

M E M O R A N D U M

October 26, 2026

TO: Government Operations and Fiscal Policy Committee

FROM: Ludeen McCartney-Green, Legislative Attorney

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

PURPOSE: Worksession – to receive a Committee recommendation

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. A Government Operations and Fiscal Policy Committee (GO) worksession will be held on October 29, 2026, at 9:30 a.m.

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.

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.

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

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. At the time the packet was published, the Fiscal Impact Statement was not available. *Fiscal Impact Statement Extension* © 7.

Economic Impact. When available: [Racial Equity and Social Justice, Economic, and Climate Impact Statements - Office of Legislative Oversight - Montgomery County, MD.](#)

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.

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

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 was largely in support of Bill 48-26, with a smaller number of 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 that it was fundamentally unfair to remove a \$692 credit that had 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 that 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.

ISSUES FOR THE COMMITTEE’S DISCUSSION

1. Bargaining unit v. Bargaining union.

A point of clarification related to Bill’s interpretation: to be eligible for the property tax credit, an MCPS employee does not need to be part of a bargaining union that bargains on its members' behalf and requires members to pay dues for exclusive representation.

The Bill seeks to remain in line with the First Amendment, which protects both the right to associate and the right to forgo association for expressive purposes. *Janus v. American Federation of State, County, and Mun. Employees, Council 31*, 585 U.S. 878, 892 (2018) (quoting *Roberts v. United States Jaycees*, 468 U.S. 609, 623 (1984) (emphasis added)). Therefore, conditioning a government benefit on union membership may violate a public school employee’s First Amendment right not to associate, which is not the intent of the Bill.

Bargaining Unit – Defined

Generally, a *bargaining unit* is a group of employees authorized to engage in collective bargaining on behalf of all employees in a company or industry sector. *Bargaining Unit*, BLACK’S LAW DICTIONARY (12th ed. 2024).

Under the SEIU agreement with MCPS,³ a **bargaining unit is defined** as...“**all permanent and conditional supporting services employees who have attained permanent status** employed by the Board, except those excluded by the Board of Education as supervisors and confidential employees.” A unit member is an employee of the Board of Education who is a member of the bargaining unit.

In other words, if an MCPS supporting services employee has attained permanent status and does not fall under the Bill’s exclusion, that employee falls within the bargaining unit and would be eligible to apply for the property tax credit.

This distinction is important because being in the bargaining unit does not necessarily mean the employee is an SEIU member who pays union dues. The bargaining unit defines which employees the collective bargaining agreement covers; union membership is a separate question.

Similarly, under the MCEA agreement with MCPS,⁴ a **bargaining unit includes all full-time and part-time employees in positions** listed in Appendix A, including 10-month positions, 12-month positions, substitute positions, and other similarly situated positions, with exclusions. A unit member is any employee of the Board of Education who is a member of the unit, including substitutes and home and hospital teachers.

³ [Agreement Between SEIU Local 500 and the Montgomery County Board of Education \(2023 -2026\)](#)

⁴ [Agreement Between Montgomery County Education Association \(MCEA\) and Board of Education of Montgomery County \(2023-2027\)](#)

2. Amend the definition of public school employee.

Councilmember Stewart may propose an amendment to ensure the bill applies only to “permanent” and “full-time” employees. Currently, the bill does not distinguish between full-time and part-time employees.

Amend line 12 as follows:

Public school employee means an individual employed full-time 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.

Decision Point: Whether to amend the definition of public school employee, as described above?

3. What is the local fiscal impact of implementing Bill 48-26? What information would Finance need to administer the credit for all eligible employees?

The GO Committee may wish for Finance to discuss the fiscal impact of the bill and any potential administrative concerns.

Next Steps: Whether the GO Committee approves Bill 48-26, as amended?

This packet contains:

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*The Economic Impact Statement was not available at the time of publication of this staff report. They can be found at the address below when available: [Racial Equity and Social Justice, Economic, and Climate Impact Statements - Office of Legislative Oversight- Montgomery County, Maryland \(montgomerycountymd.gov\)](https://www.montgomerycountymd.gov/legislativeservices/Pages/Racial-Equity-and-Social-Justice-Economic-and-Climate-Impact-Statements.aspx)

Bill No. 48-26
Concerning: Property Tax Credit - Public
School Employees
Revised: 9/9/2026 Draft No. 2
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
Co-Sponsors: 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	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

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

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

2 **52-114. Property tax credit – public school employees of the County.**

3 (a) Definitions. In this Section:

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

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

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

11 Principal means the administrative head of a County school.

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

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

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

24 (b) Credit required. The Director of Finance must allow each eligible
25 taxpayer a credit against County real property taxes due in each year in
26 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 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>



OFFICE OF MANAGEMENT AND BUDGET

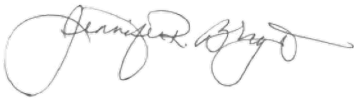
Marc Elrich
County Executive

Jennifer R. Bryant
Director

MEMORANDUM

October 16, 2026

TO: Natali Fani-González, President
Montgomery County Council

FROM: Jennifer R. Bryant, Director
Office of Management and Budget 

SUBJECT: Final Extension Request: Fiscal Impact Statement for Bill 48-26, Property
Tax Credit – Public School Employees

As required by Section 2-81A of the Montgomery County Code, we are informing you that transmittal of the fiscal impact statement for the above-referenced legislation will be delayed because additional time is needed to finalize a thorough analysis.

We are requesting a final extension and will transmit the fiscal impact statement no later than October 26, 2026.

JRB:ac

cc: Thomas Heyboer, Chief of Staff to the Council President, Montgomery County Council
Craig Howard, Executive Director, Montgomery County Council
Richard S. Madaleno, Chief Administrative Officer
Fariba Kassiri, Deputy Chief Administrative Officer
Tricia Swanson, Director of Strategic Partnerships
Faisal Amin, Deputy Director, Office of Management and Budget
Chris Mullin, Manager, Office of Management and Budget
Abdul Rauf, Fiscal and Policy Analyst, Office of Management and Budget

Office of the Director

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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, HBo0066, 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

RESJ Impact Statement

Bill 48-26

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 Bureau⁹ 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

RESJ Impact Statement

Bill 48-26

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, 2024-2025¹⁸

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.

RESJ Impact Statement

Bill 48-26

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](#)

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[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.