



LARRY HOGAN  
GOVERNOR

STATE OF MARYLAND  
OFFICE OF THE GOVERNOR

April 8, 2022

The Honorable Bill Ferguson  
President of the Maryland Senate  
H-107 State House  
Annapolis, MD 21401

The Honorable Adrienne A. Jones  
Speaker of the House of Delegates  
H-101 State House  
Annapolis, MD 21401

Dear President Ferguson and Speaker Jones:

In accordance with Article II, Section 17(c) of the Maryland Constitution, I am allowing Senate Bill 528 - *Climate Solutions Now Act of 2022*, and House Bill 740/Senate Bill 566 - *State Retirement and Pension System - Investment Climate Risk - Fiduciary Duties* to pass into law without signature. These two bills are an example of poor legislative practice and misguided resources resulting from partisan politics; however I will allow them to pass into law in hopes they will generate future deliberation and discussion on this critically-important issue.

While I am disappointed by SB 528's early and politically-motivated disregard for the Maryland Commission on Climate Change's consensus- and science-based approach and economically-modeled recommendations, I am encouraged by some of the subsequent revisions to the bill that are more in line with my administration's insistence on ambitious yet achievable climate solutions. My administration has always worked to find common ground to accelerate climate action, be it on clean and renewable energy, green infrastructure, community resilience or transportation.

Maryland is and will continue to be a global leader when it comes to addressing the climate crisis. Under my leadership, Maryland has reduced greenhouse gas emissions by approximately 30% while simultaneously growing our economy by 22%. We are not only a global climate leader; we have also been a leading state for growing the bipartisan Regional Greenhouse Gas Initiative, the offshore wind collaborative, SMART-POWER, and the U.S. Climate Alliance. We have advanced a comprehensive climate strategy that puts adaptation, equity, mitigation and resiliency at the forefront.

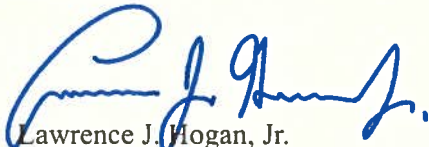
It is my sincere hope that the multitude of work groups established by this legislation will result in meaningful input from state agencies, local governments, academia, the public and the private sector. These groups should focus on collaborative and cost-effective measures to further Maryland's climate and economic progress while increasing job creation and retention, and technological innovation.

Although I also will allow HB 740/SB 566 - *State Retirement and Pension System - Investment Climate Risk - Fiduciary Duties* to be enacted without my signature, I do have serious concerns about politicians interfering with the fiduciary duties of the Maryland State Retirement and Pension System. While this legislation is well intended, Maryland already stands as a leader among states in the fight against climate change, ranking first in 2020 at reducing greenhouse gas emissions while growing our economy. Above all else, a fiduciary of the Maryland State Retirement and Pension System has a legal and ethical duty to act in the best interest of its 400,000 members, not to answer to the dictates of elected officials. This bill sets a worrisome precedent and creates a slippery slope; instead of micromanaging our state retirement system, elected officials should allow our investment experts and professionals to do what they do best.

Maryland has an excellent track record in addressing climate change while growing its economy and jobs. I remain hopeful that subsequent revisions to these two bills will ensure that continues as we all work together on this shared goal.

For these reasons I have allowed Senate Bill 528 and House Bill 740/Senate Bill 566 to take effect without my signature.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lawrence J. Hogan, Jr.", written in a cursive style.

Lawrence J. Hogan, Jr.  
Governor