



House Bill 1516

Real Property Assessments - Notice of Change in Value or Classification - Time Period

MACo Position:

To: Ways and Means Committee

LETTER OF INFORMATION

Date: March 7, 2024

From: Michael Sanderson and Kevin Kinnally

The Maryland Association of Counties (MACo) submits this **LETTER of INFORMATION** on HB 1516. This bill proposes a one-time adjustment to the property reassessment notice timetable to remedy the administrative mistakes with the State Department of Assessments and Taxation's management of the owner notification process.

HB 1516 is, regrettably, a necessary measure to prevent an administrative failure translating to a loss of public services to Marylanders everywhere. Fortunately, the bill appropriately creates a revised, but sufficient, window for notifications, appeals, and related procedures in advance of local governments (who rely on these assessments as their principal tax base) finalizing their budgets for the coming fiscal year.

The situation presented that leads to this bill is, indeed, unfortunate. In addition to a failure to carry out its statutory responsibilities, the Department also failed to notify the principal stakeholders in this function – the local governments who rely on fairly-applied property taxes that arise from proper assessment and taxpayer notification. Local fiscal leaders were surprised, and disappointed, to first hear of this process failure in public media, rather than by direct outreach from the responsible agency.

County governments will likely face added uncertainty with their final assessments arising from the time delays under this bill, but that effect is far less than the undesirable outcome of a “windfall” based on the Department's malfeasance. HB 1516 protects the rights and interests of property owners, gives them time to receive and appeal their new assessments, and preserves the foundational state and local revenues needed for education, public safety, public health, debt service, and other essential services.

MACo and member counties stand ready to work with the Committee on any procedural or administrative matters related to this important remedial legislation.