



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.