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HEARING DATE: January 27, 2025

BILL: Senate Bill 278

TITLE: State Department of Assessments and Taxation - Expedited Document Processing and Fees

SDAT POSITION: SUPPORT WITH AMENDMENTS

The Department of Assessments and Taxation **SUPPORTS WITH AMENDMENTS** Senate Bill 278 - Expedited Document Processing and Fees.

The Department is committed to enhancing the efficiency of its services and supports the goal of Senate Bill 278 to establish and implement a process for expedited document processing and the corresponding fees. This is a critical step toward modernizing our operations and better serving the business community. In its current form, however, the Department would not be able to implement certain provisions of this bill.

After several productive conversations with the Maryland State Bar Association, the Department respectfully requests the following amendments to ensure the successful and sustainable implementation of this program without jeopardizing the integrity of our core services:

Remove the 30-Minute Filing Option: The Department strongly recommends the removal of the 30-minute expedited filing option. Given the complexity and volume of filings SDAT handles, offering a 30-minute turnaround time would place an unmanageable burden on staff, potentially divert resources from essential non-expedited work, and introduce risk of error in the filing process.

Require Pre-Clearance for 1-Hour Processing: To maintain accuracy and efficiency for the next tier of service, the Department requests that pre-clearance be a mandatory requirement for any document submitted for 1-hour processing. Pre-clearance will ensure that all documents meet basic statutory requirements before entering the expedited queue, minimizing the chance of immediate rejection and requiring staff to process the same filing multiple times.

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Move Effective Date to 2028: For the Department to successfully implement the operational, technological, and staffing changes required to administer this new program, we propose moving the effective date of the bill to July 1, 2028. This extension is necessary to secure funding, develop and test new IT systems, implement new processing workflows, and train personnel adequately for the new service levels.

With these amendments, Senate Bill 278 will provide a vital new service to the public while maintaining the high standard of accuracy and efficiency that the citizens and businesses of Maryland expect from the Department of Assessments and Taxation. The Department sincerely appreciates the partnership of the Maryland State Bar Association in making this bill a strong option for improving core services to the public.