

FOR IMMEDIATE RELEASE

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## **PUBLIC PENSION FUND FACES SCRUTINY FOR SERIOUS ETHICAL AND LEGAL ISSUES REGARDING INDIRECT PAYMENTS TO THE TRUMP ORGANIZATION**

*Twelve Members of California's Congressional Delegation Urge California's Public Employee Retirement System to Divest from an Investment in a Real Estate Fund that Owns the Trump Soho Luxury Hotel*

SACRAMENTO, CA – October 31, 2017 – Led by Congressman Ted Lieu of Los Angeles, twelve Members of Congress issued a stern [letter](#) to the California Public Employees' Retirement System (CalPERS) today, urging one of the largest public pension funds in the country to take immediate action to remedy serious legal and ethical issues regarding indirect payments to the Trump Organization.

Signed by Rep. Lieu, Rep. Waters, Rep. Cardenas, Rep. Gomez, Rep. DeSaulnier, Rep. Khanna, Rep. Lee, Rep. Bass, Rep. Huffman, Rep. Swalwell, Rep. Lofgren, and Rep. Carbajal, the letter expresses concern and disappointment that CalPERS has not divested its interest in the shady real estate trust that owns the Trump SoHo nor has it taken any action to ensure that its fees are not being transferred to President Trump.

In July, Free Speech For People and Courage Campaign, two government watchdog groups, called upon CalPERS to uphold its legal and fiduciary duties and end this flow of payments from state coffers to the President. After a report by [Reuters](#) identified CalPERS as one of the twelve state and local pension funds invested in a real estate fund that owns the Trump Soho, Free Speech For People launched [DivestTrumpSoHo.org](#) to petition CalPERS to meet their obligation to beneficiaries to manage their investments in accordance with the laws.

The CEO of CalPERS initially responded to Free Speech For People's letter by promising a legal analysis, but has since backed off from that commitment and claimed that it has no accountability to its members for this illegal arrangement that benefits the President in violation of the U.S. Constitution.

Congressman Lieu's letter emphasizes the inadequate response from CalPERS to remedy this troubling situation. The letter strongly urges the public pension to "act in the best interest of the state workers and retirees whose funds you manage."

The letter goes on to state:

"State workers from every walk of life - from police and firefighters to nurses and health workers - depend upon your judgment, integrity, and action to safeguard a stable retirement. We are calling upon you now to again take action to prevent your members and the state from being caught up in a scheme of corruption."

“CalPERS has an unprecedented opportunity to take action that protects its 1.8 million members and preserves one of the fundamental principles of our democracy: The President should act based on national interest, not his own financial interests,” said Shanna Cleveland, Senior Counsel for Free Speech For People.

To date, more than 12,000 Californians have signed a petition calling on CalPERS to divest Trump SoHo. For more campaign developments, visit [DivestTrumpSoHo.org](http://DivestTrumpSoHo.org).

Read Free Speech For People’s letter to CalPERS [here](#).

Read Congressman Ted Lieu’s letter to CalPERS [here](#).

**Free Speech For People** is a national non-partisan non-profit organization founded on the day of the U.S. Supreme Court’s ruling in Citizens United v. FEC that works to renew our democracy and our Constitution for the people, not big money and corporate interests.

**Courage Campaign** fights for a more progressive California and country. It is powered by more than 900,000 online member activists. Courage Campaign’s long-term goal is to restore the California Dream through grassroots organizing, creating widespread and long-term prosperity for all its people without regard for race, creed or sexual orientation.