

Submitter: Rory Cowal

On Behalf
Of:

Committee: House Committee On Emergency Management, General
Government, and Veterans

Measure: HB2601

Dear Committee Members,

Thank you for the opportunity to comment in support of HB 2601. My name is Rory Cowal--I'm a teacher at a public university and a member of PSUFA, a union which is affiliated with AFT Oregon. The Treasurer often speaks about his exclusive obligation to "make participants' money as productive as possible." Naturally, union members expect this and are grateful for the work that is done to that effect. However, numerous union resolutions passed in just the last 12 months have demonstrated that Oregon workers expect more than investment returns.

Last March, the Oregon AFL-CIO resolved to "provide support for initiatives or legislation in the coming years that would require annual Oregon Treasury investment reporting in an accessible format online which would support investment transparency."

In April, OEA's representative assembly carried a motion to "support legislation that increases the transparency of PERS investments."

And in August, the General Council of SEIU 503 resolved that the union "request the State Treasurer and the Oregon Investment Council provide annual reporting of all portfolio holdings in every asset class" and further resolved that the union "provide support for initiatives or legislation in the coming years that would require annual Oregon Treasury investment reporting in an accessible format online or which support related investment transparency."

These unions, together representing over 400,000 Oregon workers, clearly have serious concerns about transparency at the State Treasury.

They have other concerns as well:

The Oregon AFL-CIO resolved to "encourage the implementation of a human rights screening for all future investments" and "advocate for legislation, and to strengthen existing state laws to protect human rights at home and abroad, as related to Oregon's financial investments."

OEA's representative assembly passed a resolution amendment asserting that "the OEA believes there should be ethical, moral, and transparent professional standards

of conduct for how Members' retirement money is invested. These standards should not be overshadowed by a desire for a high return on investment.”

SEIU 503 resolved to “request that the Oregon Treasury perform a thorough investigation and provide a report of all investments in private equity firms involved in nursing home, in-home healthcare, and hospice services in Oregon.”

Finally, last July, the American Federation of Teachers, the second largest teachers union in the nation and the national affiliate of AFT-Oregon and AAUP-Oregon, resolved to urge boards managing the retirement funds of its members to “divest from fossil fuels and reinvest in workers and communities.”

For union members in Oregon, the Treasurer’s responsibilities do not end with achieving higher returns: they also include transparency and ethical investing. It is entirely possible for the Oregon State Treasury to make participants’ money as productive as possible and remain true to our highest values as Oregonians. HB 2601 offers a path to do just that.

Thank you,
Rory Cowal