



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title:	<b>SB0519.01: Prohibit tax assessor entry to private property without permission</b>		
Primary Sponsor:	<u>Tony Tezak</u>	Status:	<u>As Introduced</u>
<input type="checkbox"/> Included in the Executive Budget	<input checked="" type="checkbox"/> Needs to be included in HB 2	<input type="checkbox"/> Significant Local Gov Impact	
<input type="checkbox"/> Significant Long-Term Impacts	<input type="checkbox"/> Technical Concerns	<input type="checkbox"/> Dedicated Revenue Form Attached	

### **FISCAL SUMMARY**

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$1,954,570	\$2,839,973	\$2,800,740	\$2,790,479
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u><u>(\$1,954,570)</u></u>	<u><u>(\$2,839,973)</u></u>	<u><u>(\$2,800,740)</u></u>	<u><u>(\$2,790,479)</u></u>
<b>General Fund Balance</b>				

### **Description of fiscal impact**

SB 519 requires the Department of Revenue to receive written authorization from the owner in order to access a property for appraisal purposes. An appointment must be scheduled with the property owner prior to inspection of the property. This is estimated to result in an average 50% increase in the yearly time spent on on-site appraisal. The department will require 25.00 FTE to absorb this new workload and will incur significant mailing costs for notices.

### **FISCAL ANALYSIS**

#### **Assumptions**

#### **Department of Revenue**

1. Currently, the Department of Revenue may access property for appraisal purposes unless they receive written notice from the property owner that the owner wants to be present for the appraisal.
2. SB 519 reverses this procedure. There is no longer implied consent to access the property, and the department must receive written communication from the owner allowing the department to visit the property.
3. There will be a greater number of properties that must be estimated based on inaccurate characteristics due to property owners not agreeing to let appraisers onto their property. This is likely to increase appeal volume which significantly increases staff time per parcel.
4. SB 519 requires the department to set an appointment with the landowner to access their property.
5. There are significant efficiency losses from the appointment requirement, especially in rural areas with long drive times. The probability of an appraiser scheduling all appointments in a given area in the same day is low. Redundant driving time will result from the appointment requirement.
6. Overall, the department will need approximately 25.00 FTE to staff the increased hours necessary to comply with the outcomes generated by SB 519. Since the bill has an effective date of January 1, 2026, the department will only require half the FTE increase in FY 2026 (12.50 FTE).

**Fiscal Note Request - As Introduced**

*(continued)*

7. The department will send approximately 520,000 letters in the first year containing the authorization form asking property owners for permission to access their property. At \$1.43 per letter this works out to \$743,600.
8. Assuming about 5.5% of these are returned and not necessary to send in a future year, the expected mailing costs are then \$702,845 in FY 2027, \$664,128 in FY 2028, and \$627,347 in FY 2029.
9. An additional 50,000 letters with prepaid return postage will be sent each year to properties flagged for reappraisal review for the year in order to schedule a time for viewing the property with the owner. These are estimated at \$2.25 per letter, yielding an estimate of \$112,500 each fiscal year.
10. The department will incur a one-time \$15,000 cost in system changes and form development for the property access authorization form in FY 2026.

**Fiscal Analysis Table**

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
FTE	12.50	25.00	25.00	25.00
<b>TOTAL Fiscal Impact</b>	<b>12.50</b>	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>
<b><u>Expenditures</u></b>				
Personal Services	\$901,805	\$1,761,723	\$1,783,387	\$1,805,382
Operating Expenses	\$1,052,765	\$1,078,250	\$1,017,353	\$985,097
<b>TOTAL Expenditures</b>	<b>\$1,954,570</b>	<b>\$2,839,973</b>	<b>\$2,800,740</b>	<b>\$2,790,479</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$1,954,570	\$2,839,973	\$2,800,740	\$2,790,479
<b>TOTAL Funding of Expenditures</b>	<b>\$1,954,570</b>	<b>\$2,839,973</b>	<b>\$2,800,740</b>	<b>\$2,790,479</b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$1,954,570)	(\$2,839,973)	(\$2,800,740)	(\$2,790,479)

**NO SPONSOR SIGNATURE**

Sponsor's Initials

Date

3/4



Budget Director's Initials

3/4/2025

Date