Montgomery County Council

Committee: GO
Committee Review: Completed
Staff: Ludeen McCartney-Green, Legislative Attorney
Purpose: Final action – vote expected

AGENDA ITEM #4G
November 17, 2026
Action

SUBJECTS

Bill 48-26, Property Tax Credit – Public School Employees

Lead Sponsor: Councilmember Stewart

Co-Sponsors: Councilmembers Evans, Katz, Friedson, Luedtke, Mink, and Sayles

EXPECTED ATTENDEES

Nancy Feldman, Manager, Department of Finance
Todd Fawley-King, Fiscal and Policy Analyst, Department of Finance

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- The GO Committee recommended, by a unanimous vote, to enact Bill 48-26, as amended.
- Roll Call vote expected.

DESCRIPTION/ISSUE

Bill 48-26 would:

(1) establish a property tax credit for public school employees in the County;
(2) set the amount and duration of the property tax credit;
(3) set eligibility criteria to qualify for the property tax credit; and
(4) generally amend the County law on property tax credit.

SUMMARY OF KEY DISCUSSION POINTS

The GO Committee had a worksession on October 29 and adopted the following amendments:

(1) clarify that eligibility for the tax credit applies only to "full-time" employees;
(2) include support staff employees who work for the Board of Education and are excluded from the bargaining unit; and
(3) remove language related to "expect to occupy" the primary residence because "expects" refers to the applicant's intent or anticipated future conduct rather than actual occupancy. For a tax credit, actual occupancy is the required eligibility criterion.

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Agenda Item #4G
November 17, 2026
Action

M E M O R A N D U M

November 12, 2026

TO: County Council

FROM: Ludeen McCartney-Green, Legislative Attorney

SUBJECT: Bill 48-26, Property Tax Credit – Public School Employees

PURPOSE: Action – roll call vote expected

GO Committee Recommendation: The GO Committee recommends unanimously, by a 3-0 vote, the enactment of Bill 48-26, as amended.

Bill 48-26, Property Tax Credit – Public School Employees was introduced on September 15, 2026. Councilmember Stewart is the Lead Sponsor. Co-Sponsors are Councilmembers Evans, Katz, Friedson, Luedtke, Mink, and Sayles. A public hearing on the bill was held on October 13 at 1:30 p.m., with more than 13 speakers testifying. A Government Operations and Fiscal Policy Committee (GO) worksession was held on October 29, 2026.

Bill 48-26 would:

(1) establish a property tax credit for public school employees in the County;
(2) set the amount and duration of the property tax credit;
(3) set eligibility criteria to qualify for the property tax credit; and
(4) generally amend the County law on property tax credit.

BACKGROUND

In 2024, the General Assembly passed enabling legislation that authorized the County to enact a property tax credit for public school employees.[1] Specifically, under Md. Tax-Property Code Ann. § 9-268, the state law allows the County to apply a tax credit toward a primary residence owned by an employee of the Montgomery County Public Schools system. The County also has the authority to set the amount, require additional eligibility criteria, establish the tax credit's duration, and include any other provisions necessary to administer the credit.

[1] Maryland House Bill 66 (Chapter 897 of the 2024 Laws of Maryland)

As the lead sponsor's memorandum (© 5) notes, because of the housing affordability crisis facing residents and public school employees, many cannot afford to purchase a home in the community where they work. Bill 48-26 would provide a property tax credit to incentivize homeownership or help reduce property taxes for a County public school employee's home.

Since 2024, Prince George's County has provided a similar tax credit benefit for its County public school employees. [2]

BILL SPECIFICS

Under Bill 48-26, the bill would define "public school employees" as:

> *Public school employee* means an individual employed by the Montgomery County Public School System who is a member of the bargaining unit of the Montgomery County Education Association (MCEA) or Service Employees International Union (SEIU) Local 500. A public school employee does not include a superintendent, associate superintendent, chief-level officer, deputy chief, principal, director, coordinator, supervisor, or central service administrator.

High-ranking administrators, such as a superintendent, associate superintendent, chief-level officer, deputy chief, principal, director, coordinator, supervisor, or central service administrator, would not be eligible for the credit.

The bill allows a total tax credit of $2,500. Additional eligibility criteria include: (1) the public school employee must own the property; (2) the property be the employee's primary residence; and (3) the employee occupies or expects to occupy the property for at least 9 months of the tax year.

If two or more school employees live in the same household, the credit may only be applied once. An application must be submitted in a timely manner for the Director of Finance to consider eligibility and apply the credit towards the property tax during the applicable tax year.

SUMMARY OF IMPACT STATEMENTS

Fiscal Impact. According to the Office of Budget and Management (OMB), based on the records received from MCPS indicate that between 11,000 and 12,000 employees could be eligible for the tax credit, nearly all of whom reside in properties with sufficient assessment values to receive the maximum $2,500 credit. Implementation would result in a potential loss of property tax revenue of between $25 million and $30 million annually.

Processing up to 12,000 applications annually between April and June for inclusion on property tax bills mailed in July would require an additional accountant/auditor position for the Department of Finance Treasury Division, costing $137,133 annually. © 7

Economic Impact. OLO anticipates that the Bill would likely positively affect eligible MCPS employees who apply for the property tax credit by reducing their annual property tax

[2] Maryland Senate Bill 191 (Chapter 776 of the 2024 Laws of Maryland).

obligation by $2,500. Lower property tax obligations would reduce nondiscretionary household expenses and, all else equal, increase disposable household income. © 17

Racial Equity and Social Justice Impact. OLO "anticipates Bill 48-26 could have a negative impact on racial equity and social justice (RESJ) in the County. White community members may disproportionately benefit from creating a property tax credit for public school employees. Further, decreased property tax revenue from the Bill could undermine the County's ability to provide public goods and services, which could particularly harm BIPOC community members." To improve the RESJ impact of Bill 48-26, OLO recommends commissioning a study to understand turnover among BIPOC staff in MCPS and policy solutions to improve their retention.

Climate Assessment. OLO "anticipates Bill 48-26 will have no impact on the County's contribution to addressing climate change…"

SUMMARY OF PUBLIC HEARING

The Council held a public hearing on Bill 48-26 on October 13, 2026. The Council also received additional written testimony, which is part of the record and can be found here. Testimony largely supported Bill 48-26, with a few speakers and written submissions in opposition.

Supporters argued that the $2,500 property tax credit would help public school employees afford to live in the communities they serve, addressing a genuine housing affordability challenge that has pushed many MCPS teachers and support staff to commute from outside the county or leave Montgomery County altogether. Supporters emphasized that the County's high housing costs make it increasingly difficult for even employees with stable public-sector jobs to buy or stay in a home, and that retaining experienced educators would benefit students, families, and schools over time. Several speakers noted that the bill extends a benefit the county already provides to first responders to education and pointed out that roughly 74 percent of MCPS employees are women, making this issue particularly important for a predominantly female workforce. Supporters acknowledged the County's budget constraints but argued that turnover costs for recruitment, hiring, and training make retaining employees a sound fiscal investment, and that school employees who live in the county contribute to the local tax base. Montgomery County Children's Opportunity Alliance and others supported the bill while urging the Council to pursue comparable benefits for early educators in community-based childcare programs, noting a growing gap in compensation and benefits between public school employees and those in licensed childcare settings.

Opponents raised concerns about equity, fiscal responsibility, and the bill's timing relative to the recent elimination of the Income Tax Offset Credit (ITOC). Several opponents argued it was fundamentally unfair to remove a $692 credit that applied to all homeowners and then create a much larger credit available only to a specific group of union-represented employees, particularly in the same year many residents are facing significantly higher property tax burdens.

Opposition testimony questioned why the credit carries no income limit, noting that many MCPS employees already earn salaries and benefits well above those of other Montgomery County

homeowners, including private sector workers, caregivers, and residents on fixed incomes. Concerns were also raised about the program's estimated cost, potential administrative burdens and fraud risks, and whether the credit is necessary to attract and retain staff, given that MCPS compensation is already among the highest in the state.

GO COMMITTEE WORKSESSION

The GO Committee held a worksession on October 29, during which it considered the distinction between a bargaining unit and a bargaining union and discussed the letter of support received by MCPS indicating its intent to collaborate with the Department of Finance to assist in providing data on employee eligibility for the tax credit. © 24

In addition, the Committee unanimously adopted the following amendments by a 3-0 vote:

- clarify that the tax credit applies only to "full-time" MCPS employees;
- modify the definition of public school employees to include support staff who provide assistance to the Board of Education and are exempt from the MCEA or SEIU bargaining units; and
- remove the term "expects to occupy." The term "expects" refers to the applicant's intent or anticipated future conduct rather than actual occupancy. The Director of Finance requires that an applicant occupy the qualifying property for at least 9 months during the applicable taxable year, rather than merely intend or expect to do so. The amendment aligns the statutory language with the Department's administration of the tax credit.

As initially proposed in the fiscal impact statement submitted by OMB and the Department of Finance, the total number of employees estimated to qualify for the tax credit would range from 11,000 to 12,000, resulting in $25–$30 million in lost tax revenue per year. However, under the amended bill, which would apply only to full-time employees, Finance estimated that the number of employees would decrease to between 8,000 and 9,000, revising the estimated potential tax revenue lost to $20–$22 million per year.

The Committee voted unanimously to recommend Bill 48-26, as amended, for enactment.

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Bill No. 48-26
Concerning: Property Tax Credit - Public School Employees
Revised: 10/29/2026 Draft No. 3
Introduced: September 15, 2026
Expires: December 7, 2026
Enacted:
Executive:
Effective:
Sunset Date: None
Ch. ____, Laws of Mont. Co. ____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Stewart
Cosponsors: Councilmembers Evans, Katz, Friedson, Luedtke, Mink, and Sayles

AN ACT to:

(1) establish a property tax credit for public school employees in the County;
(2) set the amount and duration of the property tax credit;
(3) set eligibility criteria to qualify for the property tax credit; and
(4) generally amend the County law on property tax credit.

By adding
Montgomery County Code
Chapter 52, Taxation
Section 52-114

Boldface	*Heading or defined term.*
Underlining	*Added to existing law by original bill.*
[Single boldface brackets**]**	*Deleted from existing law by original bill.*
Double underlining	*Added by amendment.*
[[Double boldface brackets**]]**	*Deleted from existing law or the bill by amendment.*
* * *	*Existing law unaffected by bill.*

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Section 52-114 is added as follows:

52-114. Property tax credit – public school employees of the County.

(a) *Definitions.* In this Section:

Central Service Administrator, Coordinator, Director, or Supervisor means a staff member of the County public school system who has broad local education agency responsibilities and directs or supervises other public school employees.

Director means the Director of the Department of Finance or the Director's designee.

Dwelling means as defined in Md. Tax-Property Code Ann. § 9-105.

Principal means the administrative head of a County school.

Public school employee means an individual employed full-time by the Montgomery County Public School System who:

(1) is a member of the bargaining unit of the Montgomery County Education Association (MCEA) or Service Employees International Union (SEIU) Local 500; or

(2) is in a supporting services position that is excluded from or exempt from the bargaining unit, including employees in support staff positions who support the Board of Education. A public school employee does not include a superintendent, associate superintendent, chief-level officer, deputy chief, principal, director, coordinator, supervisor, or central service administrator.

Qualifying property means residential real property located in the County, owned by an eligible public school employee, and used as the employee's principal residence.

Superintendent means the chief administrator of the County's school system.

(b) *Credit required.* The Director of Finance must allow each eligible taxpayer a credit against County real property taxes due in each year in which the taxpayer is eligible for the credit.

(c) *Eligibility.* A taxpayer is eligible for the credit each taxable year for residential property located in the County if the taxpayer:

(1) is a public school employee;

(2) owns the qualifying property;

(3) uses the qualifying property as the taxpayer's principal residence; and

(4) occupies **[[**or expects to occupy**]]** the qualifying property for at least 9 months during the taxable year for which the tax credit is sought.

(d) *Amount of credit.* The credit must equal $2,500 or the amount of the County real property tax otherwise due on the qualifying property, whichever is less.

(e) *Joint ownership.* A qualifying property may receive only one credit under this Section for each taxable year if **[[**two**]]** 2 or more employees who own the property are eligible.

(f) *Application.* To receive the credit, a public school employee must apply to the Director on or before April 1 of the tax year before the first tax year for which the tax credit is sought, using a form that contains the information required by the Director. An employee must apply to continue the credit on or before April 1 of each taxable year.

(g) *Continuous eligibility required.* If, at any time during the term of the credit or the renewal of the credit, the property is no longer eligible for the credit:

(1) the credit granted to the property must be terminated; and

(2) the owner of the property is liable for all property taxes that would have been due if the credit had not been granted for any year that the property was not eligible for the credit.

(h) *Appeal.* The Director must take all necessary action to apply the credit to each eligible taxpayer who applies for it and is certified as eligible by the Director. A taxpayer may appeal a final decision by the Director denying, reducing, or terminating the credit to the Maryland Tax Court within 30 days after receiving written notice of the Director's decision.

Sec. 2. Transition.

The amendments to Section 52-113 under Section 1 of this Act must apply for the tax year beginning July 1, 2027, and to each subsequent tax year.

MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

KATE STEWART
COUNCILMEMBER
MONTGOMERY COUNTY COUNCIL

Bill XX-26 Property Tax Credits for Public School Employees
September 2026

During the 2024 Session of the General Assembly, Delegate Lorig Charkoudian led efforts to advance HB66: Property Tax Credits - Public School Employees, Health and Safety Improvements, and Property Used for Local Housing Programs. This legislation passed and was signed into law in 2024 and enables local governments to grant a property tax credit for public school employees.

Because of the housing affordability crisis that is facing residents and our public school employees, many are unable to afford to purchase a home in the community where they work.

The Council has previously passed legislation to give public safety workers property tax credits to facilitate their ability to live in Montgomery County. The County needs to take action and put in place targeted property tax credits that will enable more of our public school employees to afford to live in the County where they work. When our public employees live where they work, there are benefits for our entire community.

Bill XX- 26 adds public school employees to the $2,500 property tax credit that the County currently extends to certain County first responders, including full-time sworn police officers, career firefighters, emergency medical technicians and public safety emergency communications specialists employed by the County

Under this bill public school employees eligible for the property tax credit are defined as:

> An individual employed by the Montgomery County public school system who is a member of the bargaining unit of the Montgomery County Education Association (MCEA) or Service Employees International Union (SEIU) Local 500. A public school employee does not include a superintendent, chiefs, principal, director, coordinator, supervisor, or central service administrators.

In the last couple of years, through initiatives led by Governor Wes Moore, we have seen a significant decrease in the educator vacancy rate in the state of Maryland. While progress has been made, we continue to see too many educators leaving the profession or moving away from our County in part due to the cost of housing. In 2022 the State Board of Education found that in Maryland, new educators are the most likely to leave and Black and Hispanic teachers are most likely to not return to teach in the state. The cost to the school system of separation, recruitment, hiring, and training has been estimated to cost between $9,000 and $21,000 per teacher.[1]

In addition to our classroom teachers, we have many staff who support and work with our families to ensure student success. Unfortunately, too many of our public school employees are unable to afford to purchase a home in the County or find it difficult to stay in their home.

According to the Comptroller's office, 4,949 of employees of Montgomery County Public Schools in the tax year 2024 owned a home in the County. This number is higher than the number of public school employees who would be eligible for the tax credit given the definition in the bill.

As we work to support our families and address the housing affordability crisis in the County, extending targeted property tax credits to those who work in our school system will benefit our entire community.

[1] https://www.marylandpublicschools.org/stateboard/Documents/2022/0726/TabGBlueprintAndDataDeepDiveTeacherPipelineAndDiversity.pdf

Fiscal Impact Statement

Office of Management and Budget

Bill 48-26

Property Tax Credit - Public School Employees

Bill Summary

Bill 48-46 would create a property tax credit up to $2,500 of the real estate taxes owed on the primary residence for certain Montgomery County Public School (MCPS) Employees.

Fiscal Impact Summary

Records received from MCPS indicate that between 11,000 and 12,000 employees could be eligible for the tax credit, nearly all of whom reside in properties with sufficient assessment values to receive the maximum $2,500 credit. Implementation would result in a potential loss of property tax revenue of between $25 million and $30 million annually. Processing up to 12,000 applications annually between April and June for inclusion on property tax bills mailed in July would require an additional accountant/auditor position for the Department of Finance Treasury Division, costing $137,133 annually. The table below reflects the upper bound of the annual property tax loss estimated by the Department of Finance.

Fiscal Year	2028	2029	2030	2031	2032	2033	Total
Personnel Costs	$137,133	$137,133	$137,133	$137,133	$137,133	$137,133	$822,798
Operating Expenses	$0	$0	$0	$0	$0	$0	$0
Total Expenditures	**$137,133**	**$137,133**	**$137,133**	**$137,133**	**$137,133**	**$137,133**	**$822,798**
Revenues	**($30,000,000)**	**($30,000,000)**	**($30,000,000)**	**($30,000,000)**	**($30,000,000)**	**($30,000,000)**	**($180,000,000)**
Total Impact	**($30,137,133)**	**($30,137,133)**	**($30,137,133)**	**($30,137,133)**	**($30,137,133)**	**($30,137,133)**	**($180,822,798)**
FTE	1.00	1.00	1.00	1.00	1.00	1.00	

Fiscal Impact Analysis

To evaluate the potential cost of the proposed tax credit the Department of Finance requested from MCPS a list of the addresses of all employees with Montgomery County property addresses who are members of the MCEA or SEIU Local 500 bargaining units. MCPS provided the Department of Finance with a list of 18,460 addresses located in Montgomery County.

The Department of Finance used ArcGIS, a geographic information software, to geocode those addresses and overlay them upon the County's GIS property parcel data. The software was able to successfully map 18,325 of the addresses and was unable to identify the location for 135 addresses. Those 135 addresses were not included in the subsequent analysis.

Using the overlay of the geocoded address data and Montgomery County's parcel data, the Department of Finance identified the unique parcel identification number assigned to each property. A portion of the data set, 2,002 parcels, matched to condominium parcels in which multiple properties share ownership of the same geography. These addresses could not be matched to specific parcels and the Department of Finance could not determine the ownership status for those addresses. The estimated cost range presented in this FIS is assumed to incorporate the uncertainty regarding how many of these 2,002 parcels are owner-occupied and would

	receive the tax credit. A further 24 addresses matched to inactive parcels and were also discarded from the analysis. For the 16,299 parcels that were matched, the Department of Finance used the unique parcel identification numbers to merge the employee address database with the State Department of Taxation and Assessment (SDAT) database. The SDAT data contains property assessment values and an indicator whether the property has been claimed as a principal residence. The result of merging the databases showed that 11,927, or 73.2 percent of the identified properties are owner-occupied and that only 84 of them have an assessment that would not be eligible for the entirety of the $2,500 tax credit. The Department of Finance then multiplied the number of owner-occupied properties (11,927) by the maximum credit ($2,500) and applied a sufficient range to accommodate the uncertainty in the analysis described above, arriving at the fiscal impact that the proposed tax credit could reduce property tax revenues between $25 million and $30 million annually.
Staff Impact	Evaluating up to 12,000 applications between April 1, when the application period for tax credits opens each year, and early July, when the Treasury Division mails tax bills, is not possible with the Department of Finance's current staffing level. Successful operation of this tax credit will involve reviewing documents submitted by the applicants showing their status as an employee of MCPS, as a member of the MCEA or SEIU Local 500 bargaining units, and that their position title complies with the requirements of Bill 48-26. This workload would require an additional accountant/auditor position.
Actuarial Analysis	The bill is not expected to impact retiree pension or group insurance costs.
Information Technology Impact	The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.
Other Information	
Later actions that may impact revenue or expenditures if future spending is projected	The bill does not authorize future spending.
Ranges of revenue or expenditures that are uncertain or difficult to project	The number of MCPS employees in the eligible bargaining units and positions may vary over time. The portion of eligible MCPS employees who submit applications for the credit may be less than assumed. The portion of eligible MCPS employees who own a residence in Montgomery County and declare it their principal residence may vary over time. The presented range of $25 million to $30 million captures these uncertainties. The Maryland State Comptroller's office provided an estimate that 4,949 MCPS employes owned a home in Montgomery County in tax year 2024. This estimate included all employees, not just MCPS employees in the eligible position categories. The Comptroller's estimate would imply a cost of the tax credit of up to $12.4 million annually. However, when asked for further explanation of it's estimate the Comptroller's office declined to provide any details regarding the source of data or analysis conducted. As a result, the Department of Finance cannot validate the accuracy of the Comptroller's estimate nor explain the difference with the amount presented in this FIS.

Sources of information	The data for this analysis is a list of addresses provided by MCPS of MCPS employees living in Montgomery County eligible for the credit based on their bargaining unit. Data on the property assessments and principal residence status for the properties corresponding to the list of addresses received from MCPS comes from the SDAT database and is accessed by the Department of Finance Treasury Division.
Contributors	Nancy Feldman, Department of Finance Harry Tsang, Department of Finance Dennis Hetman, Department of Finance Todd Fawley-King, Department of Finance Abdul Rauf, Office of Management and Budget

Climate Assessment

Office of Legislative Oversight

BILL 48-26: PROPERTY TAX CREDIT – PUBLIC SCHOOL EMPLOYEES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 48-26 will have no impact on the County's contribution to addressing climate change as it is proposing a property tax credit for certain Montgomery County Public School (MCPS) employees.

BACKGROUND AND PURPOSE OF BILL 48-26

In 2024, the Maryland General Assembly passed legislation allowing the County to enact a property tax credit for public school employees. The County is allowed to apply a tax credit towards a primary residence owned by an MCPS employee and can set the amount of the tax credit, eligibility criteria, and the duration of the credit.[1]

Bill 48-26 would establish a property tax credit to incentivize homeownership and/or to help reduce property taxes for an MCPS employee's home. Under the Bill, public school employees would be defined as:

> "Public school employee means an individual employed by the Montgomery County Public School System who is a member of the bargaining unit of the Montgomery County Education Association (MCEA) or Service Employees International Union (SEIU) Local 500. A public-school employee **does not** include a superintendent, associate superintendent, chief-level officer, deputy chief, principal, director, coordinator, supervisor, or central service administrator."[2]

The Bill would allow for a total tax credit of $2,500. Additional criteria include:

- The MCPS employee must own the property;
- The property must be the employee's primary residence;
- The employee occupies or expects to occupy the property for at least 9 months of the tax year; and
- If two or more school employees live in the same household, the credit may only be applied once.[3]

Bill 48-26 was introduced by the County Council on September 15, 2026.

ANTICIPATED IMPACTS

As the Bill proposes a property tax credit for certain MCPS employees, OLO anticipates Bill 48-26 will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions and community climate resilience.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.[4] OLO does not offer recommendations or amendments as Bill 48-26 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions and community climate resilience.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help increase the County's community climate resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

[1] Maryland General Assembly, HB00066, Effective June 1, 2024.
[2] Montgomery County Council, Introduction Staff Report for Bill 48-26, Introduced September 15, 2026.
[3] Ibid.
[4] Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 48-26: PROPERTY TAX CREDIT – PUBLIC SCHOOL EMPLOYEES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 48-26 could have a negative impact on racial equity and social justice (RESJ) in the County. White community members may disproportionately benefit from creating a property tax credit for public school employees. Further, decreased property tax revenue from the Bill could undermine the County's ability to provide public goods and services, which could particularly harm BIPOC community members. OLO offers one policy option for Council consideration.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.[1] This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.[2]

PURPOSE OF BILL 48-26

In 2024, the Maryland General Assembly passed legislation to allow local jurisdictions to enact a property tax credit for public school employees. The law allows the County to apply a tax credit towards a primary residence owned by a Montgomery County Public School (MCPS) employee. The County can also set the amount, eligibility criteria, and duration of the credit.[3]

The purpose of Bill 48-26 is to create a property tax credit for public school employees as allowed by state law. If enacted, Bill 48-26 would allow MCPS employees to receive a property tax credit of up to $2,500. MCPS employees who are members of the Montgomery County Education Association (MCEA) or Service Employees International Union would be eligible for the credit. High ranking administrators in MCPS would not be eligible for the credit.[4]

The Bill would allow MCPS employees to qualify for the property tax credit if:[5]

- They own the property;
- The property is their primary residence; and
- They occupy or expect to occupy the property for at least nine months of the tax year.

Bill 48-26 would only allow the credit to be applied once if two or more MCPS employees live in the same household. Additionally, the Bill would require MCPS employees to apply for the credit with the County's Department of Finance.[6]

According to its lead sponsor, Bill 48-26 aims to help MCPS staff afford to live and work in the County. It also aims to reduce staff turnover in the school system due to the cost of housing.[7]

The Council introduced Bill 48-26 on September 15, 2026.

For background on RESJ and housing, including racial inequities in homeownership, please refer to OLO Report 2024-11, *Racial Equity and Social Justice Policy Handbook: Land Use, Housing, and Economic Development*.[8]

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 48-26 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

OLO identified the following groups who would be impacted by Bill 48-26:

Community members who work in MCPS and own a home could benefit from a property tax credit for public school employees. This would help lower their property taxes and reduce their housing costs.

To estimate the demographics of these community members OLO considered the following data:

- *Workforce demographics reported by MCPS.* This data suggests that White people are overrepresented among MCPS employees. Black, Native American, and Pacific Islander people are proportionately represented among MCPS employees, while Latinx and Asian people are underrepresented. (Table A, Appendix)
- *Census estimates of County homeownership and rental rates by race and ethnicity.* This data suggests that White and Asian households in the County are more likely to be homeowners. Conversely, Black and Latinx households in the County are more likely to be renters. (Table B, Appendix)
- *OLO analysis of Census microdata estimates*. OLO used the Microdata Access Tool (MDAT) from the U.S. Census Bureau[9] to obtain estimates of community members in the County who live in owner-occupied homes and work in elementary and secondary schools by race and ethnicity. This data suggests White people are overrepresented among these community members, while Native American and Pacific Islander people are proportionately represented and Black, Latinx, and Asian people are underrepresented. (Table C, Appendix)

Community members at large could be burdened by the decreased revenue resulting from the property tax credit. Property taxes are the largest source of tax revenue for the County government.[10] The forgone revenue could undermine the County's ability to provide public goods and services. This could particularly harm BIPOC community members, especially as they continue to become a larger part of the population.[11]

Taken together, OLO anticipates Bill 48-26 could have a negative impact on RESJ in the County. Creating a property tax credit for public school employees could disproportionately benefit White community members. Further, decreased property tax revenue from the Bill could undermine the County's ability to provide public goods and services, which could particularly harm BIPOC community members.

RECOMMENDED AMENDMENTS

The County's RESJ Act requires OLO to consider whether to recommend amendments to bills that could reduce racial and social inequities and advance RESJ.[12] OLO anticipates Bill 48-26 could have a negative impact on RESJ in the County. Should the Council seek to improve the RESJ impact of this Bill, OLO offers one policy option for Council consideration:

- **Commission a study to understand turnover among BIPOC staff in MCPS and policy solutions to improve their retention.** Nationally, BIPOC teachers have higher turnover rates than White teachers, with Black teachers having especially high rates.[13] In Maryland, one 2022 report from the Maryland State Department of Education

found Black and Latinx teachers are most likely to not return to teach in the state.[14] Other studies have found considerably high turnover rates among non-teaching staff,[15] a staff group that tends to be more racially and ethnically diverse than teachers.[16] To understand turnover among BIPOC teachers and other school staff and policy solutions to improve their retention, the Council could commission a study that reviews existing research in this area.[17] The study could also examine local trends in MCPS staff recruitment and retention by race and ethnicity and the perspectives of BIPOC staff in MCPS, including on the drivers of high turnover and policy recommendations for local action.

CAVEATS

Two caveats to this RESJIS should be noted. First, predicting the impact of bills on RESJ is challenging due to data limitations, uncertainty, and other factors. Second, this RESJIS is intended to inform the Council's decision-making process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

APPENDIX

Table A. Montgomery County Public Schools Workforce Demographics, 2024-2025[18]

Race or ethnicity	MCPS Workforce	County Population
Asian	7.3	15.3
Black	14.4	18.3
Native American	≤ 5.0	0.1
Pacific Islander	≤ 5.0	0.0
White	66.6	39.5
Latinx	9.9	21.0

Source: 2024-2025 Annual Report, Montgomery County Public Schools and Table DP05, 2024 American Community Survey 5-Year Estimates, Census Bureau.

Table B. Homeownership and Rental Rates by Race and Ethnicity, Montgomery County

Race or ethnicity	Owner-Occupied Households	Renter-Occupied Households
Asian	70.7	29.3
Black	39.6	60.4
White	76.5	23.5
Latinx	54.3	45.7
County	65.1	34.9

Source: Table S0201, 2024 American Community Survey 1-Year Estimates, Census Bureau.

Table C. Share of Community Members Who Live in Owner-Occupied Homes and Work in Elementary and Secondary Schools by Race and Ethnicity, Montgomery County

Race or ethnicity	Select Community Members	County Population
Asian	11.0	15.4
Black	12.8	18.6
Native American	0.5	0.6
Pacific Islander	0.0	0.0
White	61.8	42.1
Latinx	12.8	21.0

Source: OLO analysis of Census Microdata and Table DP05, 2024 American Community Survey 5-Year Estimates, Census Bureau.

[1] Definition of racial equity and social justice adopted from M. Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition Programs," Bread for the World and Racial Equity Tools.
[2] Ibid.
[3] Maryland House Bill 66, Maryland General Assembly, 2024 Regular Session, Effective June 1, 2024 cited in Introduction Staff Report for Bill 48-26, Montgomery County Council, Introduced September 15, 2026.
[4] Introduction Staff Report for Bill 48-26, Montgomery County Council.
[5] Ibid.
[6] Ibid.
[7] Councilmember Stewart, Bill 48-26 Property Tax Credits for Public School Employees, Introduction Staff Report for Bill 48-26, Montgomery County Council, pgs. (5)-(6).
[8] E. Bonner-Tompkins, J. Peña, E. Tesfaye, OLO Report 2024-11: Racial Equity and Social Justice Policy Handbook: Land Use, Housing, and Economic Development, Office of Legislative Oversight, June 18, 2024, Chapter 3.
[9] "What is Microdata Access," U.S. Census Bureau, page last reviewed January 22, 2025; "DATA GEMS: What is Microdata and Why Should I Use It?" U.S. Census Bureau, August 18, 2020. As noted by the Census Bureau, estimates from Microdata Access are less accurate than estimates from pre-tabulated Census tables.
[10] FY25 Approved Taxes, Revenues, Montgomery County Operating Budget.
[11] C. McNamara, "Trends in Racial and Ethnic Diversity in Montgomery County, MD, 1990-2020," Montgomery Planning, March 31, 2026.
[12] Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council.
[13] T.S. Tan, et al., "Teacher Turnover in the United States: Who Moves, Who Leaves, and Why," Learning Policy Institute, March 17, 2026.
[14] Report from the State Superintendent of Schools to the Maryland State Board of Education, "Maryland's Teacher Workforce: Supply, Demand, and Diversity," Maryland State Department of Education, July 26, 2022.
[15] S. Holston, "Who's walking out the door? How does turnover vary among teachers, paraprofessionals, administrators, and staff?," National Council on Teacher Quality, January 25, 2024 citing E. Penner, et al., "Revolving School Doors? A Longitudinal Examination of Teacher, Administrator and Staff Contributions to School Churn," University of California, Irvine, May 22, 2023.
[16] Racial Equity Impact Assessment for Supplemental Appropriation #24-84 Education Support Professionals Bonus Grant, Office of Racial Equity and Social Justice, May 4, 2024.
[17] For example, a brief search from OLO identified the following research on BIPOC teacher retention specifically: D. Carver-Thomas and L. Darling-Hammond, "Why Black Women Teachers Leave and What Can Be Done About it," Learning Policy Institute, August 1, 2017; S. Hinkley & L. McCorkell, "Retaining Teachers of Color to Improve Student Outcomes," Institute for Research on Labor and Employment, September 8, 2019; M. Del Carmen Unda, "The systematic exclusion of Latinx teachers in U.S. public schools: a literature review," Race Ethnicity and Education, April 24, 2023; "If You Listen, We Will Stay: Why Teachers of Color Leave and How to Disrupt Teacher Turnover," Teach Plus and The Education Trust, September 25, 2019; "Completing the Cycle: Supporting and

Retaining Teachers of Color in Houston," The Education Trust in Texas and Teach Plus, January 26, 2023; F. Castro, "Urban School Site Teacher of Color Stories to Stay or Leave By: Examining Teacher of Color Attrition and Retention through Narrative Research," Teacher Educators' Journal, 2025.

[18] Race is not inclusive of Latinx origin for data in Table A. Race is inclusive of Latinx origin for data in Tables B and C. Estimates for Native American and Pacific Islander community members are not available for all data points.

Economic Impact Statement

Montgomery County, Maryland

Bill 48-26, Property Tax Credit – Public School Employees

Summary

The Office of Legislative Oversight (OLO) anticipates that Bill 48-26 would have a positive effect on overall economic conditions in the County, as assessed using the Council's priority economic indicators.

This analysis examines the economic impacts of the Bill's provisions that would (1) make certain Montgomery County Public School (MCPS) employees who own and occupy a residential property in the County eligible to receive an annual property tax credit of $2,500; and (2) require eligible MCPS employees to apply for the property tax credit each tax year. To assess the economic impacts of these provisions, this analysis primarily draws on impact evaluations on the economic effects of property tax reduction programs as well as an OLO report examining uptake of the County's property tax expenditure programs.

The Bill would likely positively affect eligible MCPS employees who *apply* for the property tax credit by reducing their annual property tax obligation by $2,500. Lower property tax obligations would reduce nondiscretionary household expenses and, all else equal, increase disposable household income.

Evidence from evaluations of other property tax reduction programs suggest that the Bill may also have the following effects:

- Lower property taxes may encourage some MCPS employees to remain in the County rather than relocate to find less expensive housing. This would help keep more of the County's investment in employee compensation circulating within the local economy rather than being spent elsewhere.

- Lower property taxes may also affect property values *in either direction*. On the one hand, research suggests the Bill could *increase home prices*, if lower taxes increase demand for homeownership. If this occurs, current homeowners who receive the credit would benefit from both lower taxes and higher property values. However, future home buyers who receive the credit may see their tax savings effectively partially or fully offset by higher purchase prices.

  On the other hand, research suggests the Bill could also reduce property values if revenue losses from the credits lead to reductions in public services that buyers value more than the tax savings.

The Bill would positively affect some private organizations, if credit recipients allocate a portion of their property tax savings toward goods and services provided by County-based businesses. Higher demand for local businesses may increase their revenues and incomes.

Overall, OLO expects the Bill's economic benefits to residents and businesses to positively impact economic conditions in the County. However, while researching this Bill, OLO identified studies highlighting the potential for property tax reduction programs to reduce property values, as previously discussed. To better understand the economic trade-offs associated with tax reduction legislation, Councilmembers may consider assigning OLO a more in-depth research project examining the relationship among tax policies, public service funding, and residential property values.

Background and Purpose of Bill 48-26

In 2024, the Maryland General Assembly passed legislation authorizing the County to enact a property tax credit program for Montgomery County Public School (MCPS) employees living in the County. The law allows the County to establish the program's eligibility criteria, total amount, duration, and other conditions.[1]

According to its lead sponsor, Bill 48-26 responds to the local housing affordability crisis by seeking to help MCPS staff afford to purchase a home in the County and to reduce staff turnover in the school system due to high housing costs.[2] If enacted, the Bill would permit eligible MCPS employees[3] to qualify for an annual property tax credit of $2,500 if they:

- own a residential property in the County;
- use it as their primary residence; and
- occupy, or expect to occupy, the property for at least nine months of the tax year.[4]

To receive the annual $2,500 property tax credit, MCPS employees must apply for it each tax year with the County's Department of Finance. Two or more MCPS employees who own the same qualifying property may receive only one credit per taxable year.[5]

The Council introduced Bill 48-26 on September 15, 2026.

Information Sources, Methodologies, and Assumptions

As required by Section 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the potential effects of Bill 48-26 on residents and private organizations, using the Council's priority economic indicators. In doing so, this analysis seeks to anticipate how the Bill could affect overall economic conditions in the County.[6]

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[1] Maryland General Assembly, HB00066, Effective June 1, 2024.
[2] See Stewart to County Council, Memorandum, September 2026 in Montgomery County Council, Introduction Staff Report for Bill 48-26.
[3] MCPS employees who are members of the Montgomery County Education Association (MCEA) or Service Employees International Union would be eligible for the credit; high ranking administrators in MCPS would be ineligible.
[4] Introduction Staff Report for Bill 48-26.
[5] Ibid.
[6] Montgomery County Code, "Sec. 2-81B, Economic Impact Statements."

This analysis examines the economic impacts of the Bill's provisions that would:

1. Make certain MCPS employees who own and occupy a residential property in the County (including municipalities) eligible to receive an annual property tax credit of $2,500; and
2. Require eligible MCPS employees to apply for the property tax credit each tax year.

Many state and local governments have implemented targeted property tax relief programs designed to assist low-income households, seniors, individuals with disabilities, and veterans. A substantial body of research has evaluated the effects of these programs. However, OLO was unable to identify impact evaluations[7] of property tax reduction programs specifically targeting public school employees or other public sector employees.

Instead, this analysis draws on the following methods and sources of evidence to anticipate the proposed policy's economic effects:

- A 2021 peer-reviewed article reviewing research on tax-based economic development incentives, with a focus on impact evaluations using quasi-experimental methods. The review includes studies examining the effects of property tax incentives and changes in property tax rates.
- Recently published evaluations on the economic effects of property tax reduction programs.
- An OLO report examining uptake of the County's property tax expenditure programs.

Scope of Analysis: The County would fund the property tax credit using tax revenue. Notably, this would constitute an internal transfer from the County to property owners rather than a net increase in economic activity. As a result, the Bill's overall economic impact would depend on: (a) the annual economic effects of the tax credit on County residents and businesses, and (b) the economic opportunity cost of the forgone County revenue. Since OLO cannot determine how the lost tax revenue would otherwise be allocated, this analysis does not assess the economic impact of alternative government spending.

Variables

The economic effects of Bill 48-26 would primarily depend on the following variables:

- Total number of property tax credit recipients
- Total property tax savings for recipients
- Residential property values
- MCPS employee residence
- Provision of valued public services

[7] Impact evaluations are a core tool of evidence-based policymaking. Federal and Maryland guidance treats impact evaluations that use randomized control trials and quasi-experimental designs as strong evidence on policy impacts. See Gertler, Paul J., Sebastian Martinez, Patrick Premand, Laura B. Rawlings, and Christel M. J. Vermeersch. *Impact Evaluation in Practice, Second Edition*. Washington, DC: Inter-American Development Bank and World Bank, 2016; Maryland State Department of Education, "Definition of Evidence-Based and Levels of Evidence," accessed March 20, 2026; and Henneberger, Angela, "Program Evaluation in the Absence of Randomization: How Can Propensity Score Methods Help?" Maryland Longitudinal Data System (MLDS) Center, June 5, 2018.

Impacts

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Residents

OLO anticipates that the Bill would have positive economic effects on affected residents in the County.

Affected Homeowners

The Bill's provisions would primarily affect MCPS employees who own and occupy a residential property in the County.

The County levies a real estate property tax on residential property owners. A property tax credit directly reduces the amount of tax owed by eligible homeowners. Final property tax liability is calculated by subtracting applicable credits from the total tax they would otherwise be required to pay.[8]

For eligible MCPS employees who apply for the property tax credit, the Bill would reduce their annual property tax obligation by $2,500. Holding all else equal, lower property tax obligations would decrease nondiscretionary household expenses, effectively increasing net household income for these recipients.

However, it is important to note that eligible employees would receive these benefits only if they applied for the credit. It is unlikely that all eligible MCPS employees will apply for the credit each year. An OLO analysis of the County's property tax expenditure programs finds programs that require eligible individuals to apply can limit uptake.[9]

Other Effects

Impact evaluations of property tax reductions programs suggest that beyond its effects on recipient housing expenses, the Bill could also affect residential mobility and property values.

Reduced homeowner mobility: Some studies find that property tax decreases have reduced homeowner mobility, while higher property taxes have increased mobility, particularly among older homeowners.[10]

Property value effects: Studies find that property tax reduction programs can either increase or decrease property values through positive and negative "capitalization."

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[8] Center on Budget and Policy Priorities, "Policy Basics: Tax Exemptions, Deductions, and Credits," November 24, 2020.
[9] Roblin, Stephen, *An Examination of Property Tax Credits, Exemptions, and Deferrals*, Office of Legislative Oversight, February 24, 2026.
[10] Andrew Hanson, "Taxes and Economic Development: An Update on the State of the Economics Literature," *Economic Development Quarterly* 35, no. 3 (2021): 232–53; Thomas Luke Spreen and Colton Keddington, "Temporary Property Tax Relief and Residential Home Sales," *National Tax Journal* 76, no. 3 (2023): 593–620.

- Positive Capitalization – When anticipated tax savings increases eligible buyers' demand for houses and their willingness pay, tax reduction programs can raise home prices.[11] However, studies show that the benefits of capitalization can differ depending on when households purchase their homes and the housing markets in which they purchase.

  Eligible homeowners who already owned their homes when property tax reductions went into effect experienced both lower property taxes and increased property values. In contrast, eligible individuals who later purchase homes faced higher purchase prices that offset some or all their tax savings. Thus, research shows that capitalization has shifted part of the benefit of targeted tax relief from future eligible homebuyers to existing homeowners, including those who were ineligible for the tax cut.[12]

  There is also evidence that the extent of capitalization may vary across housing markets. In a study on Virginia's property tax reduction program for disabled veterans, price appreciation was greatest in areas with higher proportions of veterans, while areas with fewer experienced little impact.[13]

- Negative Capitalization – Several authors have emphasized the importance of distinguishing between the effect of a property tax change itself and the effect of changes in the public services those taxes fund. Many studies attempt to isolate the tax effect on property values by holding public services and other local characteristics constant. Consequently, findings that lower property taxes increase property values do not necessarily apply when tax cuts are accompanied by reductions in valued public services. In that case, property values could decline if buyers value the lost services more than the tax savings.[14]

Taken together, these findings suggest the Bill may have the following potential effects:

By reducing the cost of homeownership in the County, the Bill could encourage some recipients to remain in the County rather than relocate for less expensive housing. The credit could also help some financially distressed recipients retain homeownership rather than sell their homes or lose them due to foreclosure.

Furthermore, the Bill's property tax credit could increase residential property values, if it increases eligible employees' demand for homes in the County and does not reduce valued public services. If this occurs, current homeowner recipients would benefit from both lower property taxes and increased property values. In contrast, eligible employees who subsequently purchase homes could face higher prices that offset some or all their tax savings.

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[11] Hanson, "Taxes and Economic Development"; Jeremy G. Mouiton et al., "Who Benefits from Targeted Property Tax Relief? Evidence from Virginia Elections," *Journal of Policy Analysis and Management* 37, no. 2 (2018): 240–64; Sergio Garate and Anthony Pennington-Cross, "Heterogeneity in Property Tax Capitalization: Evidence from Municipalities in Wisconsin," *Real Estate Economics* 51, no. 5 (2023): 1285–314.

[12] Hanson, "Taxes and Economic Development"; Mouiton et al., "Who Benefits from Targeted Property Tax Relief?"

[13] Mouiton et al., "Who Benefits from Targeted Property Tax Relief?"

[14] Hanson, "Taxes and Economic Development."

However, if the Bill results in revenue losses that decrease valued public services, the policy change could negatively impact property values.

Beyond these potential impacts, OLO does not anticipate additional effects on residents with respect to the Council's priority indicators.

Businesses, Non-Profits, Other Private Organizations

OLO anticipates that the Bill could have positive economic effects on some private-sector entities in the County.

Some credit recipients would likely allocate a portion of their property tax savings toward goods and services provided by County-based businesses. Also, if the Bill causes some MCPS employees to remain in the County, local businesses will benefit from a greater share of the County's investment in employee compensation circulating within the local economy. Increased spending could increase revenue and potentially income for these businesses.

Beyond these potential impacts, OLO does not anticipate additional effects on businesses with respect to the Council's priority indicators.

Overall Impact

OLO anticipates that the Bill would have a positive effect on overall economic conditions in the County, as assessed using the Council's priority economic indicators. This conclusion is based on the Bill's expected economic benefits to residents and businesses. However, OLO notes that these benefits could be diminished if forgone County revenue leads to reductions in valued public services, which could lower property values and adversely affect other economic indicators.

Discussion Items

There are substantial bodies of research that examine the economic effects of property tax reduction programs and the public services these programs fund. While researching this Bill, OLO identified studies highlighting the potential for property tax reduction programs to reduce property values. To better understand the economic trade-offs associated with tax reduction bills, Councilmembers may consider assigning OLO a more in-depth research project examining the relationship among tax policies, public service funding, and property values. The project could explore the conditions under which tax savings increase property values and those under which reductions in valued public services offset those benefits.

Caveats

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is

intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

Contributions

Stephen Roblin, PhD (OLO) prepared this report.

MONTGOMERY COUNTY BOARD OF EDUCATION
Unleashing Potential
15 West Gude Drive ◆ Suite 100 ◆ Rockville, Maryland 20850

October 28, 2026

The Honorable Natali Fani-González, President
and Members of the Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue, 6th Floor
Rockville, Maryland 20850

Dear President Fani-González and Members of the County Council:

The Montgomery County Board of Education respectfully requests that Bill 48-26 be amended to clearly include all MCPS support service staff professionals. As currently drafted, a reasonable interpretation of the proposed language could be that only those who are eligible to become members of SEIU 500 would be able to receive this tax credit, provided they are also homeowners in Montgomery County. This interpretation would exclude approximately 27 support service staff professionals who work in the same classifications but, because of the nature of their work, are exempt from membership in SEIU 500. Many of these employees previously worked inside schools and now use their knowledge and expertise, gained over decades of service to the school system, to support the work of the Board of Education, the Superintendent's Office, and the General Counsel's Office, among others. They work long hours, often on time-sensitive and confidential matters, to ensure that these offices run smoothly and efficiently. Because these individuals are exempt from SEIU 500 membership, it is unclear if they would be included in the proposed definition of "public school employee."

Amending the bill to add clarifying language to clearly include these 27 employees would not automatically mean the tax credit is offered. It would still only apply if these employees live in Montgomery County and are homeowners. This simply adds them to the group of people to whom the remaining criteria can then be applied. In doing so, this Council would make it clear that this tax credit is simply about providing opportunities for public school employees of particular employment classifications to have some relief from current economic conditions.

Our support service professional staff work hard for us. We could not do this work without them. On behalf of the Board of Education, I respectfully ask that the proposed language below, which could be added to the definition of *public-school employee*, be included in the bill to ensure that the benefit of this tax credit be available to all intended recipients.

The list of eligible positions shall include all supporting services positions within Montgomery County Public Schools, including:

(1) All supporting services positions included in the collective bargaining unit represented by Service Employees International Union (SEIU) 500; and

(2) All supporting services positions that are excluded from or exempt from the collective bargaining unit, including those that are support staff positions who support the Board of Education.

Sincerely,



Grace Rivera-Oven
President

GRO:jfro

Copy to:
Members of the Board of Education
Dr. Taylor
Mr. Lockman
Ms. McGuire