

**SDAT\_HB0491\_Support.docx.pdf**

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Position: FAV

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**HEARING DATE:** March 26, 2024

**BILL:** HB0401

**TITLE:** Property Tax Exemption - Rental Income - Reporting Requirement

**SDAT POSITION:** SUPPORT

The Department of Assessments and Taxation supports House Bill 491 - State Department of Assessments and Taxation and Department of General Services - Property Appraisal Aids - Geographic Images. This legislation would allow the Department to lease state-of-the-art oblique aerial photographic imagery to generate more accurate real property assessments.

Emerging technologies have provided the Department with opportunities to continue to do more with less while delivering world-class services for the People of Maryland. Oblique Aerial Photography uses top-angle images taken by plane to take accurate measurements of properties without the need for assessors to physically inspect that property. In a study conducted by the Department, it was found that the use of this technology could uncover an additional \$1.4 billion in additional assessable base that had previously not been captured by local revenues. Revenues generated by the use of this technology would net more than \$14 million for counties across the state.

Oblique aerial technology can, on average, perform work in one hour that would normally take an assessor three hours to complete on average. The time savings would free up assessors to focus on more complicated assessments, assessment appeals, and portions of the State that are more densely populated with properties and have a higher need for personnel attention than others. House Bill 491 strengthens the Department's efforts to modernize and find more efficient methods of conducting assessments and deliver accurate information to counties.

Accordingly, the Department respectfully requests a **FAVORABLE** report on HB 491.

**HB491\_SupportTestimony\_03252024.pdf**

Uploaded by: Kris Fair

Position: FAV



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**SUPPORT TESTIMONY**

**HB 491 - State Department of Assessments and Taxation and Department of General Services -  
Property Appraisal Aids - Geographic Images**

The Honorable Guy Guzzone, Chair  
Budget and Taxation Committee  
Maryland Senate  
3 West, Miller Senate Office Building  
Annapolis, MD 21401

Chair Guzzone, Vice-Chair Rosapepe, and Esteemed Members of the Budget and Taxation Committee:

House Bill 491 is aimed at modernizing, enhancing, and standardizing the property assessment process within our state. This bill integrates geographic and photographic imagery for the State Department of Assessments and Taxation, the Department of General Services, and Maryland residents.

**Improved Accuracy and Efficiency in Assessments:** The integration of geographic and photographic imagery, as proposed in House Bill 491, represents a logical step forward in our property assessment processes. Already implemented by some counties in Maryland, these technological upgrades will increase SDAT's responsiveness and effectiveness.

**Addressing Staffing and Resource Challenges:** The State Department of Assessments and Taxation continually faces challenges in maintaining large staff sizes to guarantee that more than two million real properties are assessed once every three years. Regardless of the hiring challenges the Department faces, using advanced appraisal aids reduces the time and physical labor required for assessments, allowing our skilled assessors to focus on more complex valuation tasks and improving overall staff efficiency and morale.

**Utilizing Oblique Aerial Photography:** The use of oblique aerial photography is an innovative approach that allows for accurate measurements of buildings and properties without physical access, which is often time-consuming and sometimes not feasible. Using this technology speeds up the assessment process and respects our citizens' privacy and property rights, as it minimizes the need for assessors to enter private property.

**Building From Our Success:** Many counties have already used oblique aerial photography for property tracking and assessment. The major change is that the State will partner directly with each County for oblique aerial photography. The counties that have already implemented this program have led to substantial increases in the efficiency and efficacy of property assessments.

**Maintenance of Imagery and Appraisal Aids:** The bill mandates that the State Department of Assessments and Taxation prepare, install, and maintain a statewide and local geographic images database. This database will be an invaluable resource for our assessors and residents.

In conclusion, House Bill 491 is necessary to modernize our property assessment processes. Our assessors are given the tools they need to perform their duties more effectively while addressing operational challenges and staffing issues.

For these reasons, I urge your support for House Bill 491 and respectfully request a favorable report.

Thank you,

A handwritten signature in blue ink that reads "Kris Fair". The signature is written in a cursive style with a large initial 'K' and 'F'.

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Delegate Kris Fair  
District 3, Frederick County

**HB0491-BT\_MACo\_SWA.pdf**

Uploaded by: Kevin Kinnally

Position: FWA



## House Bill 491

*State Department of Assessments and Taxation and Department of General Services -  
Property Appraisal Aids - Geographic Images*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

**WITH AMENDMENTS**

Date: March 26, 2024

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 491 **WITH AMENDMENTS**. This bill aims to equip the State Department of Assessments and Taxation (SDAT) with valuable visual data that can enhance property assessments' accuracy, efficiency, and fairness. MACo seeks amendments to guard against unwarranted costs and awkward implementation.

Accurate property assessments are essential for promoting fairness, transparency, and efficiency in taxation, economic development, and community planning. However, SDAT has been troubled for many years by high turnover for real property assessor positions – primarily due to competitive salaries for similar positions in other jurisdictions. Additionally, assessors rarely conduct physical property inspections.

Instead, SDAT relies on counties to provide copies of building permits to identify new construction and substantial improvements. SDAT also uses tools like MRIS, CoStar, Real Capital Analytics, and aerial imagery to help assessors determine property values without requiring physical onsite visits.

HB 491 requires SDAT to prepare, install, and maintain a database of statewide and local geographic images that includes geographic information system visualizations and oblique aerial photographic imagery. The bill also charges the Department of General Services with procuring a uniform system – including any tools or services necessary for the database – and developing a cost-sharing plan between the units of government that use the appraisal aids.

Oblique aerial imagery offers detailed views of properties, including structures, land use, and improvements. As property tax revenue is a significant source of revenue for county governments, MACo appreciates that assessors could use this information to ensure more accurate, timely assessments.

MACo urges clarity and local input on the fiscal impact of installing and maintaining a database of visual appraisal aids, especially as counties pay 50 percent of SDAT's costs for real and business personal property valuation and information technology. In addition, counties urge the Committee to address the ambiguous and potentially awkward cost-sharing plan, which could lead to administrative hurdles in implementation.

Accordingly, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report on HB 491.