

# HOUSE BILL 818

Q3

4r2147  
CF SB 721

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By: **Prince George's County Delegation**

Introduced and read first time: January 31, 2024

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

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

4 **PG 412–24**

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

15 BY repealing and reenacting, without amendments,  
16 Article – Education  
17 Section 1–101(a) and (d)  
18 Annotated Code of Maryland  
19 (2022 Replacement Volume and 2023 Supplement)

20 BY adding to  
21 Article – Tax – General  
22 Section 10–758  
23 Annotated Code of Maryland  
24 (2022 Replacement Volume and 2023 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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**Article – Education**

2 1–101.

3 (a) In this article, unless the context requires otherwise, the following words have  
4 the meanings indicated.

5 (d) “County board” means the board of education of a county and includes the  
6 Baltimore City Board of School Commissioners.

7

**Article – Tax – General**8 **10–758.**

9 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
10 INDICATED.

11 (2) “COUNTY BOARD” MEANS THE PRINCE GEORGE’S COUNTY  
12 BOARD OF EDUCATION.

13 (3) “PARENTAL ENGAGEMENT LEAVE” MEANS LEAVE AWAY FROM  
14 WORK PROVIDED IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.

15 (4) “QUALIFIED EMPLOYEE” MEANS AN INDIVIDUAL WHO:

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

17 2. HAS LEGAL CUSTODY OF A SCHOOL STUDENT AS A  
18 LEGAL GUARDIAN; AND

19 (II) USES PARENTAL ENGAGEMENT LEAVE IN ACCORDANCE  
20 WITH AN EMPLOYER POLICY.

21 (5) “SCHOOL” MEANS A PUBLIC OR NONPUBLIC ELEMENTARY OR  
22 SECONDARY SCHOOL IN PRINCE GEORGE’S COUNTY, INCLUDING A CHARTER  
23 SCHOOL.

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

28 (1) IN THE AMOUNT CALCULATED UNDER SUBSECTION (D) OF THIS  
29 SECTION; AND

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

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

5                   **(I) PROVIDED AT THE DISCRETION OF AN EMPLOYER FOR THE**  
6 **BENEFIT OF A QUALIFIED EMPLOYEE OF THE EMPLOYER;**

7                   **(II) USED FOR ALLOWING THE QUALIFIED EMPLOYEE TO**  
8 **ATTEND SCHOOL-RELATED MEETINGS OR EVENTS AT THE SCHOOL IN WHICH THE**  
9 **STUDENT OF THE QUALIFIED EMPLOYEE IS ENROLLED;**

10                   **(III) ESTABLISHED BY WRITTEN POLICY;**

11                   **(IV) AT LEAST 10 BUT NOT MORE THAN 20 HOURS OF LEAVE PER**  
12 **QUALIFIED EMPLOYEE;**

13                   **(V) PAID AT THE SAME WAGE RATE AS THE QUALIFIED**  
14 **EMPLOYEE NORMALLY EARNS; AND**

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

17           **(2) AN EMPLOYER THAT PROVIDES PARENTAL ENGAGEMENT LEAVE**  
18 **UNDER THIS SUBSECTION SHALL PROHIBIT:**

19                   **(I) A QUALIFIED EMPLOYEE FROM EXHAUSTING THE**  
20 **QUALIFIED EMPLOYEE'S ENTIRE LEAVE BALANCE IN FEWER THAN THREE**  
21 **OCCURRENCES OF LEAVE USAGE; AND**

22                   **(II) THE TRANSFER OF HOURS OF PARENTAL ENGAGEMENT**  
23 **LEAVE BETWEEN EMPLOYEES.**

24           **(D) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**  
25 **AMOUNT OF THE CREDIT UNDER THIS SECTION SHALL BE THE PRODUCT OF A**  
26 **QUALIFIED EMPLOYEE'S HOURLY WAGE RATE AND THE NUMBER OF PARENTAL**  
27 **ENGAGEMENT LEAVE HOURS USED BY THE QUALIFIED EMPLOYEE DURING THE**  
28 **TAXABLE YEAR.**

29                   **(II) THE HOURLY WAGE RATE FOR A SALARIED EMPLOYEE**  
30 **SHALL BE DETERMINED BASED ON THE MINIMUM WEEKLY NUMBER OF HOURS THAT**

1 THE QUALIFIED EMPLOYEE IS REQUIRED TO WORK UNDER THE QUALIFIED  
2 EMPLOYEE'S HIRING AGREEMENT.

3 (2) FOR ANY TAXABLE YEAR:

4 (I) AN EMPLOYER MAY CLAIM THE CREDIT FOR MORE THAN  
5 ONE QUALIFIED EMPLOYEE, REGARDLESS OF WHETHER ANOTHER QUALIFIED  
6 EMPLOYEE HAS USED PARENTAL ENGAGEMENT LEAVE FOR THE SAME STUDENT;  
7 AND

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

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

14 (E) (1) TO RECEIVE THE CREDIT UNDER THIS SECTION, AN EMPLOYER  
15 SHALL:

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

18 (II) ATTACH EACH CERTIFICATION FORM TO THE INCOME TAX  
19 RETURN OF THE EMPLOYER.

20 (2) THE STATE DEPARTMENT OF EDUCATION SHALL, IN  
21 CONSULTATION WITH THE COMPTROLLER, DEVELOP AND MAKE AVAILABLE A  
22 CERTIFICATION FORM TO BE USED IN ACCORDANCE WITH PARAGRAPH (3) OF THIS  
23 SUBSECTION.

24 (3) (I) AS A CONDITION OF USING PARENTAL ENGAGEMENT LEAVE  
25 UNDER THIS SECTION, A QUALIFIED EMPLOYEE SHALL AGREE TO OBTAIN FROM THE  
26 APPROPRIATE SCHOOL OFFICIALS PROOF OF ATTENDING THE SCHOOL-RELATED  
27 MEETING OR EVENT FOR WHICH THE LEAVE IS USED BY SUBMITTING THE  
28 CERTIFICATION FORM TO:

29 1. IF THE STUDENT OF THE QUALIFIED EMPLOYEE IS  
30 ENROLLED IN A PUBLIC SCHOOL, THE SCHOOL PRINCIPAL AND COUNTY BOARD  
31 MEMBER WHO REPRESENTS THE SCHOOL; OR

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

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

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

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

12                                   **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July**  
13 **1, 2024, and shall be applicable to all taxable years beginning after December 31, 2023.**