

HOUSE BILL 377

Q3
HB 818/24 – W&M

5lr1092

By: **Prince George's County Delegation**
Introduced and read first time: January 16, 2025
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Income Tax – Credit for Employers Providing**
3 **Parental Engagement Leave**

4 **PG 409–25**

5 FOR the purpose of allowing employers in Prince George's County who provide certain
6 parental engagement leave to certain qualified employees during the taxable year a
7 credit against the State income tax; requiring the State Department of Education, in
8 consultation with the Comptroller, to develop and make available a certain
9 certification form; requiring a certain qualified employee to obtain the signatures of
10 a certain Prince George's County Board of Education member and certain Prince
11 George's County school personnel under certain circumstances; making the credit
12 refundable under certain circumstances; and generally relating to a credit against
13 the State income tax for employers in Prince George's County who provide parental
14 engagement leave to qualified employees.

15 BY adding to
16 Article – Tax – General
17 Section 10–758
18 Annotated Code of Maryland
19 (2022 Replacement Volume and 2024 Supplement)

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

22 **Article – Tax – General**

23 **10–758.**

24 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 INDICATED.

2 (2) "COUNTY BOARD" MEANS THE PRINCE GEORGE'S COUNTY
3 BOARD OF EDUCATION.

4 (3) "PARENTAL ENGAGEMENT LEAVE" MEANS LEAVE AWAY FROM
5 WORK PROVIDED IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.

6 (4) "QUALIFIED EMPLOYEE" MEANS AN INDIVIDUAL WHO:

7 (I) 1. IS THE PARENT OF A SCHOOL STUDENT; OR

8 2. HAS LEGAL CUSTODY OF A SCHOOL STUDENT AS A
9 LEGAL GUARDIAN; AND

10 (II) USES PARENTAL ENGAGEMENT LEAVE IN ACCORDANCE
11 WITH AN EMPLOYER POLICY.

12 (5) "SCHOOL" MEANS A PUBLIC OR NONPUBLIC ELEMENTARY OR
13 SECONDARY SCHOOL IN PRINCE GEORGE'S COUNTY, INCLUDING A CHARTER
14 SCHOOL.

15 (B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN EMPLOYER IN
16 PRINCE GEORGE'S COUNTY THAT PROVIDES PARENTAL ENGAGEMENT LEAVE TO
17 ITS EMPLOYEES DURING THE TAXABLE YEAR IN ACCORDANCE WITH SUBSECTION (C)
18 OF THIS SECTION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX:

19 (1) IN THE AMOUNT CALCULATED UNDER SUBSECTION (D) OF THIS
20 SECTION; AND

21 (2) AFTER ATTACHING THE CERTIFICATION FORM REQUIRED UNDER
22 SUBSECTION (E) OF THIS SECTION TO THE INCOME TAX RETURN OF THE EMPLOYER.

23 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ANY
24 PARENTAL ENGAGEMENT LEAVE PROVIDED UNDER THIS SECTION SHALL BE:

25 (I) PROVIDED AT THE DISCRETION OF AN EMPLOYER FOR THE
26 BENEFIT OF A QUALIFIED EMPLOYEE OF THE EMPLOYER;

27 (II) USED FOR ALLOWING THE QUALIFIED EMPLOYEE TO
28 ATTEND SCHOOL-RELATED MEETINGS OR EVENTS AT THE SCHOOL IN WHICH THE
29 STUDENT OF THE QUALIFIED EMPLOYEE IS ENROLLED;

1 (III) ESTABLISHED BY WRITTEN POLICY;

2 (IV) AT LEAST 10 BUT NOT MORE THAN 20 HOURS OF LEAVE PER
3 QUALIFIED EMPLOYEE;

4 (V) PAID AT THE SAME WAGE RATE AS THE QUALIFIED
5 EMPLOYEE NORMALLY EARNS; AND

6 (VI) SUPPLEMENTAL TO, WITHOUT SUPPLANTING, ANY OTHER
7 LEAVE OR BENEFITS PROVIDED BY THE EMPLOYER TO THE QUALIFIED EMPLOYEE.

8 (2) AN EMPLOYER THAT PROVIDES PARENTAL ENGAGEMENT LEAVE
9 UNDER THIS SUBSECTION SHALL PROHIBIT:

10 (I) A QUALIFIED EMPLOYEE FROM EXHAUSTING THE
11 QUALIFIED EMPLOYEE'S ENTIRE LEAVE BALANCE IN FEWER THAN THREE
12 OCCURRENCES OF LEAVE USAGE; AND

13 (II) THE TRANSFER OF HOURS OF PARENTAL ENGAGEMENT
14 LEAVE BETWEEN EMPLOYEES.

15 (D) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE
16 AMOUNT OF THE CREDIT UNDER THIS SECTION SHALL BE THE PRODUCT OF A
17 QUALIFIED EMPLOYEE'S HOURLY WAGE RATE AND THE NUMBER OF PARENTAL
18 ENGAGEMENT LEAVE HOURS USED BY THE QUALIFIED EMPLOYEE DURING THE
19 TAXABLE YEAR.

20 (II) THE HOURLY WAGE RATE FOR A SALARIED EMPLOYEE
21 SHALL BE DETERMINED BASED ON THE MINIMUM WEEKLY NUMBER OF HOURS THAT
22 THE QUALIFIED EMPLOYEE IS REQUIRED TO WORK UNDER THE QUALIFIED
23 EMPLOYEE'S HIRING AGREEMENT.

24 (2) FOR ANY TAXABLE YEAR:

25 (I) AN EMPLOYER MAY CLAIM THE CREDIT FOR MORE THAN
26 ONE QUALIFIED EMPLOYEE, REGARDLESS OF WHETHER ANOTHER QUALIFIED
27 EMPLOYEE HAS USED PARENTAL ENGAGEMENT LEAVE FOR THE SAME STUDENT;
28 AND

29 (II) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED UNDER
30 THIS SECTION MAY NOT EXCEED \$800 FOR EACH QUALIFIED EMPLOYEE OF AN
31 EMPLOYER.

1 **(3) AN EMPLOYER MAY NOT CLAIM THE CREDIT FOR A QUALIFIED**
2 **EMPLOYEE WHO HAS NOT WORKED AT LEAST 30 DAYS DURING THE TAXABLE YEAR**
3 **FOR THE EMPLOYER.**

4 **(E) (1) TO RECEIVE THE CREDIT UNDER THIS SECTION, AN EMPLOYER**
5 **SHALL:**

6 **(I) OBTAIN FROM EACH QUALIFIED EMPLOYEE FOR WHOM THE**
7 **CREDIT IS SOUGHT A CERTIFICATION FORM UNDER THIS SUBSECTION; AND**

8 **(II) ATTACH EACH CERTIFICATION FORM TO THE INCOME TAX**
9 **RETURN OF THE EMPLOYER.**

10 **(2) THE STATE DEPARTMENT OF EDUCATION SHALL, IN**
11 **CONSULTATION WITH THE COMPTROLLER, DEVELOP AND MAKE AVAILABLE A**
12 **CERTIFICATION FORM TO BE USED IN ACCORDANCE WITH PARAGRAPH (3) OF THIS**
13 **SUBSECTION.**

14 **(3) (I) AS A CONDITION OF USING PARENTAL ENGAGEMENT LEAVE**
15 **UNDER THIS SECTION, A QUALIFIED EMPLOYEE SHALL AGREE TO OBTAIN FROM THE**
16 **APPROPRIATE SCHOOL OFFICIALS PROOF OF ATTENDING THE SCHOOL-RELATED**
17 **MEETING OR EVENT FOR WHICH THE LEAVE IS USED BY SUBMITTING THE**
18 **CERTIFICATION FORM TO:**

19 **1. IF THE STUDENT OF THE QUALIFIED EMPLOYEE IS**
20 **ENROLLED IN A PUBLIC SCHOOL, THE SCHOOL PRINCIPAL AND COUNTY BOARD**
21 **MEMBER WHO REPRESENTS THE SCHOOL; OR**

22 **2. IF THE STUDENT OF THE QUALIFIED EMPLOYEE IS**
23 **ENROLLED IN A NONPUBLIC SCHOOL, THE SCHOOL PRINCIPAL AND ANOTHER**
24 **ADMINISTRATOR OF THE SCHOOL.**

25 **(II) A COUNTY BOARD MEMBER OR SCHOOL PRINCIPAL OR**
26 **ADMINISTRATOR SHALL PROMPTLY SIGN AND RETURN A CERTIFICATION FORM TO A**
27 **QUALIFIED EMPLOYEE WHO ATTENDS A SCHOOL-RELATED MEETING OR EVENT.**

28 **(III) A QUALIFIED EMPLOYEE SHALL PROMPTLY RETURN A**
29 **SIGNED CERTIFICATION FORM TO THE QUALIFIED EMPLOYEE'S EMPLOYER.**

30 **(F) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR**
31 **EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, THE EMPLOYER MAY**
32 **CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2025, and shall be applicable to all taxable years beginning after December 31, 2024.