HB 66 - Property Tax Credits - Public School Empl Uploaded by: Christa McGee



House Bill 66 – Property Tax Credits – Public School Employees, Health and Safety Improvements and Property Used for Local Housing Programs

Position: Support

The Maryland REALTORS® supports HB 66 which would allow local governments the ability to extend a property tax credit towards the primary residence within the county, for those employed by the public school system. Additionally, this bill would allow for a tax credit to be extended to owners of apartment buildings and condominiums who have made health or safety improvements to the building.

REALTORS® support efforts that relieve some of the financial burdens associated with owning a home in Maryland. This bill would allow local jurisdictions to offer financial relief to owners of condominiums and apartment buildings by defraying some of the costs associated with addressing health and safety improvements within these residences, incentivizing owners to make these repairs.

Recently, Maryland REALTORS® conducted a State of Housing 2024 poll among registered voters. Results from this survey found that 82% of Maryland voters feel that the costs to purchase a home in Maryland is too high and 89% have indicated that even with a full-time job their ability to afford a home is an obstacle. Additionally, almost 30% of registered voters would consider relocating to another state due to the high housing costs in Maryland.

Maryland REALTORS® applaud efforts that help ensure that those employed by public school systems in Maryland are able to remain in Maryland and that incentivize owners of condominiums and apartments to make necessary health and safety repairs through this much needed financial incentive offered by this exemption.

For more information contact lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org



Senate Testimony - Tax Credits Enabling Legislatio Uploaded by: Kate Stewart



MONTGOMERY COUNTY COUNCIL ROCKVILLE, MARYLAND

KATE STEWART
VICE PRESIDENT
MONTGOMERY COUNCIL

HB 66 - Property Tax Credits - Public School Employees, Health and Safety Improvements, and Property Used for Local Housing Programs
Testimony of Kate Stewart, Montgomery County Councilmember, District 4
Position: SUPPORT
March 26, 2024

My name is Kate Stewart and I serve as the Montgomery County Councilmember for District 4 and as the Vice President of the Montgomery County Council. Today, I am speaking on behalf of myself in support of Property Tax Credits - Public School Employees, Health and Safety Improvements, and Property Used for Local Housing Programs (House Bill 66). This legislation would enable local governments to grant a property tax credit for public school employees or for apartment or condominium buildings with health or safety improvements made on or after July 1, 2024.

This legislation would allow Counties to help move forward the Blueprint for Maryland's Future, an important piece of policy for our education system. According to the Maryland State Education Association (MSEA), there is a clear educator shortage and the 2022-23 school year began with over 2,500 educator vacancies. One third of educators leave within the first five years. A main reason for leaving the profession is compensation. The Blueprint targets these issues by setting a goal of hiring 15,000 new educators and implementing career ladders to address compensation issues. Property tax credits to educators is an additional tool to be used to make counties in Maryland, like Montgomery County, more appealing and affordable for teachers.

Addressing health and safety concerns in buildings is another important aspect of this bill. In Montgomery County, for example, there are numerous older apartments and condominiums that are due for large maintenance/renovation projects. This bill would aid these buildings to address important safety issues like asbestos and foundational concerns in a timely manner and will help preserve our needed affordable housing across the state of Maryland.

I urge you to support this bill to bring more educators to Maryland and invest in our existing housing units.

HB0066-BT_MACo_SUP.pdf Uploaded by: Kevin Kinnally



House Bill 66

Property Tax Credits - Public School Employees, Health and Safety Improvements, and Property Used for Local Housing Programs

MACo Position: **SUPPORT**To: Budget and Taxation Committee

Date: March 26, 2024 From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 66. This bill enables local governments to enact specified property tax credits for employees of local school systems, safety improvements to apartment or condominium buildings, and to incentivize local housing programs serving homeless individuals or families.

MACo generally supports legislation that provides broad authority to enact tax incentives for revitalization and tax relief purposes and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives. Counties prefer the approach offered by HB 66, as it provides local autonomy to determine the best way to offer these incentives rather than those that mandate reductions in local revenue sources.

The bill authorizes local governments to grant three separate property tax credits: (1) a property tax credit for an employee of the public school system of the county where the property is located, (2) a property tax credit for an apartment building or a condominium building if the owner made specified health or safety improvements, and (3) a property tax credit for specified apartment condominium buildings that are used for a local housing program for homeless individuals or families.

In addition, the bill authorizes local governments to provide, by law, for the duration of the credits, the maximum assessed value of a dwelling that is eligible for the credits and, if necessary, any additional eligibility criteria. This will allow each jurisdiction that enacts the credit to tailor it to their community needs. Additionally, it gives each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits enabled by the bill.

HB 66 ensures local governments have flexibility in enacting policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for HB 66.

Interfaith Works MD Written Testimony HB66.pdf Uploaded by: Liz Krueger



March 26, 2024

To the Honorable Chair Guzzone, Vice Chair Rosapepe, and the esteemed members of the Budget and Taxation Committee:

Thank you for the opportunity to provide written testimony before the Budget and Taxation Committee in support of HB66. At Interfaith Works (IW), our programs and services help our neighbors in need access vital services and create a pathway to greater stability. IW programs include emergency financial assistance, distribution of free food and clothing, job placement services, and a complete continuum of housing – including four emergency shelters and seven supportive housing programs. Through these programs, we serve 35,000 Montgomery County residents each year.

HB66, as proposed, aims to alleviate the burden of property tax for properties owned by certain nonprofit organizations. IW owns three homes where we operate supportive housing programs. These properties have been instrumental in providing stable living conditions for vulnerable individuals who were previously experiencing homelessness. Through tailored support from our dedicated case managers, residents' access essential services that enable them to find a pathway to greater stability.

However, offering these services comes at a significant cost. HB66 would relieve some pressure for nonprofits like IW by helping to defray the expenses associated with property taxes. By reducing the financial strain, this legislation enables us to allocate more resources towards delivering effective case management and supportive services. Ultimately, this legislation helps us continue our invaluable work towards ending homelessness and alleviating poverty in Montgomery County.

Thank you for considering our perspective as you proceed with this Hearing.

Courtney Hall CEO

chall@iworksmc.org

301-315-1099

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LORIG CHARKOUDIAN

Legislative District 20
Montgomery County

Economic Matters Committee

Subcommittees

Public Utilities

Chair, Unemployment Insurance



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THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

HB 66- PROPERTY TAX CREDITS- PUBLIC SCHOOL EMPLOYEES, HEALTH AND SAFETY IMPROVEMENTS, AND PROPERTY USED FOR LOCAL HOUSING PROGRAMS

TESTIMONY OF DELEGATE LORIG CHARKOUDIAN

MARCH 26, 2024

Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget and Taxation Committee,

This enabling legislation allows counties to make three new tax credits for helping teachers with housing costs, residential building safety improvements, and addressing the housing crisis.

- 1. The Maryland Department of Education has cited one of its primary goals is to educate and retain a robust and diverse teacher workforce. Currently, the "lack of qualified teachers, in addition to teacher turnover, threatens students' ability to learn and consumes economic resources that could be used elsewhere." One third of educators leave within the first five years. In 2022, 55% of educators contemplated leaving earlier than expected. Housing supports are part of the suite of solutions to help educators and other faculty survive and thrive in the communities they serve. Property tax credits paired with the incentives of the Blueprint will help our current teachers stay and encourage new teachers to work in Maryland.
- 2. Older apartments and condominiums often face significant costs associated with health and safety improvements to their facilities. This cost is often shared by the residents and can be a burden. Providing financial incentives for making necessary improvements for the health and safety of residents (mold abatement, fire sprinkler installation, etc.) lessens this burden while improving the quality of life for residents.
- 3. Each year in Maryland, 30,000+ people experience being unhoused.³ There are many government programs and nonprofits doing the hard work of providing people with homes and challenging the societal factors that lead to being unhoused, but they need support. Rental facilities in Maryland have the capacity to participate in these programs and property tax credits would incentivize that participation.

I respectfully request a favorable report on HB 66.

¹ Choudhury, M. (2022). *Maryland's Teacher Workforce: Supply, Demand, and Diversity*. Maryland Department of Education. <u>link</u>.

² Article available at National Education Association, <u>link</u>.

³ Data retrieved from Healthcare for the Homeless, <u>link</u>.

X HB 66 - FAV MSEA.pdf Uploaded by: Samantha Zwerling Position: FAV



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marylandeducators.org

SUPPORT Property Tax Credits – Public School Employees, Health and Safety Improvements, and Property Use for Local Housing Programs

Senate Budget and Taxation Committee March 26, 2024

Samantha Zwerling **Government Relations**

The Maryland State Education Association supports House Bill 66 which would enable county and local governments to enact property tax credits for school system employees.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our almost 900,000 students so they can pursue their dreams. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

This bill acknowledges that the affordable housing crisis exacerbates the educator shortage we are facing in Maryland and across the country. Educators want to be able to afford to live and be a part of the community in which they work but many times they are not able to afford it. Unfortunately, as the pandemic has made the educator shortage worse, it has also made the landscape for affordable housing worse. These compounding issues not only affect the quality of our schools and the services that are available to our students, but it also affects the strength of our communities and the state economy.

Further, MSEA appreciates the bill's language to include all educators. Education Support Professionals (ESPs) are crucial parts of our school ecosystems and many times are not making a living wage to support themselves and their families. These professionals include instructional assistant, bus drivers, cafeteria workers, secretaries, and more. If a county were to enact a property tax credit as envisioned under this bill, it could be extremely impactful for our ESPs who want to continue working in our schools but also need to earn a living wage and pay their bills.



This enabling legislation gives local governments the authority to set tax policy that is right for their communities. As counties compete for the best educators, this is another incentive a county could offer an educators to help attract the best talent.

MSEA urges a favorable report on House Bill 66.