7, 2025 9:20 AM
To: OIC Public Comments
Subject: Divest from General Dynamics

This email is from a party external to Treasury. Use care with links and attachments.

Dear Members of the Oregon Investment Council;

I have friends in Gaza. As such, I am getting a day by day account of the horrors being inflicted upon the people of Gaza by the Israeli military supported by the US government. Through OPERF holdings, we PERS members and retirees are financing the manufacturing and delivery of arms to Israel being used to kill innocent people.

We are calling on you, the OIC, to divest from General Dynamics, which has manufactured the MK 84 2000 lb bomb provided to the Israeli military in the tens of thousands. <https://www.reuters.com/world/us-has-sent-israel-thousands-2000-pound-bombs-since-oct-7-2024-06-28/> OPERF has 41,070 shares valuing \$11,916,050 (as listed in OPERF Public Equity Holdings published 12/2024.)

According to a Defense Security Cooperation Agency document dated February 2025, the Government of Israel requested to buy an additional thirty-five thousand five hundred twenty-nine (35,529) MK 84 or BLU-117 General Purpose (GP) bomb bodies, or a combination of both; and four thousand (4,000) I-2000 Penetrator warheads.

<https://www.dsca.mil/Press-Media/Major-Arms-Sales/Article-Display/Article/4088258/israel-munitions-and-munitions-support> General Dynamics is listed as the prime contractor.

Please take immediate action to divest any and all holdings in General Dynamics. I am certain that this Council has the collective skills and experience to find a way to re-invest the sum of those shares in securities that are not causing harm.

Thank you.

Molly Sirois
PERS retiree
1-side.com

From: Terrie Minner <tmaryminner@gmail.com>
Sent: Monday, July 7, 2025 8:54 AM
To: OIC Public Comments
Subject: Divest in companies that cause harm

You don't often get email from tmaryminner@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Members of the OIC,

As a PERS member and retiree, I am strongly opposed to my earnings being invested in companies manufacturing products that cause harm. General Dynamics makes such products. I am asking you to immediately divest OPERF from any and all holdings in General Dynamics immediately.

Sincerely,
Terrie Minner

From: Amy Zlot <amy_zlot@yahoo.com>
Sent: Monday, July 7, 2025 8:24 AM
To: OIC Public Comments
Subject: Divest in General Dynamics

You don't often get email from amy_zlot@yahoo.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Dear Members of the Oregon Investment Council,

As a member of the Public Employees Retirement System (PERS), I am writing to express my strong opposition to the continued investment of my retirement funds in companies that manufacture products which cause harm to human life and well-being.

General Dynamics is a major defense contractor that profits from the production and sale of weapons and military technologies. These products contribute to violence and suffering around the world, and I do not believe they align with the values of ethical investment or social responsibility that our state should uphold.

I urge you to take immediate action to divest the Oregon Public Employees Retirement Fund (OPERF) from all holdings in General Dynamics. Our retirement investments should reflect our shared values of peace, safety, and the promotion of human dignity—not profit from destruction.

Thank you for your attention to this urgent matter. I hope you will take this opportunity to demonstrate leadership by aligning Oregon's investments with its commitment to ethical and responsible stewardship.

Sincerely,
Amy Zlot ([REDACTED])

From: Mauria McClay <noreply@adv.actionnetwork.org>
Sent: Friday, June 27, 2025 11:13 AM
To: OIC Public Comments
Subject: Do Not Reinvest in AID Israel

This email is from a party external to Treasury. Use care with links and attachments.

Oregon Investment Council,

Dear members of the Oregon Investment Council,

On April 26 a U.S. government bond held in the Oregon Treasury's Short-Term Fund in the amount of \$30.5 million will be maturing. I am writing to urge you not to reinvest this money in the bond holder listed as AID Israel. AID is an abbreviation for the U.S. Agency for International Development, and the bond is used to guarantee loans for the state of Israel.

I am especially concerned because the International Court of Justice, also known as the World Court, recently found "plausible" evidence that Israel is currently carrying out a genocide in Gaza. The Court issued a number of provisional measures designed to halt this genocide, but Israel has systematically ignored the Court's mandate.

At this writing, Israel's "indiscriminate" bombing of Gaza, a description used by U.S. President Joe Biden, along with drone, tank, artillery and sniper attacks have killed more than 32,000 Palestinians in Gaza, who were overwhelmingly civilians and mostly women and children. Other reports by respected humanitarian organizations and United Nations agencies say that another 7,000 people reported as missing are likely buried under the rubble of Gaza's buildings where 80 percent of the housing stock has been destroyed.

Oregon's U.S. Senator Jeff Merkley traveled to Gaza and reported that Israel routinely rejected and turned away aid trucks for trivial reasons. Last week the World Court noted in a unanimous finding that Israel had failed to provide Gaza with sufficient humanitarian aid and ordered further measures.

A recent study issued by the U.S. Congressional Research Service makes clear that loan guarantees provided to Israel by AID are in effect "fungible" and give Israel the ability to budget other funds for munitions used to carry out the genocide. The study noted that at least 10 U.S. senators have demanded that the State Department investigate whether Israel's use

of U.S. aid has violated the Leahy amendment to the Foreign Assistance Act, which prohibits the use of U.S funding for ongoing human rights violations.

For all of these reasons, and because four leading human rights organizations, including Amnesty International and Human Rights Watch, have found that Israel is an apartheid state, I urge you to formally notify the Oregon Treasury that it would be complicit in genocide and apartheid if it reinvests the maturing bond in AID Israel or any other financial instrument that benefits the state of Israel.

Mauria McClay

mauria_rhys@yahoo.com

[REDACTED]

[REDACTED]

From: Susan Palmiter <spalmiter@gmail.com>
Sent: Tuesday, June 17, 2025 8:24 AM
To: Cara Samples; Alline Akintore; Pia Wilson-Body; Lorraine Arvin; STEINER Elizabeth; OIC Kevin Olineck; Marlowe Steven
Cc: KIM Rex; MAHON Ben; OIC Public Comments; jschramm@divestoregon.org; ACKERMAN-MUNSON Sybil
Subject: Now is the time...

This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC Members and OST Leadership,

Now would be a good time to calendar a conversation with New York City Comptroller Brad Lander (after the mayoral primary June 24!). He recently announced [new climate standards](#) for pension fund asset managers, including clear net-zero goals that decrease their scope 1, 2, and 3 emissions. Asset managers have until June 30 to submit their climate strategies to the city. Asset managers will have to show the city that their investments align with New York's climate goals, or they could risk losing the pension funds' business. (See [NYC pension funds want asset managers like BlackRock to have legitimate net-zero plans—or lose their business](#), *Fast Company*, 6/3/2025.)

The NYC Comptroller staff's work on standards for pension fund managers, as well as on a net zero plan that includes reducing scope 3 emissions and limiting private investments in fossil fuels, can augment the capacity of OST's smaller staff, and provide a model as you bring additional staff on board.

And it is always a good time to assess the dominance, and poor returns, of private investment in the PERS portfolio as seen in the following graph from the recent *Financial Times* report, especially the deleterious investments in fossil fuels. (See [Private market funds lag US stocks over short and long term](#), *Financial Times*, 6/10/2025, no paywall)

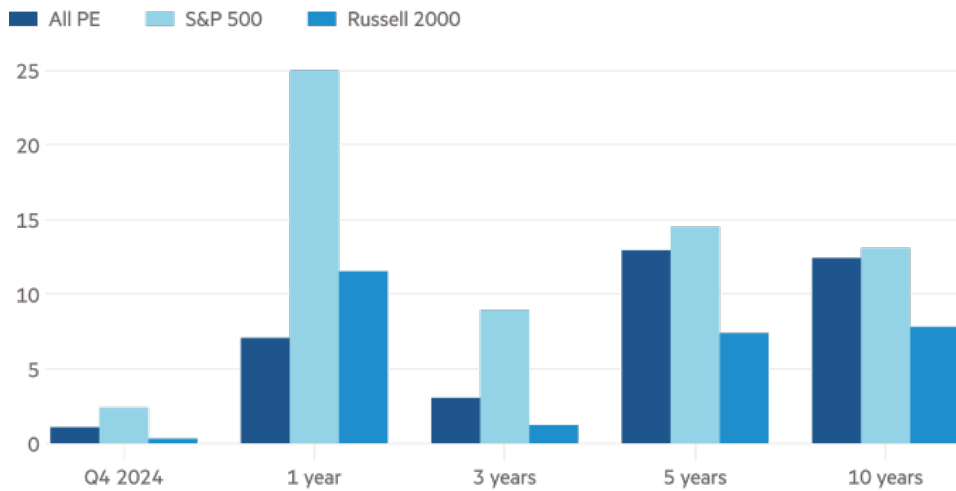
An important note from the article (our emphasis):

The data, which measures private funds **based on actual cash flows and does not depend on voluntary reporting**, comes after a number of years in which the global buyout industry has struggled to purchase and sell companies.

Divest Oregon asks that the Oregon Treasury provide to the public what returns private investments are making (in all private asset classes) based on **ACTUAL cash flows** instead of the voluntary reporting received from fund managers. If State Street can do it, you certainly can too!

The S&P 500 outperformed the State Street private markets index on all time horizons

Data as of Q4 2024



Sources: State Street Global Markets, DataStream

Full steam ahead on an outdated, private investment focus needs to be re-evaluated. These long term, illiquid assets will lock in poor returns and emissions for decades and decades to come.

Thank you for your consideration and your service.

Jenifer and Sue
Co-leads Divest Oregon

From: MaureenSilverman@everyactioncustom.com on behalf of Maureen Silverman
<MaureenSilverman@everyactioncustom.com>
Sent: Saturday, June 7, 2025 8:02 AM
To: OIC Public Comments
Subject: Public Comment to OIC: Divest from Israeli Spyware Firm NSO Group

[You don't often get email from maureensilverman@everyactioncustom.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

This email is from a party external to Treasury. Use care with links and attachments.

Dear Public Comment,

As Oregon taxpayers, many of whom are union members and beneficiaries in the public employee retirement system, we are writing to express our strong objection to the Oregon public pension fund's investment in Novalpina Capital Fund 1, now managed by Berkeley Research Group, the current managers of the private equity firm that owns a majority stake in NSO Group. Last year, the Oregon Education Association, the Oregon AFL-CIO, and Oregon AFSCME all approved a resolution to advocate for state divestment from NSO Group, the company that created Pegasus spyware. As has been widely reported, NSO Group provides surveillance technology to authoritarian regimes, enabling grave human rights abuses. Additionally, NSO group, an Israeli company, is currently assisting in facilitating genocide against Palestinian civilians in Gaza, reportedly being used by the Israeli military to surveill and then kill Palestinians.

Oregon's investment in the Berkeley Research Group is highly unethical and is endangering state employee pensions by investing in long-term risky spyware. Israel's credit rating has been downgraded by Moody's, and it is financially irresponsible to invest pension funds in an Israeli company that is directly contributing to this turmoil.

We ask that the Oregon Investment Council take the following actions:

1. Immediately divest state pension funds from Berkeley Research Group, ending our state's partnership with the firm, and, by extension, NSO Group.
2. Implement a human rights screening for all future state investments, and especially for the public employee pension fund.

A partnership between Oregon and NSO Group should have never existed to begin with, and we demand that the Oregon State Treasury and Oregon Investment Council address this issue immediately. This is not only an argument about ethical investment, but a demand to stop taking this massive financial risk with our investments. Thank you for your attention.

Sincerely,
Miss Maureen Silverman


MaureenSilverman@gmail.com

From: Nancy Hedrick <nanhedrick2@hotmail.com>
Sent: Wednesday, August 27, 2025 12:58 PM
To: Gail Sanford; OIC Public Comments
Subject: Re: Divest from Israel investments

You don't often get email from nanhedrick2@hotmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Gail, and others: My friend Peter got a letter in the Willamette Week re private equity and OIC and entanglement with Israel-Palestine issue. It is the 2nd letter on page of the link below:

<https://www.wweek.com/news/dialogue/2025/08/25/readers-respond-to-pool-halls-and-poor-investments/>

From: qpín-multnomah@googlegroups.com <qpín-multnomah@googlegroups.com> on behalf of Gail Sanford <madreiya@gmail.com>
Sent: Tuesday, August 26, 2025 8:43 PM
To: OIC.PublicComments@ost.state.or.us <OIC.PublicComments@ost.state.or.us>
Subject: Divest from Israel investments

Dear Members of our OIC,

As a PERS /retiree, I am concerned about OPERF investments that support Israel in its horrific war against Gaza and the West Bank. It is my understanding that OPERF is invested in Boeing with 96,157 shares with a market value of about \$17,501,536. Many of Boeing's products cause great harm.

Please direct the Treasury to divest holdings in Boeing immediately.

Thank you for your consideration,

Gail M Sanford



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You received this message because you are subscribed to the Google Groups "Qpin-Multnomah" group. To unsubscribe from this group and stop receiving emails from it, send an email to qpín-multnomah+unsubscribe@googlegroups.com.

To view this discussion visit <https://groups.google.com/d/msgid/qpín-multnomah/6893B4B8-8E9F-4F7B-8018-CF29B6A30123%40gmail.com>.

From: Anne Emmett <adtemmett55@gmail.com>
Sent: Wednesday, August 27, 2025 11:50 AM
To: OIC Public Comments
Subject: OPERF investments

You don't often get email from adtemmett55@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Hello, my name is Anne Emmett and I am a PERS retiree who is strongly opposed to OPERG investments that cause harm, including any investments in Israel or corporations that are involved in the starvation, occupation and genocide of the Palestinian people or any human anywhere. I do not want my investments to contribute to harm to the environment, to weapons of war or the oppression of others. Thank you. Anne Emmett

Anne Emmett
Portland, Oregon. 97211

From: Molly <mollysirois@gmail.com>
Sent: Wednesday, August 27, 2025 10:41 AM
To: OIC Public Comments
Cc: annetteon50th@gmail.com
Subject: Fwd: Divestment

This email is from a party external to Treasury. Use care with links and attachments.

Begin forwarded message:

From: annette carter <annetteon50th@gmail.com>
Subject: Divestment
Date: 27 August 2025 at 7:37:54 AM GMT-7
To: mollysirois@gmail.com

I am a member of PERS and urgently request that PERS divest from Israeli companies and institutions that are involved in causing genocide famine and harmful activities in Gaza.

Annette Carter

From: spalmiter@divestoregon.org
Sent: Wednesday, August 27, 2025 9:25 AM
To: OIC Public Comments
Subject: For the Sept 3 OIC meeting. Thank you.

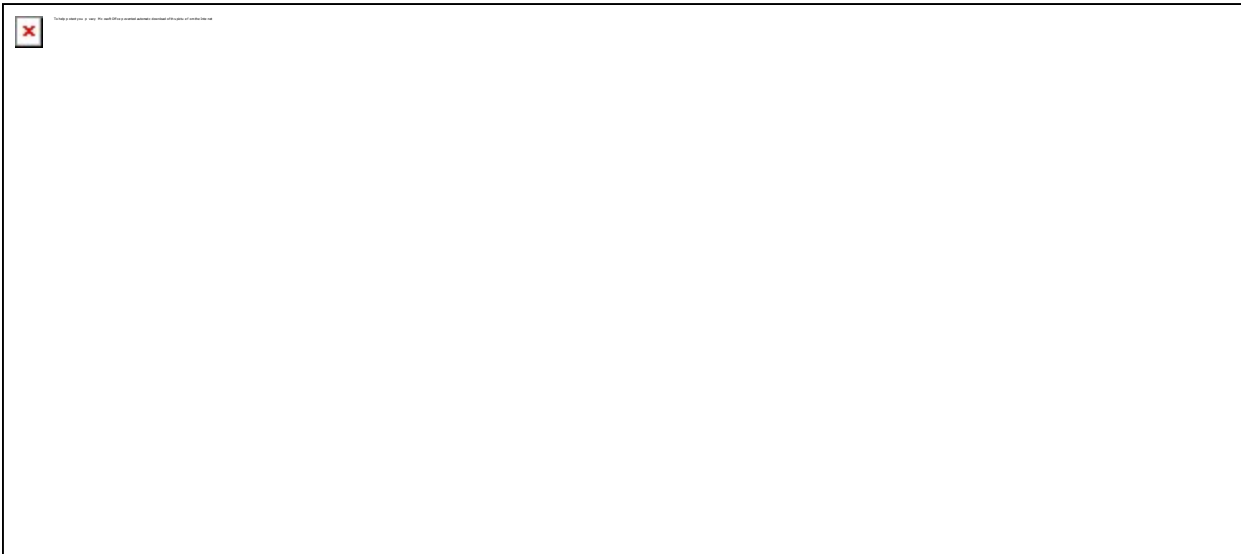
This email is from a party external to Treasury. Use care with links and attachments.
September 3 2025 OIC Testimony

Chair Samples, Treasurer Steiner, members of the council -

My name is Sue Palmiter, co-lead of the Divest Oregon coalition.

My message focuses on risk. As we have emphasized, climate risk is financial risk - as the Treasurer has also told the media and legislative committees. Much of the climate risk and financial risk to the PERS portfolio is in your private investments. Thus, our concern about private investments.

Should a responsible public pension fund invest a quarter of its assets into an asset class that generates almost half of all financial risk to the portfolio? That's what was [reported to the OIC](#) by your risk analyst in March 2025 for private equity (p.102).



Should a responsible public pension fund invest around 55% of its assets in opaque private investments with no public oversight?

Public Plans Data, an independent academic and professional consortium, [reports that](#) in 2024, public pensions averaged about half the amount of private equity than PERS- 13.7% - and about half the amount of total private investments - 30-33%.

A [2024 survey](#) of 50 top pension executives found that most thought a 20-40% allocation to private assets was reasonable—while **none thought more than 50% was reasonable**.

OPERF is completely out of step with its peers.

Fortunately, the Treasury Net Zero Plan has as a major goal to **stop new private investments in fossil fuels**. Yet, more investments are being made in the Real Assets asset class - where an outweighed part of emissions intensity comes from.

And this asset class is **also** over allocated. It [comprises 10.5% of OPERF](#), even though its target is 7.5% and its approved upper range is 10%. That puts it 40% over target, and over its top permissible range.

In April, staff told the [OIC](#) (at p.68) that it does not expect to bring the allocation to target until 2032—7 years from now.

The risks inherent in private investments are coming home to roost.

-
-
- illiquidity that causes losses in secondary sales,
-
-
-
- reputational risk as exhibited in the recent news articles,
-
-
-
- opaqueness that causes lawsuits to spring up,
-
-
- astronomical fees that provide upward wealth on the backs of state employees and government entities,
- and
-
-
-
- ... what Divest Oregon focuses on ... more emissions - causing long-term harm to our climate.
-

It's time to re-evaluate if the risks are worth this infatuation with private investments at the Oregon Treasury.

Thank you for your time and consideration.

From: carole bryan <cvbbry@yahoo.com>
Sent: Wednesday, August 27, 2025 1:53 AM
To: OIC Public Comments
Subject: OIC comment-Oregon PERS recipient

[You don't often get email from cvbbry@yahoo.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

This email is from a party external to Treasury. Use care with links and attachments.

Dear OIC Members,

Have you, too, been watching the destruction of Gaza and the killing of tens of thousands of its citizens, shown live on your TV or phone? Have you wondered what you can do to help bring an end to this suffering, financed to such a large extent by the United States?

One step I believe you have the power to take is to divest from Boeing.

"Boeing supplies the Israeli military with a wide variety of weapons, including fighter jets, attack helicopters, missiles, bombs, and precision-guided bomb kits. Boeing manufactures the F-15 fighter aircraft, which is one of the main warplanes used by the Israeli Air Force, as well as the V-22 Osprey tiltrotor military aircraft, Chinook helicopters, and the KC-46 Pegasus military refueling and transport aircraft."

"The Israeli military routinely uses Boeing GBU-39 Small Diameter Bombs (SDBs) and larger GBU-31/32/38 bombs equipped with Boeing's Joint Direct Attack Munition (JDAM) kits in its assaults on Gaza. Boeing's JDAM kits convert unguided air-to-ground bombs into so-called guided "smart" bombs. Despite this increased precision, their usage resulted in the killing of numerous civilians, prompting human rights organizations to conclude that at least some of these civilians were deliberately targeted.

"For years, these weapons have repeatedly been used against Palestinian civilians, resulting in numerous casualties as well as mass destruction of homes and civilian infrastructure, including hospitals, schools, and water and electric systems."(1)(2)

This is continuing. On June 30, 2025, as reported in the Defense Security Cooperation Agency:

"The Government of Israel has requested to buy three thousand eight hundred forty-five (3,845) KMU-558B/B Joint Direct Attack Munition (JDAM) guidance kits for the BLU-109 bomb body and three thousand two hundred eighty (3,280) KMU-572 F/B JDAM guidance kits for the MK 82 bomb body."

"The principal contractor will be The Boeing Company..."(3)

As an Oregon PERS recipient, I cannot adequately convey my distress that some of my income is coming from the carnage currently taking place in Gaza. I beg you to divest from Boeing, as one step you can take to help.

Sincerely,
Carole Bryan
Portland, OR

(1) <https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fafsc.org%2Fgaza-genocide-companies&data=05%7C02%7COIC.PublicComments%40ost.state.or.us%7C44a43eb7f6fd484408c108dde54723bd%7C9123ae20585d446aabd650dad4c7c1d5%7C0%7C0%7C638918815904099790%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoitWFBpbCIsIldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=W01pJv1%2BFQ67HzKSSgb0173Jkm5aONbCafpqkKdI5NU%3D&reserved=0>

(2)

<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Finvestigate.info%2Fcompany%2Fboeing&data=05%7C02%7COIC.PublicComments%40ost.state.or.us%7C44a43eb7f6fd484408c108dde54723bd%7C9123ae20585d446aabd650dad4c7c1d5%7C0%7C0%7C638918815904126519%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoitWFBpbCIsIldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=yQRgp4GPc020%2BfnkdUdSg8vIEA%2Ff8phE%2BUf6UOSbiE%3D&reserved=0>

(3) <https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.dsca.mil%2FPress-Media%2FMajor-Arms-Sales%2FArticle-Display%2FArticle%2F4230375%2Fisrael-munitions-guidance-kits-and-munitions-support&data=05%7C02%7COIC.PublicComments%40ost.state.or.us%7C44a43eb7f6fd484408c108dde54723bd%7C9123ae20585d446aabd650dad4c7c1d5%7C0%7C0%7C638918815904140959%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoitWFBpbCIsIldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=mkNpXwuNzl97ZqUebOly9EIzup1REKi697K%2BcLBRq%2BY%3D&reserved=0>

From: Gail Sanford <madreiya@gmail.com>
Sent: Tuesday, August 26, 2025 8:44 PM
To: OIC Public Comments
Subject: Divest from Israel investments

You don't often get email from madreiya@gmail.com. [Learn why this is important](#)

This email is from a party external to Treasury. Use care with links and attachments.

Dear Members of our OIC,

As a PERS /retiree, I am concerned about OPERF investments that support Israel in its horrific war against Gaza and the West Bank. It is my understanding that OPERF is invested in Boeing with 96,157 shares with a market value of about \$17,501,536. Many of Boeing's products cause great harm.

Please direct the Treasury to divest holdings in Boeing immediately.

Thank you for your consideration,

Gail M Sanford



OIC testimony 5/28/2025
Rick Pope, Divest Oregon

Fiduciary standards by their nature must evolve to reflect new knowledge and conditions. With climate change upon us and more coming, public pension fiduciaries need a comprehensive and organized examination of system-level climate risks to portfolio asset values in order to understand what their duties now require.

I've been working on Divest Oregon's *2025 Climate Risk Review* for the past 10 months and am presenting it to you today. It is an in-depth analysis that synthesizes over 200 crucial climate, economic and investment research findings – by academics, professionals, and government – on the system-level impacts of climate change. There is a 26-page Executive Summary and 180-page full report.

Unabated climate change is a risk like no other.

- Many studies correlate increased temperatures with reduced economic growth.
- Climate change will compound all other problems.
- There is a substantial financial risk of a climate-damaged chronic bear market.
- There is a significant risk of financial market collapse from interlinked complex systems overwhelmed by increasing climate physical damage.

For one example of expected reduced growth, three quarters of 738 top climate economists surveyed by New York University believe it likely that climate change will have long-term negative impacts on economic growth. Only 5% think it unlikely.

For a second example, the Network for Greening the Financial System, a consortium of 120 central banks, estimates GDP reduction at 15% by 2050 and 30% by 2100 with unabated climate change, which is the course we are on. Your consultant Meketa endorses NGFS scenarios and risk assessments.

The 2025 Climate Risk Review shows that managing long-term intergenerational pension funds to protect portfolio asset values from the source of substantial climate risk is a well supported financial decision. It is not a political or social decision. It is a **financial** decision.

Key areas the climate risk review addresses are:

- Scientific expectations of climate damage under the current business-as-usual 3+°C path

- Basics of climate, economic and investment damage modeling
- Economists' expectations of damage to GDP and to investment values from maintaining a business as usual path, with a range that plausibly includes 20%-40% systemically depressed asset values – and more with tipping points
- The devastating impact on the economy, pensions and beneficiaries of high-range depressed asset values
- The ineffectiveness of diversification to protect against substantial system-level risks from climate change
- The solid cost effectiveness for GDP and investment values of abating climate change. This includes findings in Ortec's 20221 Climate Risk Assessment done for the Treasurer
- Pension trustees' fiduciary duties to protect future pensions and the asset values that support them from climate risk. This is the duty of impartiality. PERS actuary Milliman referred to it today when they said a key objective of PERS is equitable treatment across generations
- The unique legal responsibility public pensions have to shift sentiment for climate action
- Portfolio-beneficial investment and engagement strategies

Climate change poses huge risks to entire systems. OPERF owns the systems. OPERF cannot stock-pick or diversify its way out of them.

System-level climate risk endangers **all** investment values with **no place to hide**. This means that as a financial risk matter PERS stewards need to exercise all the pressure they can to avoid the worst climate outcomes.

From: spalmiter@divestoregon.org
Sent: Tuesday, August 26, 2025 7:04 AM
To: STEINER Elizabeth; Cara Samples; Lorraine Arvin; Pia Wilson-Body; Alline Akintore; OIC Kevin Olineck
Cc: ACKERMAN-MUNSON Sybil; jschramm@divestoregon.org; OIC Public Comments; president@aft-oregon.org; holliem@aft-oregon.org; victor@aaup-oregon.org; powersm@seiu503.org; swdemarest@gmail.com; stephensiegel333@yahoo.com; enrique.farrera@oregoned.org; sallen@oregonafscme.org; chris@partaoregon.com; Willis@osea.org; rosecitysteve@gmail.com; Taryn Oakley; David Labby
Subject: Concerns and data regarding private investments at Oregon Treasury
Attachments: Treasury's Love Affair with Private Equity No Longer Adds Up.pdf

This email is from a party external to Treasury. Use care with links and attachments.

Dear Treasurer Steiner and members of the Oregon Investment Council,

We have published the attached open memo providing detailed data analysis of private investments - both private equity and real assets. You may also find it on the [Divest Oregon website](#). We are sharing it with you as well as labor unions that are part of the Beneficiary Advisory Council, the media, and legislators.

Our analysis responds to questions and comments that have arisen from *The Oregonian* and *Willamette Week* articles. Past management of private equity suggests issues that may continue to cost PERS billions and potentially sink the Net Zero Plan implementation, which, of course, is our chief concern.

Thank you for your continued attention to the management of PERS and our private investment concerns.

Sue Palmiter & Jenifer Schramm
Co-Leads of the Divest Oregon Coalition
[Reinvest in a Fossil-Free Future](#)

Treasury's Love Affair with Private Investments Doesn't Add Up

By Divest Oregon 8/25/25

Two recent major investigations by [The Oregonian](#), and the [Oregon Journalism Project](#) in *Willamette Week* and statewide local newspapers, recently detailed significant problems with the Oregon State Treasury's private equity overexposure for PERS.

Following these publications, Divest Oregon has received questions about the information and risks of this exposure, which our coalition has tracked with concern for years. In this memo, we provide answers.

By standard financial yardsticks, Treasury's private equity investments in the past 13 years routinely underperformed the benchmark long established by the Oregon Investment Council (OIC). They regularly underperformed the broad US stock market. They have not provided exceptional returns. Simply put, Treasury's love affair with private equity doesn't add up.

OPERF's 10-year rolling average private equity returns are substantially below OIC's benchmark

OIC Investment Policy 1203 (at p.11) says that OPERF's private equity allocation is managed to produce net excess returns "over very long time horizons, **typically rolling, consecutive 10-year periods**" (emphasis added).

Below are the 1, 3, 5 and 10-year third-quarter private equity rolling returns Treasury presented to the OIC at its [1-22-2025 meeting](#), at p.59. All OPERF 1, 3, 5 and 10-year rolling returns are below OIC's benchmark (Russell 3000 stock index + 3%) by substantial amounts, though [Treasury's website](#) at p.9 says 1-year stated returns are not meaningful.

9/30/2024	1 Yr.	3 Yr.	5 Yr.	10 Yr.
OPERF Private Equity	7.2%	2.9%	13.2%	12.1%
Russell 3000 + 3%	39.2%	13.7%	19.5%	16.1%
<i>OPERF Value-Add:</i>	<i>-32.0%</i>	<i>-10.8%</i>	<i>-6.3%</i>	<i>-4.1%</i>

Here is the same presentation for the [previous year](#), 2023, at p.35. The amount compared to benchmark is slightly positive over 3 and 5 rolling years, and substantially negative over 10 rolling years.

9/30/2023	1 Yr.	3 Yr.	5 Yr.	10 Yr.
OPERF Private Equity	6.5%	14.4%	13.7%	13.0%
Russell 3000 + 3%	24.0%	13.8%	13.2%	15.2%
<i>OPERF Value-Add:</i>	<i>-17.5%</i>	<i>0.6%</i>	<i>0.5%</i>	<i>-2.2%</i>

In 2022, the [year before that](#) (at p.16), the 3 and 5-year returns are substantially positive, but the 10-year rolling return is substantially negative.

9/30/2022	1 Yr.	3 Yr.	5 Yr.	10 Yr.
OPERF Private Equity	-3.9%	17.4%	15.9%	14.0%
Russell 3000 + 3%	-14.7%	12.8%	13.1%	15.9%
<i>OPERF Value-Add:</i>	<i>10.8%</i>	<i>4.6%</i>	<i>2.8%</i>	<i>-1.9%</i>

In 2021, [the year before that](#) (at p.29), the 5 and 10-year returns are substantially negative.

9/30/2021	IRR 1 year	IRR 3 year	IRR 5 year	IRR 10 year
OPERF Private Equity	41.8%	21.3%	19.3%	15.2%
Russell 3000 + 3%	36.3%	19.5%	20.3%	20.6%
Value-Added	5.4%	1.8%	-1.0%	-5.4%

Note the “IRR” designation above, which means the estimates are of an “Internal Rate of Return.” This is the common method for stating Treasury’s private equity returns. However [Treasury's website](#) at p.9 warns: “Due to a number of factors . . . **the IRR information in this report DOES NOT accurately reflect the current or expected future returns of the partnership. The IRRs SHOULD NOT be used to assess the investment success of a partnership or to compare returns across partnerships**” (emphasis added).

This points to real problems with how OPERF values its private equity investments. If you are confused about why Treasury would state values in one place that it calls unreliable in another . . . so are we.

Two-thirds of OPERF private equity's 9 most recent consecutive 5-year rolling averages failed to meet benchmark

In addition to the performance failures documented in the last four consecutive 10-year rolling averages, we were able to calculate the results of the 9 most recent consecutive 5-year rolling averages from data that OIC consultant Meketa presented to the OIC.

The data is annual year-end comparisons of OPERF's private equity returns with its Russell 3000 index + 3% benchmark, for years 2012 through 2024, [here](#) (p.77) [and here](#) (p.84). Meketa presented the data in OIC meeting materials and Treasury can not disavow them. (Calculation results show some differences with the 1, 3 and 10-year rolling returns presented above. That is because those returns are based on third quarter numbers, not year end numbers.)

The Meketa-presented data allows the calculation of the most recent 9 consecutive rolling 5-year averages: 2012-2016, 2013-2017, 2014-2018, 2015-2019, 2016-2020, 2017-2021, 2018-2022, 2019-2023, and 2020-2024. **The Meketa numbers show OPERF's private equity returns failed to meet benchmark in 6 of the 9 rolling 5-year averages. In 5 of those 9 averages, private equity even failed to meet the return of the Russell 3000 index**—not the 3 percentage points higher which is the standard.

This means OPERF's private equity performed **worse** than a broad US stock market index during more than half the rolling averages examined. That is not high performance as has been so often touted by Treasury management and staff.

On average over the entire past 13 years, private equity failed to even meet the Russell 3000 index

Tellingly, OPERF's private equity on average over the entire 13-year period failed to meet benchmark (Russell 3000+3 percentage points) and even failed to meet the Russell 3000 index. According to Meketa's numbers,

OPERF's private equity average return over 13 years was 13.29%; the Russell 3000 average was 16.37% and the 3% higher benchmark average was 19.37%.

This means **OPERF's private equity on average performed worse than a standard stock market index over the entirety of the past 13 years, and underperformed its benchmark by a whopping 31%.** Over the past 13 years OPERF would have earned 40% more on the money it put into private equity (3.08% annually x 13 years; 47% with compounding) if Treasury had put its PERS beneficiaries' money into the standard stock index fund OIC chose as a base for comparison. Instead, staff disregarded policy and continuously steered OPERF into increasing amounts of private equity—with all its overt and covert fees and costs, secrecy, complexity, illiquidity, and economically undesirable and even destructive side effects.

This is a [spreadsheet](#) of our calculations.

For the past 7 years, Treasury staff disregarded its OIC-mandated investment range for private equity

In OIC meetings, Treasury has contended that everything is proper because even though it continues to substantially exceed its target for private equity investments, private equity's 26.5% share of OPERF is within OIC's approved "range" of 17.5%-27.5% of OPERF's portfolio.

Treasury omits saying that ranges are established in order to "balance the desirability of achieving precise target allocations with the various and often material transactions costs associated with . . . rebalancing activities." (OPERF Investment Policy Statement p.12.)

But there are no transaction costs to slowing the growth of private equity in the portfolio by buying less of it. Transaction costs occur only from sales of existing holdings in the secondary market. And Treasury staff has been pushing the upper range for ever-expanding private equity investments [from 2015](#) until recent slowed commitments and the \$4.5 billion in value-depressing secondary sales reported by *The Oregonian*.

OPERF monthly returns and asset allocations, available on Oregon Treasury's website, show that in 2018 the OIC-approved range for private equity in OPERF was 13.5% to 21.5%—the target of 17.5%, plus or minus 4%. They further show that staff exceeded that range in the fourth quarter of 2018 when OPERF had 22.1% of its portfolio in private equity.

For the next 3 years, in every quarter but one, Treasury management allowed staff to exceed its OIC-approved private equity upper range. By the third quarter of 2021, OPERF was almost 9 percentage points above its target and 5 percentage points above its upper range.

There were no real brakes on this growth. In the fourth quarter of 2021 OPERF's private equity came within the upper range—but only because the OIC increased the upper range from 21.5% to 27.5%. And the new private equity range, unique among OPERF asset classes at the time, was itself imbalanced. Rather than plus or minus the same number around the target, the OIC approved skewing the range to be 7.5 percentage points above the increased 20% target, and 5 percentage points below it. The accommodation to staff's profligacy is obvious.

Treasury remained resistant to lowering allocations even as the problem of misallocation loomed.

At a November 2022 OIC meeting, Treasury management sought to solve the misallocation problem by again raising the private equity target, from 20% to 22%. After Chair Samples expressed her disapproval, [management said](#) (at 58:45) "I could tell you candidly whether it's 20 or 22 it makes no difference to us. We're still going to be executing the same plan." At the OIC's January 2023 meeting, [management described](#) (at 1:26:30) OIC's private equity policy target as "artificial": "I don't think we as an organization are in a rush to get down to 20 percent. We hope to get there in time, but understanding what you're saying, your question, we don't want to lose the long term value of what we're doing in order to get to **some 20% artificial number.**"

From October 2018 through September 2021, Treasury management allowed private equity to exceed the upper range of OIC approval in 11 of 12

quarters. After the OIC then increased the upper range, Treasury management and staff still exceeded it in 7 of 15 quarters. And if the OIC in 2021 had approved a range of plus or minus 5 percentage points from target—the balanced practice it usually followed—then OPERF private equity would have been beyond the upper range in all quarters but one for the past seven years—from October 2018 until today.

Management and staff should have taken OIC policy seriously. **The signals to start a responsible path to target were readily apparent in 2015. Instead, Treasury waited eight more years for the bottom to fall out of OPERF’s excessive private equity investments in 2023.**

While no one can always predict the behavior of future investment markets, anyone can predict that damage to pensions should be expected when pension investment policy is disregarded for years. **Had Treasury simply followed policy, rather than disregarding it, OPERF would not have incurred the \$1.4 billion investment loss calculated by the Oregon Journalism Project and published in Willamette Week.**

[This table](#) shows Treasury management’s and staff’s disregard of private equity’s upper ranges from 2018-2025.

Treasury management defends its serial policy violations as good for OPERF. They’re not.

The Oregonian quoted Treasury’s chief investment officer as saying that longstanding OIC policy expecting 3% above-market performance from high-risk private equity returns “may not be the best measure.” He contended that over the last 20 years, OPERF’s private equity outperformed the stock market by 2 percentage points and he suspected the OIC would be happy with that—even though that is a 33% reduction in OIC’s policy expecting 3 percentage points market outperformance for private equity.

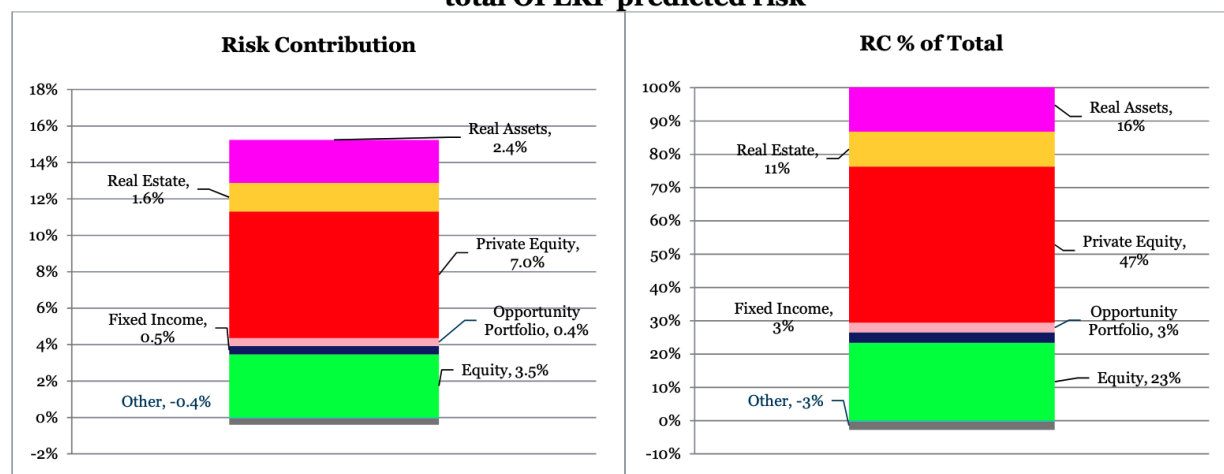
These comments do not inspire confidence that Treasury management is facing reality. The facts speak for themselves: Seven years of serial policy violations by investment staff that resulted in today’s \$1.4 billion loss, and a private equity 13-year average that performed worse than the broad US

stock market, makes Treasury's high-fee, high-risk, illiquid bets costly losers, not index-beating winners.

OPERF's heavy reliance on private investments raises important policy questions:

Should a responsible public pension fund invest a quarter of its assets into a class that generates almost half of all financial risk to the portfolio? That is the risk Treasury [reports to the OIC](#) (March 2025, p.102), as seen in OST's presentation chart at below right.

Figure 2. OPERF Risk Contribution by Asset Class and Risk Contribution as a percent of total OPERF predicted risk

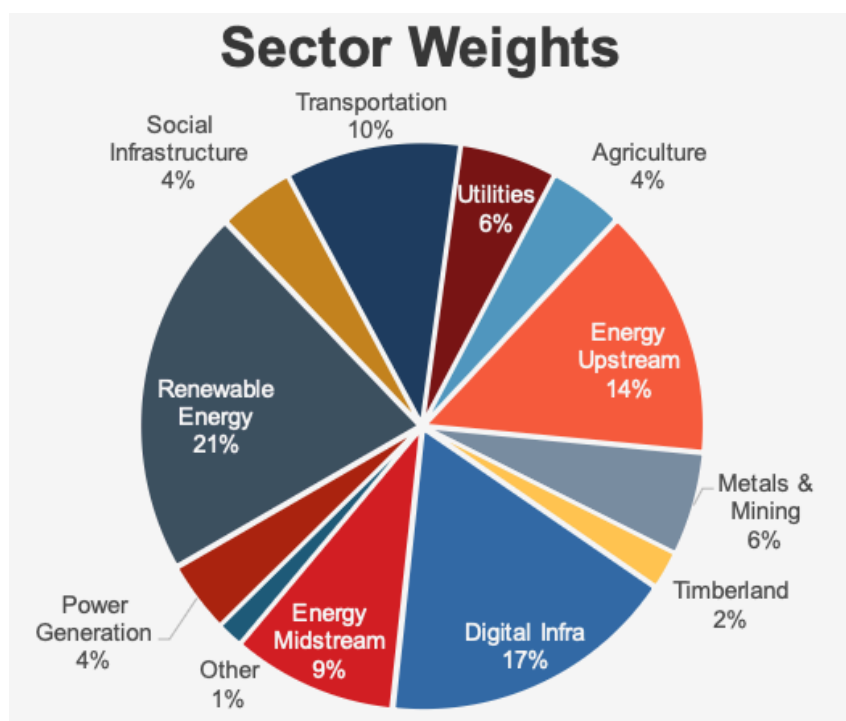


Should a responsible public pension fund invest almost 60% of its assets in opaque private investments with no public oversight?

OPERF is out on a limb in this regard. Public Plans Data, an independent academic and professional consortium, [reports that](#) in 2024, state and local pensions averaged about half the amount of private equity (13.7%) as OPERF has, as well as about half the amount of overall private investments (30-33%). And a [2024 survey](#) of 50 top pension executives found that most thought a 20-40% allocation to private assets was reasonable—while **none thought more than 50% was reasonable**.

Shouldn't a responsible public pension fund stop private investing in fossil fuels? Staff and management disregard of OIC allocation policy is not limited to private equity. Treasury's Real Assets class, another set of secretive private investments, [comprises 10.5% of OPERF](#), even though its

target is 7.5% and its approved upper range is 10%. That puts it 40% over target, and over its 10 percentage points top permissible range. Staff [tells the OIC](#) (at p.68) it does not expect to bring the allocation to target until 2032—7 years from now. And as seen from Treasury’s Risk Contribution chart above right, Real Assets is also an outsized risk contributor—with 10.5% of OPERF assets, it generates 16% of portfolio financial risk.

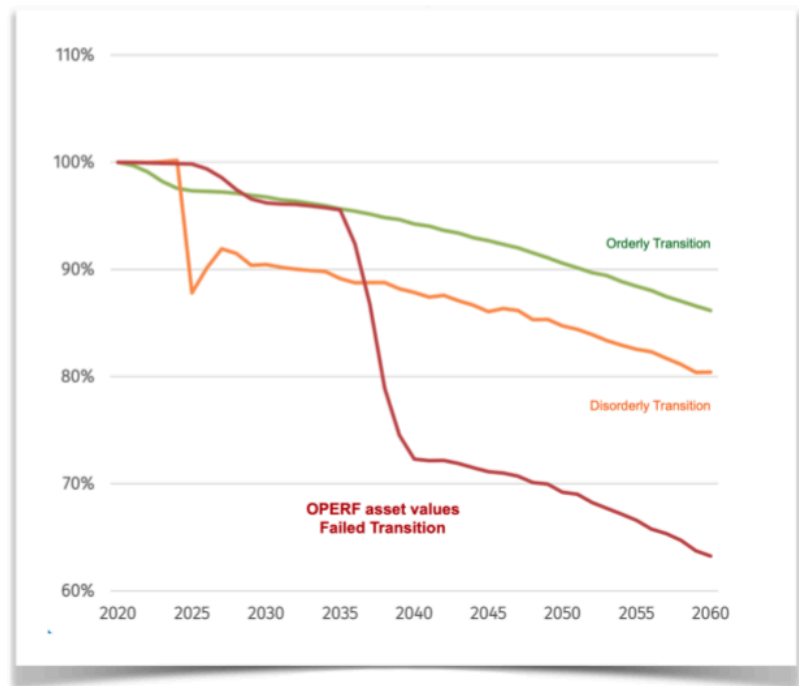


At least as importantly, much of PERS emissions intensity comes from the Real Assets class. That must be addressed immediately. As shown above from Treasury’s April 2025 [presentation](#) to the OIC (at p.54), about one third of these assets are in sectors funding fossil fuel extraction, infrastructure, and power generation.

These OPERF investments create and cement decades-long greenhouse gas emissions. They will inevitably increase global warming that [economists now identify](#) (at pp.15-20) as posing increasingly substantial risks to GDP and investment values.

As shown below, Treasury’s consultant Ortec (in its 2021 [Climate Scan Report](#) at p.8) forecast a 37% reduction in OPERF values by 2060 under a failed transition—the path for which OPERF is currently investing. **OST’s**

**Ortec Finance
2021 study of
climate impact
on OPERF**



climate investment choices, along with other public pension funds, matter considerably to their own future returns and to future retirees.

Treasury staff nevertheless ignores this substantial climate risk, and claims a history of Real Asset returns 1-2% over benchmark by [presenting](#) (at p.66) to the OIC this April an Internal Rate of Return (IRR) of 7.6% from inception of the asset class to date. However, Treasury's [website](#) says "IRRs SHOULD NOT be used to assess the investment success of a partnership or to compare returns across partnerships." [More accurate information](#) on Treasury's website shows Real Asset returns to be 4.8% from inception to date on a time-weighted basis. 4.8% is almost **2% below benchmark**.

Conclusion: An unremedied problem in Treasury's investment culture will continue to cost PERS billions. It will also sink the Net Zero Plan for OPERF.

Treasury's own numbers belie the contention that private equity is a high-performing asset that is worth its high risk, complexity, secrecy and illiquidity. In the past, perhaps yes, but the past is over. Experts agree that high interest rates and too much money dedicated to too many marketers

from firms chasing too few deals have drastically changed the attractiveness of private equity. Simply put, Treasury management is driving private equity investment by looking in the rear-view mirror.

But the problem at Treasury is more than bureaucratic inertia. Years of ingrained conduct by Treasury management and staff show they have resisted and even apparently flouted OIC investment policy when they want. Recent news investigations pulled the curtain on a troubling and problematic investment culture in need of serious reform.

Without reform to overcome active staff resistance to policy, PERS will not just continue to leave billions on the table. The future of the Treasurer's Net Zero Plan, and the climate-protecting investment changes that must come from it, are in grave doubt. Prominently hanging in the balance is an end to new private investments in decades of climate-damaging fossil fuel projects and infrastructure. This was a promise made by the previous Treasurer in the Net Zero Plan, and made by the current Treasurer on the campaign trail.

It is time for those promises to show themselves in action—beginning with a complete and public examination of how and why Treasury management and staff spent the better part of the past 10 years disregarding OIC policy on private equity investing.

From: spalmiter@divestoregon.org
Sent: Tuesday, August 19, 2025 7:36 AM
To: STEINER Elizabeth; Cara Samples; Lorraine Arvin; Pia Wilson-Body; Alline Akintore; OIC Kevin Olineck
Cc: ACKERMAN-MUNSON Sybil; jschramm@divestoregon.org; OIC Public Comments; president@aft-oregon.org; victor@aaup-oregon.org; Sen Golden; Sen Pham; Sen Manning; Rep Chaichi; Rep Gamba; Rep Fragala
Subject: Request for answers regarding private investments
Attachments: Letter to Treasurer Steiner & members of OIC 8-19-2025.pdf

This email is from a party external to Treasury. Use care with links and attachments.

Dear Treasurer Steiner and members of the Oregon Investment Council:

Please see the attached letter and acknowledge your receipt of it.

In this cover letter you will find a more [detailed letter regarding the major issues](#) raised and a [list of questions](#) posed by these news articles and reports.

Thank you.

Sue Palmiter
Co-Lead of the Divest Oregon Coalition
[Reinvest in a Fossil-Free Future](#)
[REDACTED]

August 19, 2025

Dear Treasurer Steiner and members of the OIC:

Recent reporting in [The Oregonian](#), [Willamette Week](#) and [OPB's Think Out Loud](#) have highlighted concerns about OPERF's investments in private equity, including acknowledgement by Treasury that OPERF's 20-year average return for that asset class is 33% below benchmark.

According to those reports, this has resulted in significant investment losses that would not have occurred had OST balanced its portfolio following allocation targets set by the OIC. These losses have subsequently increased the tax burden of public employers, such as schools — schools that have now had to lay off teachers. This has meant that the \$500 million increased school funding approved by the legislature in 2025 must be used to pay for increased PERS contributions, rather than being used to improve student outcomes as illustrated below.

On the heels of these reports in the local media, the American Federation of Teachers (AFT), the American Association of University Professors, and Americans for Financial Reform released a report, [From Public Pensions to Private Fortunes: How Working People's Retirements Line Billionaire Pockets](#) (July 30, 2025). The report summarizes in a solid, documented, and readable manner the many studies showing how private equity and related forms of private investment no longer deliver superior returns, particularly on a risk-adjusted basis, along with concerns about workforce management practices.

The response from OST has been less than informative, with simple references to the need to invest “on a 40 year horizon,” which does not answer the critiques from investment experts quoted in the articles or noted in the above articles and report.

It is time for OST leaders to explain to beneficiaries and the public in detail the rationale behind their unusual strategy, including:

- Given the uncertainties of our current economic situation, why do they think private investments will outperform others?
- What data are they using to support this view?
- What guidance are they being given, by whom, to follow this path?
- Given their reference to positive private investment performance in the past, aren't they simply “driving with the rear-view mirror?”

It would appear from recent news reports that OST is taking undue risks with beneficiaries' pensions. It is time for OST to answer the criticisms raised.

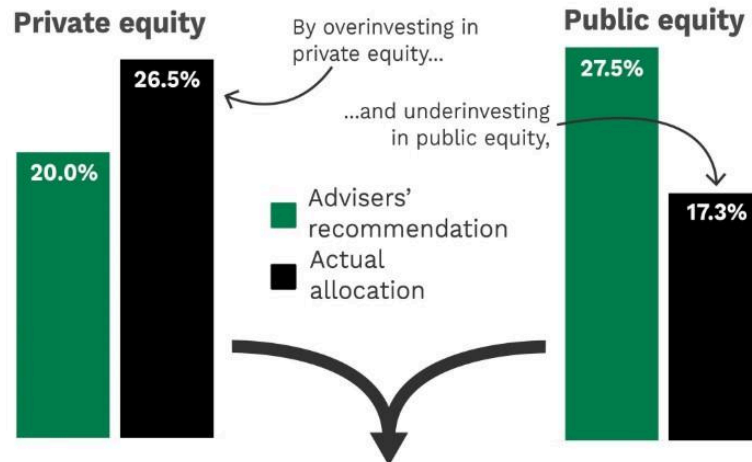
For your reference, we have attached a more [detailed letter regarding the major issues](#) raised and a [list of questions](#) posed by these news articles and reports.

We look forward to your response.

Sincerely,
AAUP-Oregon
AFT-Oregon
Senator Jeff Golden
Senator Khanh Pham
Senator James Manning
Representative Farrah Chaichi
Representative Lisa Fragala
Representative Mark Gamba
Divest Oregon Coalition

Attached below: Illustration of losses to Oregon school from the *Willamette Week* article.

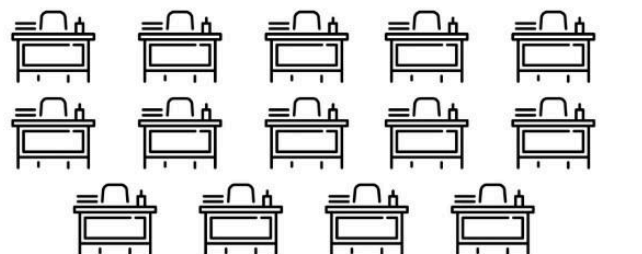
How the Oregon Public Employees Retirement Fund lost out on more than \$1 billion last year



...The Oregon State Treasury lost out on a \$1.4 billion return on its investment in 2024 alone.



The typical Oregon teacher costs about \$100,000, including benefits. That equates to about...



...14,000 teachers.