

Testimony in Support of House Bill 1455
State Retirement and Pension System – Divestment From Israel

The Honorable Chair and Members of the House Appropriations Committee:

Thank you for the opportunity to testify in support of House Bill 1455. This bill requires the Maryland State Retirement and Pension System to identify and divest certain Israel-restricted investments in actively managed separate accounts, stop making new such investments, report regularly to the General Assembly, and do so in a way that preserves fair-market-value and fiduciary protections.

Maryland should not continue using public retirement funds to support a government whose conduct has drawn the most serious findings and allegations under international law. In January 2024, the International Court of Justice ordered provisional measures directing Israel to prevent acts prohibited by the Genocide Convention and to enable urgently needed humanitarian assistance in Gaza. In July 2024, the ICJ further concluded that Israel’s continued presence in the occupied Palestinian territory is unlawful. In November 2024, the International Criminal Court issued arrest warrants for Benjamin Netanyahu and Yoav Gallant for alleged war crimes and crimes against humanity.

The human consequences are catastrophic. U.N. OCHA reports that nearly all of Gaza’s 2.1 million people have been displaced and that aid restrictions and crossing closures have worsened conditions. UNICEF has continued to report the killing of Palestinian children even during periods described as ceasefire. The U.N. World Food Programme warned today that the widening regional war that Israel and the United States instigated by attacking Iran could push almost 45 million more people into acute hunger if it continues.

This bill is a measured and lawful response. It does not demand reckless action. It expressly allows the Board to refrain from divestment where fair market value cannot be obtained, and it protects fiduciaries acting in good faith. Maryland has no obligation to keep investing public pension dollars in bonds or assets tied to a government engaged in conduct that international courts and U.N. bodies have treated with the utmost gravity.

For moral, legal, and fiduciary reasons, I respectfully urge a favorable report on House Bill 1455.

Thank you for your consideration,

Grady O’Rear

On Behalf of Frederick for Justice in Palestine