

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 28, 2023

BILL NUMBER: HB 1758 **STATUS AND DATE OF BILL:** Engrossed 3/14/23

AUTHORS: House: Manger Senate: Montgomery

TAX TYPE (S): Ad Valorem **SUBJECT:** Property valuation

PROPOSAL: New law

HB 1758 proposes a new law that requires county assessors to inspect real or personal property by using on-ground site inspections or publicly and commercially available aerial image overlays for the purpose of valuation, data collection, or any other purpose related to the duties of county assessors.

EFFECTIVE DATE: January 1, 2024

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 24: see attached analysis

FY 25: see attached analysis

March 28, 2023

DATE

Rick Miller

DIVISION DIRECTOR

caj

3/29/2023

DATE

Huan Gong

HUAN GONG, ECONOMIST

3/31/2023

DATE

Joseph P Gappa

FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO FISCAL IMPACT - HB 1758 - [Engrossed] - Prepared 3/28/23

HB 1758 proposes a new law that requires county assessors to inspect real or personal property by using on-ground site inspections or publicly and commercially available aerial image overlays for the purpose of valuation, data collection, or any other purpose related to the duties of county assessors.

Revenue Analysis

Accurate county assessor valuations are highly dependent on accurate property data, which is obtained in the statutory visual inspection process required every four years¹. The new law proposed in HB 1758 may cause conflict with the preexisting statutory requirement to conduct regular physical inspections, as it appears to allow aerial imagery to be used as an optional replacement for physical inspections. Further, HB 1758 allows for the use of aerial imagery for property assessments without specifications to ensure accuracy and uniformity². Without specifying more specific standards for use of aerial imagery (e.g. minimum pixel resolution, timeframe of image, etc.), assessments may be inaccurate, and non-uniform across the state. This may result in over or under valuing properties, and thus result in a change in local ad valorem revenues. A specific fiscal impact is incalculable at this time.

¹ See current law: [Comprehensive Program for Individual Visual Inspection of Taxable Real Property \(oscn.net\)](#)

² See International Association of Assessing Officers' document, "Standard on Mass Appraisal" for types of acceptable aerials and accuracy levels: [StandardOnMassAppraisal.pdf \(iaao.org\)](#)