

Chair Ben Barnes
House Appropriations Committee
230 Taylor House Office Building
Annapolis, MD 21401

Re: Favorable Testimony In Support of HB1455 - State Retirement and Pension System - Divestment From Israel

To Chair Barnes, Vice Chair Kaiser, and members of the committee:

I write today urging the House Appropriations Committee to find a favorable opinion of House Bill 1455.

Maryland's State Retirement and Pension System has \$65.5 million of investments in Israeli bonds. Israeli Bonds are loans from individuals and institutions to the Israeli treasury that help sustain the Israeli state economy. As such, Israeli Bonds provide critical financial support for the Israeli military and government, including the Israeli military's genocidal war on Gaza and forced displacement of Palestinian families from their homes, and the Israeli government's separate-and-unequal system of apartheid. And on top of that, Israel is participating in bombing campaigns in Gaza, Syria, Iran, Qatar, Lebanon, and Yemen and bombing, all with innocent civilians in the crossfire.

Israel's brutal system of oppression over Palestinians directly conflicts with our pension system's public commitments to socially responsible investing and obligations as a signatory of the United Nations Principles for Responsible Investment. The pension system's own Investment Policy Manual also outlines steps to protect human rights, and we are asking our lawmakers to act to uphold these protections.

Not only are these bonds investing in oppression, but they present significant risk: the three top global credit rating agencies have downgraded Israel's credit rating since Oct. 7th, 2023, citing "the ongoing military conflict and increased geopolitical risks."

As a resident of Maryland, as a retired state teacher, I want my tax dollars to be invested in the community, of which I served for 38 years in MCPS. The educators, state workers, and other employees that work hard to make our state an excellent place to live deserve to have a future that is reflective of safe, smart, and ethical investments by our State Retirement and Pension Board.

For these reasons I respectfully urge a favorable report.

Sincerely,
Susan D Riley