

## **FAVORABLE - HB 1455 - State Retirement and Pension System - Divestment from Israel**

March 19, 2026

To: Chair Barnes and Members of the House Appropriations Committee  
From: Phil Caroom - member of one of our Md. State Retirement plans

As a retired Maryland employee -- who doesn't want his benefits to support an increasingly inhumane war and apartheid system, I urge Delegates favorably for HB1455: State Retirement and Pension System - Divestment from Israel.

**This is not an anti-Semitic or an anti-Israel bill. It represents an effort by interfaith groups, including Jews for Peace and many others, to stop financial support for a war that has gone on far too long and spread much too far. While an initial cause of the war itself was a war crime when Hamas invaded and attacked Israeli civilians, the current Israeli government's four year response now has killed tens of thousands of civilian Palestinians and, now, spread the war to Iran, Lebanon, and many other Middle-Eastern nations, with impact on the entire global economy.**

HB1455 calls for Maryland's State Retirement and Pension System to:

- Review actively managed accounts for Israel-related investments
- Divest from Israeli sovereign bonds
- Prohibit new investments in Israeli government debt
- Provide transparent public reporting
- Act in compliance with fiduciary and human rights standards

The bill is targeted and responsible. It addresses the pension system's failure to comply with its public commitments to socially responsible investing, and obligations as a signatory of the United Nations Principles for Responsible Investment. By divesting from Israeli bonds, the MSRPS would align with its own Investment Policy Manual that lists human rights concerns as a consideration for evaluating investments.

The MSRPS holds \$65.5 million in Israeli sovereign bonds, as of December 2025. These bonds are an irresponsible use of MSRPS funds, and a violation of the trust of the 420,000 state's public employees and retirees dependent upon. The top three global credit rating agencies have downgraded Israel's credit rating since October 7th, 2023 due to Israel's ongoing geopolitical conflicts and domestic political instability. This is increasing Israel's borrowing costs and heightening the risk profile for investors holding its debt.

In addition to this risk, these bonds are an investment in mass human rights violations. MSRPS' Israeli bonds serve as unconditional loans to the Israeli treasury that fund Israel's continued forced displacement, starvation, and bombings in Gaza, as well as surging Israeli settler attacks, illegal settlement construction, and military operations in the occupied West Bank. Israeli government officials have explicitly stated that bond sales are being used to fund its rapidly expanding military ventures. These investments are integral in perpetuating Israel's well-documented, ongoing war crimes and system of oppression.

This is not the first time that our state government has divested from investments in foreign nations that violate international law and commit human rights offenses. Similar Maryland General Assembly legislation was previously enacted for South Africa (1984), Sudan and Iran (2008) and Russia (2022).

I ask you to stand with Maryland's many members of Jewish Voice for Peace, as well as with members of the Maryland Break the Bonds Campaign. Initially started by the Baltimore and DC Metro chapters of Jewish Voice for Peace, the campaign now includes 28 Maryland peace and justice organizations, as well as faith-based organizations and institutions. Among our ranks are public employees, retirees, and union members from across the state who are directly impacted by MSRPS' risky investments.

We are relying on you to move HB1455 forward with a favorable vote!

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*Please note: I file this testimony as a private citizen and Maryland retiree, not as a spokesperson for the Maryland Courts.*