

SB0143_BT_SUPP.docx.pdf

Uploaded by: Daniel Phillips

Position: FAV

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



DANIEL K. PHILLIPS
Director

ROBERT YEAGER
Deputy Director

HEARING DATE: January 15, 2025

BILL: SB0143

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

SDAT POSITION: SUPPORT

The Department of Assessments and Taxation supports Senate Bill 143 - 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. Senate Bill 143 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 Senate Bill 143.

Maryland Department of Assessments and Taxation
700 E Pratt Street Suite 2100 Baltimore, MD 21202
1-888-246-5941 TTY: 1-800-735-2258

Testimony in support of SB0143 - Require State Dep

Uploaded by: Richard KAP Kaplowitz

Position: FAV

01/15/2025

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON SB#/0143- POSITION: FAVORABLE

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

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget & Taxation Committee
FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0143, State Department of Assessments and Taxation and Department of General Services - Property Appraisal Aids - Geographic Images

Staffing problems continue to affect the SDAT's ability to perform their job efficiently to allow Maryland to receive the tax revenue due it from assessments. The latest news about SDAT comes after legislative budget analysts earlier this year identified internal problems in the agency, including a significant shortage of real property assessors on staff, and that the accuracy of property tax assessments continues to worsen.¹

This bill says we can use current technology to accurately and on a timely basis view properties to create the necessary assessments for proper tax processing. The bill will require the State Department of Assessments and Taxation to prepare, install, and maintain certain appraisal aids that consist of a database of statewide and local geographic images. There are roughly 2.3 million residential properties in the state. This figure does not include commercial properties, railroads or land owned by public utilities, which are also taxed but assessed annually. We must supplement the limited staff at SDAT with every tool at our disposal. This bill will require the Department of General Services to procure for the State a certain uniform system needed for the installation and upkeep of the appraisal aids. It will take the financial costs from the state by requiring each county and Baltimore City to reimburse the State for 100% of the costs of the database less than \$1,000,000 and 50% of the costs over \$1,000,000. However, receiving accurate assessments should give the local jurisdictions additional revenue because the taxes assessed will be accurate and timely.

I respectfully urge this committee to return a favorable report on SB#/0143.

¹ <https://marylandmatters.org/2024/02/21/local-governments-face-hundreds-of-millions-in-lost-property-tax-revenue-due-to-mailing-snafu/>

SB0143-BT_MACo_SWA.pdf

Uploaded by: Kevin Kinnally

Position: FWA



MARYLAND
Association of
COUNTIES

Senate Bill 143

*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: January 15, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS SB 143 WITH AMENDMENTS**. This bill aims to equip the State Department of Assessments and Taxation (SDAT) with advanced visual tools to enhance property assessments' accuracy, efficiency, and fairness. Counties seek amendments to address unwarranted costs and ensure smooth implementation.

Accurate property assessments are critical for promoting fairness, transparency, and efficiency in taxation, economic development, and community planning. However, SDAT has long been constrained by high turnover for real property assessor positions—primarily due to competitive salaries in other jurisdictions—and limited physical property inspections.

Instead, SDAT relies on counties to provide 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.

SB 143 requires SDAT to prepare, install, and maintain a statewide geographic image database that includes geographic information system (GIS) visualizations and oblique aerial photographic imagery. The bill also tasks the Department of General Services (DGS) with procuring a uniform system, including the necessary tools or services for the database. Counties and Baltimore City are required to reimburse the State for 100% of the first \$1 million in annual costs and 50% of any additional costs.

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

However, MACo urges clarity and local input on the fiscal impact of installing and maintaining the database, especially as counties already pay 50% of SDAT's costs for real and business personal property valuation and information technology. Additionally, counties encourage the Committee to address potential administrative challenges to ensure efficient implementation and equitable cost-sharing.

Accordingly, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report on SB 143.