

ENDING PENSION PRIVATIZATION

*And stopping Stacy Garrity's George W.
Bush Great Recession Starter Kit*

Our current state Treasurer has a well-documented affection for people that want to break public-sector pensions and systemically dismantle Social Security. One of the most prominent among them is John Arnold, a billionaire hedge fund founder and former ENRON oil and gas speculator. In 2003 he created the Arnold Foundation, which is primarily dedicated to the destruction of public pensions and Social Security. Arnold has given tens of millions of dollars to the Pew Public-Sector Retirement Systems, a sinister pension-busting initiative shrouded in the credibility of the Pew Charitable Trusts and guised as "pension reform."

The Arnold Foundation and the Pew Public-Sector Retirement Systems have been *peddling a privatized, unregulated, self-directed, non-employer sponsored "retirement program"* to state treasurers and legislatures throughout the country. In Pennsylvania, the Office of the State Treasurer and the legislators call it **KEYSTONE SAVES**.

***I call it "The George W. Bush
Great Recession Starter Kit."***

This type of account is so unstable and unregulated that the U.S. Securities and Exchange Commission (SEC) issued an alert to warn people about the serious potential for fraud in these types of products.

The following is an excerpt from SEC alert released on February 7, 2023:

"A self-directed IRA is an IRA held by a custodian that allows investment in a broader set of assets than most IRA custodians permit. Custodians for self-directed IRAs may allow investors to invest retirement funds in "alternative assets" such as real estate, precious metals and other commodities, crypto assets, private placement securities, promissory notes, and tax lien certificates. Investments in these kinds of assets have unique risks that investors should consider. Those risks can include a lack of information and liquidity – and the risk of fraud."

Despite the SEC's strong warning in February 2023, Stacy Garrity and the Pew Charitable Trusts still managed to dupe Pennsylvania legislators into sponsoring legislation for the program, mandating participation by every business in the state that does not currently offer a retirement program.

At the time of this writing, the bill has not yet passed the state senate and is not signed into law. But somehow, there is already a website touting the benefits of this snake-oil securities scam at KeystoneSavesCoalition.org. And when you scroll to the bottom of that webpage, you'll see that the site is copyrighted not by the Commonwealth of Pennsylvania or the Office of the State Treasurer, but by the Pew Charitable Trusts.

Clearly this problem is just beginning. Without a more informed understanding of the privatization and pension-busting movement, Pennsylvania will continue to fall victim to this type of manipulation and dangerous financial products.

***As the Pennsylvania State Treasurer, I will fight
to protect our workers and our taxpayers from dangerous, unregulated financial products
and scam investments like the Keystone Saves program.***