
By: **Prince George's County Delegation**
Introduced and read first time: February 8, 2002
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Education - Taxing Authority**
3 **PG 428-02**

4 FOR the purpose of requiring Prince George's County to appropriate a certain
5 percentage of certain property tax revenue to the Prince George's County Board
6 of Education for each fiscal year; authorizing the Prince George's County
7 Council under certain circumstances to set the county real property tax rate at
8 a rate that exceeds the real property tax rate limitation provided in the Prince
9 George's County Charter; requiring the County Council to adopt two alternative
10 budgets under certain circumstances; requiring Prince George's County to
11 appropriate certain property tax revenue to the Prince George's County Board of
12 Education under certain circumstances; providing that certain appropriations
13 shall be excluded for purposes of certain requirements for maintenance of local
14 education funding efforts; requiring that before a county real property tax rate
15 that exceeds the charter tax rate limit becomes effective, the county law
16 adopting the rate shall be submitted to a referendum of the legally qualified
17 voters of Prince George's County; providing for the application of this Act; and
18 generally relating to the property tax rate and education funding in Prince
19 George's County.

20 BY adding to
21 Article - Education
22 Section 5-104(d)
23 Annotated Code of Maryland
24 (2001 Replacement Volume)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Education

2 5-104.

3 (D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
4 MEANINGS INDICATED.

5 (II) "CHARTER TAX RATE LIMIT" MEANS THE MAXIMUM REAL
6 PROPERTY TAX RATE PROVIDED IN THE PRINCE GEORGE'S COUNTY CHARTER.

7 (III) "COUNTY COUNCIL" MEANS THE PRINCE GEORGE'S COUNTY
8 COUNCIL.

9 (2) FOR EACH FISCAL YEAR, IN ADDITION TO ANY OTHER FUNDS THAT
10 ARE DEDICATED BY LAW TO EDUCATION, PRINCE GEORGE'S COUNTY SHALL
11 APPROPRIATE TO THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION AN
12 AMOUNT EQUAL TO 88.275% OF THE TOTAL REAL AND PERSONAL PROPERTY TAX
13 REVENUE FOR THE FISCAL YEAR GENERATED BY A TAX RATE THAT DOES NOT
14 EXCEED THE CHARTER TAX RATE LIMIT.

15 (3) NOTWITHSTANDING ANY REQUIREMENT OF THE PRINCE GEORGE'S
16 COUNTY CHARTER, BUT SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION,
17 TO PROVIDE ADDITIONAL FUNDING TO THE PRINCE GEORGE'S COUNTY BOARD OF
18 EDUCATION, THE COUNTY COUNCIL MAY SET THE COUNTY REAL PROPERTY TAX
19 RATE AT A RATE THAT EXCEEDS THE CHARTER TAX RATE LIMIT.

20 (4) (I) PRIOR TO EACH FISCAL YEAR FOR WHICH THE COUNTY
21 COUNCIL INTENDS TO SET THE COUNTY REAL PROPERTY TAX RATE AT A RATE THAT
22 EXCEEDS THE CHARTER TAX RATE LIMIT, THE COUNTY COUNCIL SHALL ADOPT TWO
23 ALTERNATIVE BUDGETS FOR THE UPCOMING FISCAL YEAR:

24 1. ONE BUDGET BASED ON THE COUNTY REAL PROPERTY
25 TAX RATE FOR THE UPCOMING TAXABLE YEAR THAT EXCEEDS THE CHARTER TAX
26 RATE LIMIT; AND

27 2. THE OTHER BUDGET BASED ON A COUNTY REAL
28 PROPERTY TAX RATE FOR THE UPCOMING TAXABLE YEAR THAT DOES NOT EXCEED
29 THE CHARTER TAX RATE LIMIT.

30 (II) IN THE BUDGET BASED ON A COUNTY REAL PROPERTY TAX
31 RATE FOR THE UPCOMING TAXABLE YEAR THAT EXCEEDS THE CHARTER TAX RATE
32 LIMIT, PRINCE GEORGE'S COUNTY SHALL APPROPRIATE TO THE PRINCE GEORGE'S
33 COUNTY BOARD OF EDUCATION ALL OF THE ADDITIONAL PROPERTY TAX REVENUE
34 RESULTING FROM A COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS THE
35 CHARTER TAX RATE LIMIT.

36 (III) ANY APPROPRIATION TO THE PRINCE GEORGE'S COUNTY
37 BOARD OF EDUCATION OF THE ADDITIONAL PROPERTY TAX REVENUE RESULTING
38 FROM A COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS THE CHARTER TAX RATE

1 LIMIT SHALL BE EXCLUDED FOR PURPOSES OF DETERMINING UNDER § 5-202(B) OF
2 THIS TITLE:

3 1. WHETHER PRINCE GEORGE'S COUNTY HAS
4 APPROPRIATED THE MINIMUM AMOUNT OF LOCAL FUNDS THAT THE COUNTY IS
5 REQUIRED TO APPROPRIATE TO THE SCHOOL OPERATING BUDGET; AND

6 2. THE MINIMUM AMOUNT OF LOCAL FUNDS THAT PRINCE
7 GEORGE'S COUNTY IS REQUIRED TO APPROPRIATE TO THE SCHOOL OPERATING
8 BUDGET FOR ANY SUBSEQUENT FISCAL YEAR.

9 (5) (I) BEFORE A COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS
10 THE CHARTER TAX RATE LIMIT BECOMES EFFECTIVE, THE COUNTY LAW ADOPTING
11 THE RATE SHALL FIRST BE SUBMITTED TO A REFERENDUM OF THE LEGALLY
12 QUALIFIED VOTERS OF PRINCE GEORGE'S COUNTY AT A SPECIAL ELECTION.

13 (II) THE COST OF THE SPECIAL ELECTION SHALL BE PAID BY THE
14 COUNTY COUNCIL.

15 (III) THE COUNTY COUNCIL SHALL SET THE DATE OF THE SPECIAL
16 ELECTION TO BE A DATE EARLY ENOUGH SO THAT THE RESULTS OF THE
17 REFERENDUM MAY BE OFFICIALLY DETERMINED BEFORE THE BEGINNING OF THE
18 TAXABLE YEAR FOR WHICH THE COUNTY REAL PROPERTY TAX RATE IS PROPOSED.

19 (IV) THE COUNTY COUNCIL AND THE BOARD OF SUPERVISORS OF
20 ELECTIONS OF PRINCE GEORGE'S COUNTY SHALL DO THOSE THINGS NECESSARY
21 AND PROPER TO PROVIDE FOR AND HOLD THE REFERENDUM REQUIRED BY THIS
22 PARAGRAPH.

23 (V) 1. UNLESS A MAJORITY OF THE VOTES CAST ON THE
24 QUESTION ARE "FOR THE REFERRED LAW":

25 A. THE COUNTY REAL PROPERTY TAX RATE FOR THE
26 UPCOMING FISCAL YEAR MAY NOT EXCEED THE CHARTER TAX RATE LIMIT; AND

27 B. THE BUDGET ADOPTED BY THE COUNTY COUNCIL BASED
28 ON A COUNTY REAL PROPERTY TAX RATE FOR THE UPCOMING TAXABLE YEAR THAT
29 DOES NOT EXCEED THE CHARTER TAX RATE LIMIT SHALL TAKE EFFECT.

30 2. IF A MAJORITY OF THE VOTES CAST ON THE QUESTION
31 ARE "FOR THE REFERRED LAW":

32 A. THE COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS
33 THE CHARTER TAX RATE LIMIT SHALL TAKE EFFECT FOR THE UPCOMING TAXABLE
34 YEAR; AND

35 B. THE BUDGET ADOPTED BY THE COUNTY COUNCIL BASED
36 ON THE COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS THE CHARTER TAX RATE
37 LIMIT SHALL TAKE EFFECT.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2002 and shall be applicable to all taxable years beginning after June 30,
3 2003.