

SENATE BILL 939

F3

5lr3116

By: **Senator Muse**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 22, 2015

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Maintenance of Effort – Property Tax Rate**

3 FOR the purpose of limiting the authority of the governing body of Prince George's County
4 to set a county property tax rate higher than the rate authorized under the county's
5 charter for the purpose of funding the approved budget of the Prince George's County
6 Board of Education; providing for the application of this Act; and generally relating
7 to the property tax and local funding of education.

8 BY repealing and reenacting, with amendments,

9 Article – Education

10 Section 5–104(d)

11 Annotated Code of Maryland

12 (2014 Replacement Volume and 2014 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

14 That the Laws of Maryland read as follows:

15 **Article – Education**

16 5–104.

17 (d) (1) Notwithstanding any provision of a county charter that places a limit
18 on that county's property tax rate or revenues and subject to [paragraph] PARAGRAPHS
19 (2) AND (3) of this subsection, a county governing body may set a property tax rate that is
20 higher than the rate authorized under the county's charter or collect more property tax
21 revenues than the revenues authorized under the county's charter for the sole purpose of
22 funding the approved budget of the county board.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) If the county governing body sets a county property tax rate that is
2 greater than the rate authorized under the county's charter or collects more property tax
3 revenues than the revenues authorized under the county's charter, the county:

4 (i) May not reduce funding provided to the county board from any
5 other local revenue source below the funding level in the current county budget; and

6 (ii) Shall appropriate to the county board all property tax revenues
7 exceeding the amount that would have been available if the county charter limitation had
8 applied.

9 **(3) THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY MAY NOT**
10 **SET A COUNTY PROPERTY TAX RATE THAT IS GREATER THAN THE RATE AUTHORIZED**
11 **UNDER THE COUNTY'S CHARTER UNLESS THE RATE INCREASE IS NECESSITATED BY**
12 **AN ECONOMIC DOWNTURN IN THE COUNTY THAT IMPEDES THE COUNTY'S ABILITY**
13 **TO FUND THE REQUIRED MAINTENANCE OF EFFORT AMOUNT UNDER § 5-202 OF**
14 **THIS TITLE.**

15 **[(3)] (4)** On or before December 31 of any year in which a county sets a
16 property tax rate as provided in this subsection, the county shall report to the Governor
17 and, in accordance with § 2-1246 of the State Government Article, the General Assembly,
18 on the property tax rate set, the additional amount of revenues generated, and the
19 appropriation of the additional revenues.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
21 1, 2015, and shall be applicable to all taxable years beginning after June 30, 2015.