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By: **Prince George's County Delegation**

Introduced and read first time: February 4, 2004

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Education Funding - Tax Limitation Exception**  
3 **PG 403-04**

4 FOR the purpose of authorizing the County Executive of Prince George's County to  
5 recommend that the County Council set a county real property tax rate  
6 exceeding a level permitted by the County Charter subject to a certain limitation  
7 if the County Executive considers the higher rate necessary to provide adequate  
8 funding to the Board of Education of Prince George's County; authorizing the  
9 County Council, on recommendation of the County Executive, to set a county  
10 real property tax rate by a certain vote in excess of that permitted by the  
11 Charter subject to a certain limitation for funding the approved budget of the  
12 Board; requiring that, if the Charter limitation is exceeded, certain levels of  
13 funding be maintained and certain revenues be committed to the Board;  
14 requiring that before a county real property tax rate that exceeds the Charter  
15 tax rate limit becomes effective, the county law adopting the rate shall be  
16 submitted to a referendum of the legally qualified voters of Prince George's  
17 County; requiring the Board to apply certain priorities when using the revenue  
18 generated by the county real property tax rate authorized by this Act for funding  
19 education items; requiring the governing body of Prince George's County to  
20 grant, by law, a property tax credit of a certain amount against the county  
21 property tax imposed on the real property of a dwelling owned by certain  
22 individuals under certain circumstances; providing for the application of this  
23 Act; and generally relating to the property tax rate and education funding in  
24 Prince George's County.

25 BY repealing and reenacting, without amendments,  
26 Article - Education  
27 Section 5-104(b)  
28 Annotated Code of Maryland  
29 (2001 Replacement Volume and 2003 Supplement)

30 BY adding to  
31 Article - Education  
32 Section 5-104(d)

1 Annotated Code of Maryland  
2 (2001 Replacement Volume and 2003 Supplement)

3 BY adding to  
4 Article - Tax - Property  
5 Section 9-318(e)  
6 Annotated Code of Maryland  
7 (2001 Replacement Volume and 2003 Supplement)

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

10 **Article - Education**

11 5-104.

12 (b) (1) Local funds provided for appropriations shall be paid in accordance  
13 with the expenditure requirements, as certified by the county board, to the treasurer  
14 of the county board on a monthly basis.

15 (2) Appropriations for school construction, permanent improvements,  
16 and repairs for special purposes may be required to be paid more frequently on the  
17 order of the president and secretary of the county board to the county commissioners,  
18 county council, or the county executive.

19 (D) (1) THIS SUBSECTION ONLY APPLIES TO PRINCE GEORGE'S COUNTY.

20 (2) THE COUNTY EXECUTIVE MAY RECOMMEND TO THE COUNTY  
21 COUNCIL THAT THE COUNCIL SET A COUNTY REAL PROPERTY TAX RATE EXCEEDING  
22 A LEVEL PERMITTED UNDER THE COUNTY CHARTER IF THE COUNTY EXECUTIVE  
23 CONSIDERS THE HIGHER RATE NECESSARY TO PROVIDE ADEQUATE FUNDING TO  
24 THE COUNTY BOARD.

25 (3) NOTWITHSTANDING ANY PROVISION OF THE COUNTY CHARTER AND  
26 SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION, ON RECOMMENDATION  
27 OF THE COUNTY EXECUTIVE, THE COUNTY COUNCIL, BY AT LEAST A MAJORITY VOTE  
28 OF THE FULL MEMBERSHIP OF THE COUNCIL, MAY SET A COUNTY REAL PROPERTY  
29 TAX RATE THAT IS GREATER THAN THE RATE THAT WOULD BE PERMITTED UNDER  
30 THE CHARTER FOR THE SOLE PURPOSE OF FUNDING THE APPROVED BUDGET OF  
31 THE COUNTY BOARD.

32 (4) IF THE COUNTY COUNCIL SETS A COUNTY REAL PROPERTY TAX RATE  
33 THAT IS GREATER THAN THE RATE PERMITTED UNDER THE COUNTY CHARTER, THE  
34 ADDITIONAL TAX INCREASE SHALL BE 10 CENTS ON EACH \$100 WORTH OF  
35 ASSESSABLE REAL PROPERTY OTHER THAN OPERATING REAL PROPERTY OF A  
36 PUBLIC UTILITY.

1 (5) IF THE COUNTY COUNCIL SETS A COUNTY REAL PROPERTY TAX RATE  
2 THAT IS GREATER THAN THE RATE PERMITTED UNDER THE COUNTY CHARTER, THE  
3 COUNTY:

4 (I) MAY NOT REDUCE FUNDING PROVIDED TO THE COUNTY BOARD  
5 FROM ANY OTHER LOCAL REVENUE SOURCE BELOW THE FUNDING LEVEL UNDER  
6 THE CURRENT COUNTY BUDGET; AND

7 (II) SHALL APPROPRIATE TO THE COUNTY BOARD ALL REAL  
8 PROPERTY TAX REVENUE EXCEEDING THE AMOUNT THAT WOULD HAVE BEEN  
9 AVAILABLE HAD THE COUNTY CHARTER LIMITATION APPLIED.

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

14 (II) THE COUNTY COUNCIL AND THE BOARD OF SUPERVISORS OF  
15 ELECTIONS OF PRINCE GEORGE'S COUNTY SHALL DO THOSE THINGS NECESSARY  
16 AND PROPER TO PROVIDE FOR AND HOLD THE REFERENDUM REQUIRED BY THIS  
17 PARAGRAPH.

18 (III) IF A MAJORITY OF THE VOTES CAST ON THE QUESTION ARE  
19 "FOR THE REFERRED LAW", THE COUNTY REAL PROPERTY TAX RATE THAT EXCEEDS  
20 THE CHARTER TAX RATE LIMIT SHALL TAKE EFFECT FOR THE UPCOMING TAXABLE  
21 YEAR.

22 (7) IF THE COUNTY LAW ADOPTING THE COUNTY REAL PROPERTY TAX  
23 RATE IS ADOPTED IN ACCORDANCE WITH PARAGRAPH (6) OF THIS SUBSECTION AND  
24 AFTER THE APPROPRIATION OF THE REAL PROPERTY TAX REVENUES SPECIFIED IN  
25 PARAGRAPH (5)(II) OF THIS SUBSECTION TO THE COUNTY BOARD AS REQUIRED BY  
26 PARAGRAPH (5)(II) OF THIS SUBSECTION, THE COUNTY BOARD SHALL PROVIDE FOR  
27 THE FUNDING OF EDUCATION ITEMS IN ACCORDANCE WITH THE FOLLOWING  
28 PRIORITIES:

29 (I) DEDICATION OF REVENUES TO ENHANCE AND FUND  
30 UNFUNDED ACADEMIC ITEMS IN THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS  
31 MASTER PLAN/QUALITY SCHOOLS PROGRAM STRATEGIC PLAN, INCLUDING FUNDING  
32 FOR:

33 1. THE ACCELERATION OF MATHEMATICS INSTRUCTION IN  
34 ELEMENTARY AND MIDDLE SCHOOL;

35 2. INCREASING THE NUMBER OF STUDENTS TAKING  
36 ALGEBRA OR HIGHER LEVEL MATHEMATICS IN MIDDLE SCHOOL;

37 3. INCREASING THE NUMBER OF STUDENTS TAKING  
38 HONORS AND ADVANCED PLACEMENT COURSES IN HIGH SCHOOL; AND

1 4. INCREASING THE NUMBER OF STUDENTS TAKING  
2 ADVANCED PLACEMENT TESTS;

3 (II) DEDICATION OF REVENUES TO FUND SYSTEMIC INITIATIVES  
4 THAT BENEFIT ALL CHILDREN IN THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS,  
5 INCLUDING:

6 1. ADDITIONAL COUNTY FUNDING TO ENHANCE AND  
7 SUPPORT FULL FUNDING OF THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT  
8 OF 2002 AND ENACTED INTO LAW AS CHAPTER 288 OF THE ACTS OF THE GENERAL  
9 ASSEMBLY OF 2002, COMMONLY REFERRED TO AS THE "THORNTON" LEGISLATION;

10 2. FUNDING OF REQUESTS IN THE CAPITAL IMPROVEMENTS  
11 PROGRAM TO REDUCE THE SIZE OF CLASSES AND TO CONSTRUCT NEW SCHOOLS  
12 AND NEW CLASSROOM ADDITIONS TO EXISTING SCHOOLS;

13 3. INCREASING FUNDING FOR AGING SCHOOLS AND THE  
14 REPAIR, RENOVATION, AND UPGRADING OF OLDER SCHOOL BUILDINGS AND  
15 FACILITIES; AND

16 4. THE PROVISION OF SUFFICIENT FUNDING FOR TEACHER  
17 SALARY INCREASES TO RETAIN THE BEST, MOST QUALIFIED TEACHERS; AND

18 (III) FUNDING OF SPECIFIC ITEMS TO PROVIDE FOR THE  
19 FOLLOWING:

20 1. REDUCTION IN THE SIZE OF CLASSES;

21 2. SUFFICIENT FUNDS TO ALLOW FOR:

22 A. REPLACEMENT OF TEXTBOOKS AND INSTRUCTIONAL  
23 MATERIALS; AND

24 B. REPLACEMENT OF FURNITURE AND EQUIPMENT, OTHER  
25 THAN SCHOOL BUSES;

26 3. SUFFICIENT FUNDS TO RETAIN:

27 A. THE DIVISION OF MAINTENANCE IN ITS ENTIRETY;

28 B. APPROPRIATE NUMBERS OF ASSISTANT PRINCIPALS;

29 C. ALL ELEMENTARY SCHOOL ART, MUSIC, AND PHYSICAL  
30 EDUCATION TEACHER POSITIONS;

31 D. RETENTION OF MEDIA PROGRAMS, INCLUDING MEDIA  
32 SPECIALISTS, MEDIA ASSISTANTS, MEDIA SERVICES TECHNICIANS, AND MEDIA  
33 PROGRAM MATERIALS;

34 E. SIGNIFICANT PORTIONS OF ALL STAFF DEVELOPMENT  
35 ACTIVITIES;

- 1 F. SIGNIFICANT PORTIONS OF THE GUIDANCE PROGRAM;  
2 AND
- 3 G. SIGNIFICANT PORTIONS OF THE "MASTER PLAN"  
4 INITIATIVES; AND
- 5 4. SUFFICIENT FUNDS TO MAINTAIN SALARY  
6 ENHANCEMENTS FOR CLASSROOM TEACHERS, ADMINISTRATORS, AND SUPPORT  
7 STAFF.

8 **Article - Tax - Property**

9 9-318.

10 (E) (1) IN THIS TITLE, "DWELLING" AND "GROSS INCOME" HAVE THE  
11 MEANINGS STATED IN § 9-104(A)(8) OF THIS ARTICLE.

12 (2) THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY SHALL GRANT  
13 A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY PROPERTY  
14 TAX IMPOSED ON THE REAL PROPERTY OF A DWELLING OWNED BY:

15 (I) AN INDIVIDUAL AT LEAST 60 YEARS OLD ON JULY 1 OF THE  
16 TAXABLE YEAR FOR WHICH THE CREDIT IS ALLOWED; OR

17 (II) AN INDIVIDUAL WHOSE GROSS INCOME IS LESS THEN \$50,000  
18 AS OF DECEMBER 31 OF THE CALENDAR YEAR THAT PRECEDES THE YEAR IN WHICH  
19 THE INDIVIDUAL APPLIES FOR THE PROPERTY TAX CREDIT.

20 (3) THE AMOUNT OF THE CREDIT GRANTED UNDER PARAGRAPH (2) OF  
21 THIS SUBSECTION SHALL BE THE AMOUNT OF THE TAX ATTRIBUTABLE TO THE  
22 INCREASE IN THE TAX RATE UNDER § 5-104(D) OF THE EDUCATION ARTICLE.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 2004, and shall be applicable to all taxable years beginning after June 30,  
25 2005.