

HOUSE BILL 396

Q8, F1

4lr1014

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

Introduced and read first time: January 17, 2024

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Sales and Use Tax on Energy and Fuel – Use of**
3 **Revenue**

4 **PG 407–24**

5 FOR the purpose of altering a certain provision of law relating to the use of certain revenue
6 from the sales and use tax on energy and fuel in Prince George's County by allowing
7 the revenue to be used to meet certain education funding requirements for the
8 county; repealing a requirement that the county appropriate a certain amount of
9 local money to the school operating budget each fiscal year; and generally relating to
10 the sales and use tax on energy and fuel in Prince George's County and maintenance
11 of effort requirements in primary and secondary education.

12 BY repealing and reenacting, without amendments,
13 Article – Education
14 Section 5–235(a)
15 Annotated Code of Maryland
16 (2022 Replacement Volume and 2023 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Local Government
19 Section 20–604(a)
20 Annotated Code of Maryland
21 (2013 Volume and 2023 Supplement)

22 BY repealing and reenacting, with amendments,
23 Article – Local Government
24 Section 20–604(e)
25 Annotated Code of Maryland
26 (2013 Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing
2 Article – Local Government
3 Section 20–604(f)
4 Annotated Code of Maryland
5 (2013 Volume and 2023 Supplement)

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

8 **Article – Education**

9 5–235.

10 (a) (1) (i) Subject to subsection (o) of this section and beginning in fiscal
11 year 2023, the county governing body shall levy and appropriate an annual tax sufficient
12 to provide an amount of revenue for elementary and secondary public education purposes
13 equal to the local share of major education aid as adjusted under § 5–239 of this subtitle.

14 (ii) For the purposes of calculating the local share of major education
15 aid and regardless of the source of the funds, all funds that a county board, including the
16 Baltimore City Board of School Commissioners, is authorized to expend for schools may be
17 considered as levied by the county council, board of county commissioners, or the Mayor
18 and City Council of Baltimore except for:

- 19 1. State appropriations;
20 2. Federal education aid payments; and
21 3. The amount of the expenditure authorized for debt service
22 and capital outlay.

23 (2) Subject to subsection (o) of this section and except as provided in
24 subsection (a–1) of this section, the county governing body shall appropriate local funds to
25 the school operating budget in an amount no less than the product of the county’s
26 enrollment count for the current fiscal year and the local appropriation on a per pupil basis
27 for the prior fiscal year using enrollment count.

28 **Article – Local Government**

29 20–604.

30 (a) (1) Subject to paragraph (2) of this subsection and except as provided in
31 subsection (b) of this section, by ordinance, the County Council for Prince George’s County
32 may impose a sales or use tax on any form of energy or fuel used in Prince George’s County.

33 (2) The percentage of a tax imposed under this section may not exceed the
34 percentage in effect on July 1, 1992.

1 (e) The net proceeds of the tax imposed under this section shall be used only [for
2 funding of]:

3 (1) **FOR FUNDING OF** the public ethics provisions under Title 5, Subtitle
4 8, Part V of the General Provisions Article; or

5 (2) [public education in the following budget categories in Prince George's
6 County:

7 (i) instructional salaries;

8 (ii) instructional materials and related costs;

9 (iii) special education; and

10 (iv) fixed charges] **TO MEET THE COUNTY'S FUNDING**
11 **REQUIREMENTS UNDER § 5-235(A) OF THE EDUCATION ARTICLE.**

12 [(f) For each fiscal year, Prince George's County shall appropriate local money to
13 the school operating budget in an amount not less than the sum of:

14 (1) the excess of the amount of the projected revenue for the fiscal year
15 from the tax authorized under this section over the projected revenue from the tax for the
16 prior fiscal year; and

17 (2) the amount of local money that Prince George's County is required by
18 State law to appropriate to the school operating budget.]

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
20 1, 2024.