



**ANNE ARUNDEL COUNTY
OFFICE OF THE COUNTY AUDITOR**

To: Members of the County Council

From: Susan L. Smith, County Auditor

Date: September 30, 2020

Subject: Legislation to be heard or eligible for vote on October 5, 2020: Bill Nos. 57-20, 61-20, 62-20, 63-20, 66-20, 67-20, 68-20, 69-20, 70-20, 71-20, 72-20, 73-20, and 74-20.

Bill No. 57-20: Licensing and Zoning – Manufactured Mobile Homes Located Outside a Mobile Home Park (As Amended)

This bill was commented on in our letter dated September 16, 2020. At the September 21, 2020 Council meeting, this bill was amended to require that a manufactured home outside of a mobile home park be located on a contiguous lot of at least 60 acres. We have no further comments on this bill.

Bill No. 61-20: Public Works – Utilities – Backflow Preventers – Water and Wastewater (As Amended)

This bill was commented on in our letter dated September 16, 2020. At the September 21, 2020 Council meeting, this bill was amended to require two notices prior to turning off water service due to a property not having a properly functioning backflow preventer. According to the Administration, it had intended to send notifications. Therefore, this amendment does not have a fiscal impact.

The bill was also amended to leave the provision in the law that limits back billing to only those errors that were due to customer error or omission. The extent of the revenue that would be generated if the Administration was able to back bill for billing errors or omissions that were not due to customer error or omission cannot be readily determined. Please note that it is common in utility processing to receive information subsequent to a bill being issued due to delays in receiving account information, meter malfunction, incorrect meter readings, etc. It is also common in utility processing to bill based on an estimated usage when the actual usage cannot be determined, and sometimes this usage is updated based on more current information and the updated prior usage is billed or credited in the current bill. The Department of Public Works (DPW) defines this as a “true-up” (or ordinary utility process) and they can be done either through a manual or by an automated process. If a customer complains the County will determine if an adjustment needs to be made to remove charges related to a previous period usage.

DPW has estimated that approximately 5% of utility billing adjustments (in favor of a customer) result from incorrect billings and could result in an additional \$50,000 in revenue to the County’s enterprise fund if the County could back bill the customer that utilized the service. This

estimate does not include prior period true-ups of estimated usage that DPW does not consider a back billing. DPW plans to develop a policy for staff that provides guidance on true-ups and back billing to ensure consistency in application in the future. Back billing will be defined as billing for past usage that was not previously billed for more than two billing cycles. True-ups will have no time limit.

Rates are set to cover the cost of the County's water and wastewater systems. Therefore, when one customer is not billed for their full usage then that cost is shifted to others on the system through increased rates. Thus, there is no fiscal impact to the County.

Bill No. 62-20: Public Safety – Off-the-Road Motorcycles (As Amended)

This bill was commented on in our letter dated September 16, 2020. At the September 21, 2020 Council meeting, this bill was amended to require that the written permission be obtained from "an adult" resident of the dwelling. We have no further comments on this bill.

Bill No. 63-20: Licenses and Registrations – Electronic Smoking Devices in Restaurants – Indoor Prohibition (As Amended)

This bill was commented on in our letter dated September 16, 2020. At the September 21, 2020 Council meeting, this bill was amended to move the prohibition from the County's Public Safety Article to the section of the County's Licenses and Registration Article for food service facilities and shifts the prohibition and violation from the individual to the restaurant. This also shifts the enforcement for a violation to the Anne Arundel County Department of Health (Health Department) who responds to any complaints against food service facilities.

The Health Department expects minimal violations, and thus any fiscal impact due to increased workload and any increased revenue due to fines will be minimal. The Police Department will still respond to complaints when restaurants are unable to obtain voluntary compliance from a customer.

Bill No. 66-20: Current Expense Budget – Supplementary Appropriations – Capital Budget and Program – Fund Transfer

This bill provides \$769,000 of additional appropriations for seven grants in the Grant Special Revenue Fund (Grant Fund), \$1,313,700 in additional appropriations for one grant in the Community Development Fund, and authorizes a transfer of appropriation totaling \$2,679,000 between three capital projects to reflect a change in the funding source for these three capital projects.

The requests for the Grant Fund provide appropriations for the following grants:

- \$24,000 for the Health Department from the Maryland Department of Health (MDH) Behavioral Health Administration for the Maryland Recovery Net – Client Supports initiative. Maryland RecoveryNet develops partnerships with service providers statewide and funds access to clinical and recovery support services for individuals with substance use and/or co-occurring disorders. The County will use these funds as funding of last resort for one-time only expenditures for the purchase of emergency goods and the provision of time-limited services linked to the client's recovery support goals through grants and contributions. This grant was not included in the fiscal year 2021 (FY21) budget and does not require a matching contribution.

- \$15,000 for the Health Department from the MDH's Prevention and Health Promotion Administration for the Syringe Services Program (SSP). These funds will be used to implement the SSP in the County. Funds will be used to purchase clean syringes and other harm reduction supplies to be distributed via a mobile wellness vehicle and also through direct community outreach. This grant was not included in the FY21 budget and does not require a matching contribution.
- \$372,200 for the Health Department from the MDH's Office of Preparedness and Response for the Public Health Preparedness and Response program. This is a federal pass-through grant which funds collaborations with the County's Office of Emergency Management, Department of Social Services, American Red Cross, and other partners to maintain the County and City of Annapolis' mass care plans. The funds will be used for state and contractual employee salaries and benefits, training, phones, mileage, supplies (clinical, office, food, and audio visual), and indirect costs. This grant was not included in the FY21 budget and does not require a matching contribution.
- \$91,600 for the Health Department from the MDH's Office of Preparedness and Response for the Cities Readiness Initiative. This is a federal pass-through grant which funds collaborations with the City of Annapolis and the County's Office of Emergency Management, Police Department, Department of Social Services, and the Anne Arundel Crisis Response System staff to complete the County and City of Annapolis Family Information Center and Family Assistance Center Plan. The funds will be used for state employee salary and benefits, and indirect costs. This grant was not included in the FY21 budget and does not require a matching contribution.
- \$250,200 for the Health Department from the Maryland Opioid Operational Command Center for the County's Maryland Mobile Wellness initiative. This initiative utilizes a mobile wellness vehicle that offers substance use disorder prevention and treatment services, links individuals to ongoing care and recovery resources, provides naloxone, and provides access to peer support services. This funding will allow the mobile wellness vehicle to expand service from two days to four days per week. The funds will be used for contractual employees and benefits, phones, operating equipment service, mileage, supplies and materials, and indirect costs. This grant was not included in the FY21 budget and does not require a matching contribution.
- \$1,000 for the Chief Administrative Officer (CAO) from the U.S. Treasury Coronavirus Relief Fund (CRF) that was established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The County received a grant from the CRF totaling approximately \$101 million for a grant period from March 1 to December 31, 2020. Bill No. 25-20 had established eight \$1,000 placeholders for departments that would be utilizing this funding, including the CAO, for fiscal year 2020. As of June 30, 2020, the County had spent approximately \$43.8 million of the \$101 million CRF grant leaving approximately \$57.2 million available to spend in FY21. The FY21 budget grant listing included \$1,000 placeholders for other departments for this grant. However, the Administration omitted the CAO's placeholder in error. Anne Arundel County Code § 4-11-114 allows a grant appropriation to be increased without County Council approval to the amount of the grant award if the Controller confirms the funds are available for expenditure and there are sufficient funds for any grant match. The current FY21 budgets for the other departments total approximately \$30.6 million, leaving approximately \$26.6 million available to be budgeted for the CRF grant. This grant does not require a matching contribution.

- \$15,000 for the Office of the Sheriff from the Governor’s Office of Crime Control and Prevention for the Police Recruitment and Retention program. The grant is to fund eight \$1,000 hire signing bonuses and seven \$1,000 retention/longevity bonuses. This grant was not included in the FY21 budget and does not require a matching contribution.

The \$1,313,700 in additional appropriation for the Community Development Fund is for a grant from the U.S. Department of Housing and Urban Development’s Emergency Solutions Grant (ESG). These funds represent the second allocation of ESG funds that were authorized by the CARES Act to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. The funds will be used for a rapid re-housing program, and to operate an emergency shelter, which is replacing the Winter Relief Program run by area churches since churches will not be able to do the program this year due to COVID-19. The funds will also be used to fund homeless outreach workers and coordinated entry work. This grant was not included in the FY21 budget and does not require a matching contribution.

This bill also transfers the appropriation funding sources between three capital projects: Pasadena Rd Improvements (H525700), Route 2 Improvements (H581400), and MD 214 & Loch Haven Road (H575700). The FY21 budget for the Pasadena Rd Improvements capital project reduced the general county bonds appropriation by \$893,000 and increased the Highway Impact Fees for District 3 (HIF District 3) appropriation by \$1,100,000 for a net FY21 appropriation of \$207,000. However, it was subsequently determined that expenditures had already been applied to the general county bond appropriation for this capital project, and there were not sufficient general county bond appropriations available to de-appropriate. In this regard, federal income tax regulations discourage reallocating proceeds from the issuance of County tax-exempt bonds to project expenditures occurring more than two years from the date of a bond issue as they would generally create additional federal arbitrage compliance complexity for the County and could give rise to arbitrage rebate payment obligations to the IRS for any excess earnings from the investment of County bond proceeds.

To reverse the funding source switch for the Pasadena Rd Improvements capital project, without changing the total appropriations for the Pasadena Rd Improvements capital project or other capital projects, and to maintain the same total general county bond appropriations and HIF District 3 appropriations (as well as the same PPI bond appropriations) in the FY21 budget, this bill also switched funding sources within two other capital projects. As shown below, the total appropriation by project and the total appropriation by funding source remains the same, and this bill is only changing the funding sources within each capital project:

Capital Project	General County Bonds	HIF District 3 Fees	PPI Bonds	Total
Pasadena Rd Improvements	\$ 893,000	\$ (893,000)	\$ -	\$ -
Route 2 Improvements	-	893,000	(893,000)	-
MD 214 & Loch Haven Rd	(893,000)	-	893,000	-
TOTALS	\$ -	\$ -	\$ -	\$ -

These funding source appropriation switches do not have a fiscal impact to the County.

Bill No. 67-20: Floodplain Management, Erosion and Sediment Control, and Stormwater Management – Stormwater Management

This bill amends the requirements related to when a grading permit expires, amends the submission requirements for construction in conjunction with a stormwater management plan, assigns the responsibilities and establishes requirements for a best management practice (BMP) that will be owned or maintained by a homeowner's association (HOA), and updates the requirements for preventative maintenance of stormwater management systems. Code of Maryland Regulations (COMAR) 26.27.02.02 defines a BMP as a structural device or nonstructural practice designed to temporarily store or treat stormwater runoff in order to mitigate flooding, reduce pollution, and provide other amenities.

This bill changes one of the ways a grading permit can expire by increasing the time period before the expiration from two years to three years after approval by the Anne Arundel Soil Conservation District. Anne Arundel County Code § 16-3-206 states the Department of Inspections and Permits (I&P) may not issue a grading permit unless an erosion and sediment control plan is approved by the Anne Arundel Soil Conservation District. Anne Arundel County Code § 16-3-213 allows an applicant to request an expired grading permit to be renewed within six months of expiring when certain conditions are met, and allows the Director of I&P to grant renewals extending the expiration date by not more than one year. The change from two years to three years is being requested to align with state regulations for erosion and sediment control plans. Code of Maryland Regulations (COMAR) 26.17.01 requires approval authorities (such as I&P) to review and approve an erosion and sediment control plan in accordance with specified state criteria. It further states that "approved erosion and sediment control plans remain valid for 3 years from the date of approval."

Anne Arundel County Code Article 16, Title 4 requires an applicant (developer) to have an approved stormwater management plan, and to notify I&P prior to commencing work and on completion of any work in conjunction with the stormwater management plan. It further requires the applicant to submit to I&P as-built plans and an as-built certification prepared by a design professional with, at a minimum, a set of drawings comparing what was constructed to the approved stormwater management, and allows I&P to require any additional information necessary to determine that the work complies with the stormwater management plan. The bill requires the as-built certifications to also meet the latest as-built submittal requirements set by I&P at the time of submission. This will allow I&P to update submittal requirements as they implement changes, and should result in a reduction of additional information that I&P will need to request after the submission.

Additionally, this bill requires applicants to have responsibility over BMPs that will be owned or maintained by a HOA for a warranty period, as follows:

- 1) At the time of submission of as-built plans and certifications, the applicant will be required to provide a written two-year warranty of any BMPs that will be owned by the HOA with an effective date as the date of I&P's final approval of the as-built plans.
- 2) The warranty will allow a right of entry by the applicant onto the property to conduct repairs or restorations of BMPs.
- 3) A security will be posted by the applicant with the warranty equal to the construction costs of the BMP as estimated at time of issuance of the grading permit to secure future repairs and restorations during the two-year warranty period.
- 4) I&P may inspect the BMP at any time during the warranty period and will inspect it prior to the release of the warranty. If during an inspection, I&P determines that a repair or restoration of a BMP is required, I&P shall issue a notice to the applicant.

- 5) If a notice is issued for a repair or restoration, other than for routine maintenance, the warranty and security shall be extended an additional year. If a notice is issued for a repair or restoration during the extended warranty period, the warranty will be extended one additional year. The warranty period will not be extended beyond four years.
- 6) If the applicant fails to repair or restore a BMP as directed by I&P, the security shall be forfeited, and the County's cost to make the repair or restore the BMP in excess of the security will be billed to the applicant. Please note that this gives the discretion to I&P as to the time period the applicant will have to repair or restore the BMP.
- 7) If the final inspection does not disclose a need for a repair or restoration of a BMP, the security will be released at the expiration of the warranty period. I&P may also allow a partial release of the security, up to 75%, during an extended warranty period if I&P determines it will not impair implementation of the warranty. However, a partial release does not relieve the applicant of its liability for the warranty.

This bill also clarifies that the requirement for property owners to perform preventive maintenance of stormwater management systems to ensure it is functioning properly is for "private" stormwater management systems. The bill adds that it begins after the release of the grading permit security, or for BMPs after the expiration of the warranty period. It also eliminates the required I&P inspection during the first year of operation leaving the requirement that an inspection be performed every three years. During construction, post-installation, and as-built inspections will still be required for public and private projects as in the current practice.

This ordinance will apply to any new grading permit application or any application for a major revision to a pending or issued grading permit that is filed on or after January 1, 2021.

Fiscal Impact: According to I&P, extending grading permits from two to three years will reduce staff time and administrative costs required. However, I&P expects an increased workload for the additional inspections related to BMPs that will be maintained by HOAs. I&P does not keep track of the number of HOAs taking over BMPs, but stated that stormwater regulations at the state level is increasing the number of BMPs and has caused a shift in the maintenance of stormwater practices.

I&P stated it will request two additional Environmental Control Inspectors in the fiscal year 2022 (FY22) budget. Environmental Control Inspectors are a LM12 pay grade and have a current hourly rate of pay ranging from \$22.27 to \$35.02. We estimate the fiscal impact of these two inspector positions will range from approximately \$140,800 to \$210,000 for salary and benefits. **Note:** The salary is based on figures from the labor maintenance bargaining unit that expires on June 30, 2021, so this fiscal impact does not include any COLA or merit increases that may be negotiated in the next agreement.

Additionally, I&P stated these positions will require two vehicles, at an approximate purchase price of \$25,000 and annual operating/maintenance costs of approximately \$5,500 each for an additional fiscal impact of \$61,000.

Bill No. 68-20: Finance, Taxation, and Budget – Admission and Amusement Tax – Zoning – Farm Alcohol Production Facility

This bill consolidates existing farm alcohol zoning uses for farm breweries and wineries into a single-use category known as a "farm alcohol production facility," which will also encompass other farm alcohol production facilities, such as farm distilleries. The bill exempts farm alcohol production facilities from admissions and amusement taxes, as a current exemption exists for farm breweries and

wineries, and provides the zoning and conditional use requirements for farm alcohol production facilities. Under this bill, farm alcohol production facility is defined as a facility used for agricultural alcohol production as defined in Md. Ann. Code, Land Use Article § 4-214 and requires the farm to qualify for an agricultural use assessment pursuant to Md. Ann. Code Tax Property Article § 8-209 or be covered by a current active soil conservation and water quality plan approved by the Anne Arundel Soil Conservation District. Farm breweries currently require an agricultural use assessment pursuant to the aforementioned Tax Property Article, but wineries do not have this requirement.

Md. Ann. Code Land Use Article §4-214 added during the recent legislative session, defines agricultural alcohol production as an activity that is carried out by an alcohol beverages license holder; occurs on agricultural land; is related to the manufacture, packaging, storage, promotion, or sale of alcoholic beverages that use ingredients produced on the agricultural land or any associated agricultural land; and may include the use of an area to provide tastings of alcohol beverages or accommodate the license holder's customers.

In addition to making the current zoning requirements for both farm breweries and wineries applicable to other alcohol production facilities, this bill makes the following changes to the current zoning requirements that exist for farm breweries and wineries:

1. A new parking requirement is being added to require a farm alcohol production facility to have one space per five attendees for outdoor events, one space for every 1,000 square feet of building area, and one space for every two employees, excluding areas dedicated to agricultural production unrelated to the farm alcohol production facility.
2. Wineries would no longer be a conditional use in the R2 zone.
3. Wineries would no longer be an allowed use in the Critical Area Resource Conservation Area (RCA).
4. While the definition of farm brewery is being removed, the definition of wineries still remains since wineries are still a permitted use in Industrial Districts W2 and W3.
5. The facility shall be operated by the farm owner or farm manager.
6. For a facility that produces mead, at least one acre of land on the farm upon which the facility is located shall be used to nourish a colony of bees. Whereas, wineries are currently required to produce 25% of the fruit that is processed into the wine, the bill requires that the farm produce at least one acre of grain, hops, fruit or other ingredient, excluding water, to produce alcohol (which is similar to the current requirement for farm breweries).
7. The minimum 100 feet setback will be for any building or storage facility used in connection with farm alcohol production, as opposed to the current setbacks that are for any structure, storage, parking, picnic area, or loading area. Further, under this bill, the setback may be reduced to 50 feet for existing structures used in connection with alcohol manufacturing or tastings if the Planning and Zoning Officer finds that the reduced setback is compatible with surrounding uses.
8. For a farm bounded by a road, the minimum setback from the lot line to a new structure adjacent to the road may be reduced to 50 feet if the Planning and Zoning Officer finds that the reduced setback is compatible with surrounding uses. Currently, the minimum setback from a road may be reduced to 50 feet upon approval by the Planning and Zoning Officer, but only wineries specifically require that the reduced setback be compatible with surrounding areas.
9. The floor area is restricted for tastings and sale of alcohol, and accessory non-alcoholic food or beverages shall not exceed the floor area being used for production and storage of alcohol.

10. Access to the site through a private road may be approved by the Planning and Zoning Officer where no direct access from a public road is feasible with the following conditions: maintenance of the private road shall be subject to a shared maintenance agreement with proportional maintenance responsibilities assumed by the owner of the farm alcohol production facility, and affidavits approved as to form by the Planning and Zoning Officer shall be signed by each owner and submitted by the owner of the farm alcohol production facility. Currently, farm breweries have similar requirements for maintenance agreements and affidavits, but wineries have no such requirement.
11. Does not allow direct vehicular access to be within 40 feet to the lot line of a residentially zoned property that is not part of the farm alcohol production facility. Currently, farm breweries and wineries can be allowed closer access with affidavits signed by all owners of the residential zoned lot.
12. Parking areas must be clearly marked through physical means such as timbers, fences, or stakes, and shall be arranged to avoid traffic congestion on public roads and no parking shall be allowed on public or private rights-of-way. Currently, farm breweries require that direct vehicular access be sufficient to prevent traffic congestion on roads in adjoining residential areas and requires a site plan to the Office of Planning and Zoning (OPZ) including parking information, but wineries do not currently have any similar requirements.
13. Requires a facility located on a scenic and historic road to comply with Anne Arundel County Code § 17-6-504 and mitigate adverse visual impact to abutting property not owned by the farm operator. This is a current requirement of farm breweries, and farm breweries are currently required to submit a site plan that provides related information, but there is no similar requirement for wineries under current law.

OPZ stated that there are no wineries in the current R2 zoning areas, and there is one winery in the RCA. OPZ is in discussions with the Critical Area Commission to update the program to include Farm Alcohol Production to the list of RCA uses, but until then, there will be no new wineries allowed in the RCA.

Fiscal Impact: OPZ does not expect significant increases in the number of applications as a result of any expansion beyond wineries and breweries, and does not expect additional resources will be required as a result of this bill.

We were unable to obtain the fiscal impact, if any, on admissions and amusement taxes on farm alcohol production facilities that would be exempt under this bill. However, farm breweries and wineries are currently exempt.

Bill No. 69-20: Zoning – Farm or Agricultural Heritage Site Stays and Special Events

This bill defines agricultural heritage site, farm or agricultural heritage site special event, and farm or agricultural heritage site stay, and expands the definition of agritourism to include activities or events related to agricultural historical and cultural skills. Please note that Anne Arundel County Code § 4-5-101 currently exempts gross receipts derived by agritourism from the County's admissions and amusement taxes. The bill also amends the zoning requirements related to temporary uses to limit the temporary use authorizations for farm or agricultural heritage site special events. Additionally, this bill makes farm or agricultural heritage site special event, 9 to 15 annual events, a conditional use; farm or agricultural heritage site special event, 16 to 30 annual events, a special exception use; and farm or agricultural heritage site stay as a special exception use in Rural Agricultural (RA),

Residential Low Density (RLD), or Residential (R1) zoning districts. Further, this bill establishes the requirements for these conditional and special exception uses. Specifically, this bill:

1. Defines agricultural heritage site as a property listed on the County Inventory of Historic Resources that is determined by the Planning and Zoning Officer to be historically significant for its contribution to the County's agricultural history.
2. Defines farm or agricultural site special event as a gathering of the public or invited groups limited to attendance by invitation or reservation for compensation for events including parties, celebrations, weddings, or receptions on a farm that qualifies for an agricultural use assessment pursuant to Md. Ann. Code Tax-Property Article § 8-209 or is covered by a current and active soil conservation and water quality plan approved by the Anne Arundel Soil Conservation District, or an agricultural heritage site.
3. Defines farm or agricultural heritage site stay as a hosted accommodation for overnight guests who pay to stay on a farm that qualifies for an agricultural use assessment pursuant to Md. Ann. Code Tax-Property Article § 8-209 or is covered by a current and active soil conservation and water quality plan approved by the Anne Arundel Soil Conservation District, or an agricultural heritage site. The definition specifically excludes a bed and breakfast inn, bed and breakfast home, or short-term residential rental. According to the Office of Law, it is envisioned that it will consist of camping in a tent or recreational vehicle.
4. Amends the requirements related to temporary uses to limit authorizations of farm or agricultural heritage site special events on a property in the RA, RLD, or R1 zoning district to require authorizations for individual events and to limit authorizations to eight annual events no longer than one day on the property.
5. Establishes conditional use requirements and special exception use requirements for farm or agricultural heritage site special events that set a minimum lot size for the farm or agricultural heritage site, parking area requirements, screening and shielding requirements for adjacent properties, maximum capacity requirements, hours of operation, maximum length of event, limits the number of events within a 12-month period, and requires event activities to be outdoors unless the use of structures or tents are in accordance with the building code.
6. Establishes special exception use requirements for farm or agricultural heritage site stays that set the minimum lot size for the farm or agricultural heritage site, requires the owner or manager to be present during the stay, limits the number of groups and guests in each group, limits the length of stay, requires the owner to maintain a reservation log for inspection by OPZ, and requires the stay to include agricultural promotion and guest education about the farm operation or the agricultural heritage site and shall be subordinate and in conjunction with agriculture or agricultural heritage and historic preservation goals. In addition to these requirements, these site stays would be subject to COMAR 10.16.03 which establishes requirements for camps that accommodate five or more persons at any time for five or more days per year.

Fiscal Impact: The minimum lot size required for a farm or agricultural heritage site special events (in excess of eight per year allowed under temporary uses) and the minimum lot size required for a farm or agricultural heritage site stay is a farm that is 10 acres or an agricultural heritage site that is 5 acres. There are currently 138 heritage sites that could be eligible agricultural heritage sites in the RA, RLD, and R1 zoning districts. Further, the County has an inventory of 82,406 parcels zoned RA, RLD, and R1 that are 10 or more acres.

OPZ does not anticipate requiring additional resources as a result of this bill. Although there are a significant number of parcels that could be eligible for the aforementioned uses, the Code currently allows temporary use of land that does not adversely affect nearby properties and will not require significant or permanent changes to existing topography, vegetation, or other natural features, which includes authorization for events similar to those described in this bill. During calendar years 2017 through 2019, there was an average of 22 of these types of events annually, and three weddings that received temporary use authorization. Therefore, OPZ expects minimal to no fiscal impact from this bill.

Bill No. 70-20: Pensions – Employees’ Retirement Plan – Fire Service Retirement Plan – Police Service Retirement Plan – Detention Officers’ and Deputy Sheriffs’ Retirement Plan – Disability Pensions

This bill eliminates the ability to perform the duties of a position other than the pension participant’s regular position as a disqualifying factor for a disability retirement pension from the County’s retirement plans. This bill also eliminates provisions that ceases the qualification for a disability retirement pension within the first five years of receiving the benefit based on the employee’s ability to be reemployed in a position other than the participant’s regular position. There are currently variations within the County’s different retirement plans of these types of disqualifying factors (e.g., some reference another position which is appropriate to the participant’s training and experience, and some reference another position within the participant’s department). For the three public safety plans, the bill also adds that a participant ceases to qualify, if within the first five years of receiving benefits, the participant is employed in a position with the same requirements as the participant’s regular assignment. This would include employment outside of the County.

While these types of changes to the disability retirement plans were discussed during union negotiations, they are not included in any union agreement, and were not included in the recommended actuarially determined contribution for the FY21 budget.

Fiscal Impact: The Office of Personnel requested an actuary to conduct a study on the impact on pension plan liabilities and County contributions for amending the definition of “total and permanent disability” in the Fire Service Retirement Plan, the Police Service Retirement Plan, and the Detention Officers’ and Deputy Sheriffs’ (DODS) Retirement Plan to eliminate as a disqualifying factor the ability to perform duties of a position other than the pension participant’s regular position. Although the disqualifying factors are being eliminated from both service and non-service disability retirement pensions, the actuary determined that there would be a larger impact on non-service disability qualifications so the study was based on their analysis of historically denied non-service disability applicants that would qualify under the new definition and this information was used to determine the impact on changes both service and non-service. Based on the actuary’s report, dated September 4, 2020, the annual recommended actuarially determined contribution would have increased as of January 1, 2020 as follows:

Retirement Plan	Normal Cost	Amortization Payment	Total
Fire Service Retirement Plan	\$ 60,167	\$ 101,610	\$ 161,777
Police Service Retirement Plan	105,147	128,768	233,915
Detention Officers’ and Deputy Sheriffs’ Retirement Plan	14,825	17,776	32,601
Total	\$ 180,139	\$ 248,154	\$ 428,293

The normal cost is permanent and is assumed to increase 3% per year for future fiscal years based on payroll growth. The amortization payment will stop once the increase in the current unfunded liability is paid off, which is assumed to be paid off in 10 years for the Fire Service and Police Service Retirement Plans and 7 years for the DODS Retirement Plan. It should be noted that the actuary study did not consider the additional disqualifying factor that the participant is employed in a position with the same requirements as the participant's regular assignments. However, we discussed this with the actuary and the actuary does not expect this clause to have an impact.

The fiscal impact for the changes to the Employees' Retirement Plan is not readily determined without an actuarial study. The change to the Employees' Retirement Plan only impacts service-related disability since the disqualifying factor being eliminated is not currently a disqualifying factor for non-service related disability. According to the Office of the Budget, in comparison with the public safety employee retirement plans, from 2014 to 2019 there were 84 total service-connected disability applications for all three public safety plans and 25 service-connected disability applications for the Employees' Retirement Plan. According to the actuary, since the percentage of employees in the Employees' Retirement Plan that apply for disability is less than that of the public service employment retirement plans he would expect this change would have a less significant impact on the actuarial determined contribution for that plan.

Bill No. 71-20: Personnel – Employee Relations – Limitations on Joining Employee Organizations

This bill updates the definition of "Uniformed Public Safety Exclusive Representative" to add classifications that they can represent. The job classifications being added include Deputy Sheriff I-A, Deputy Sheriff III, Fire Battalion Chief, Police Corporal, and Police Lieutenant. Impasse procedures for "Uniformed Public Safety Exclusive Representatives" are different than impasse procedures for non-uniformed public safety representatives, including final decisions being determined by a neutral arbitrator versus the County Council.

Most of the job classifications being added in this bill are already included in a bargaining unit that includes other job classifications that are currently listed as classifications that can be represented by a Uniformed Public Safety Representative. Specifically, the Deputy Sheriff I-A are represented by the Teamsters Union Local 355 that also represents the classification Deputy Sheriff I; the Deputy Sheriff III is represented by the Sheriff Sergeants Association, Fraternal Order of Police (FOP) Lodge #106 that also represents the classification Deputy Sheriff II; the Police Corporal is represented by the FOP Lodge #70 that also represents the classification Police Officer; and the Police Lieutenant is represented by the Police Supervisor Association that also represents the classification Police Sergeant. The Fire Battalion Chiefs have their own bargaining unit but are also represented by Teamsters Union Local 355. Further, memorandums of agreements are already in place for these positions for the current fiscal year.

This bill also adds Police Sergeants to the list of management employees that may join, assist, or participate in the activities of an employee organization or an affiliate of an employee organization that represents or seeks to represent employees under their direction. Police Sergeants are currently in the Police Supervisors Association, and they have a memorandum of agreement with the County for the period from July 1, 2020 to June 30, 2021. Therefore, they would have to decertify with their exclusive representative by filing petitions in October under Anne Arundel County Code § 6-4-109 before they could join, assist, or participate in the activities of an employee organization or an affiliate of an employee organization that represents or seeks to represent employees under their direction. Anne Arundel County Code § 6-4-109(d) states that whenever a valid memorandum of agreement is in

effect on the date of a decertification of an exclusive representative that is a party to the memorandum, the Administration and any new exclusive representative, are bound by that agreement during the remainder of the term of the agreement.

Fiscal Impact: There is no current fiscal impact to the County from the change in the definition of “Uniformed Public Safety Exclusive Representative” since they currently have memorandums of agreements in place for the current fiscal year. Likewise, allowing Police Sergeants to join, assist, or participate in employee organizations that represents employees under their direction does not have any fiscal impact for the current fiscal year since they already have a memorandum of agreement in place. Any future change in pay and benefits for these classifications would be negotiated with their representatives at that time. Thus, future fiscal impact for these positions as a result of these changes cannot be determined at this time.

Bill No. 72-20: Licenses and Registrations – Unattended Donation Boxes

This bill establishes application, registration, expiration, renewal, and maintenance requirements for unattended donation boxes throughout the County. An unattended donation box is defined as an unattended drop-off box, container, receptacle, or similar device used for soliciting and collecting donations of personal property items. Unattended donation boxes that are not enclosed within a structure or accessory to a principal use on the property will not be allowed unless they are registered with the Department of Inspections and Permits (I&P). The application for registration will require contact information for both the property owner and the operator, and the unattended donation box will be required to be maintained and contain visible contact information for the owner. The bill further states that registrations will be required to be renewed biennially, and I&P may not accept the renewal if there are open citations, unpaid fines, or unresolved violations or complaints.

This bill does not require a registration fee and does not include specific provisions for fines or civil offenses for not registering an unattended donation box, however, general enforcement provisions would be applicable under Anne Arundel County Code § 11-1-105, which specifies that violations due to enforcement of licenses and registration requirements are a Class D civil offense, and § 9-1-101, which specifies that any violation of the Code is a misdemeanor. Civil enforcement would be handled by I&P, and criminal enforcement would be handled by the Police Department.

Fiscal Impact: Revenue generated from this bill would be limited to fines from violations. A Class D civil offense has a fine of \$125 for the first violation, \$500 for the second violation, and \$1,000 for the third and subsequent violations. A criminal misdemeanor under this bill could have a fine not to exceed \$1,000. This bill would require I&P to prepare an application for registration form, process registrations, respond to complaints, and track violations to deny renewals of registrations. A fiscal impact could not be readily determined because the number of unattended donation boxes in the County is unknown.

Bill No. 73-20: Zoning – Chickens and Ducks in Residential Districts

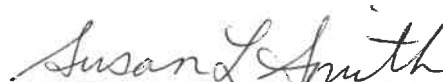
This bill amends the requirement for coops and enclosures for chickens or ducks on lots less than 40,000 square feet in a residential district. Currently, these coops and enclosures are required to be at least 25 feet from side or rear lot lines and 25 feet from any dwelling. Under this bill, these coops and enclosures are required to be at least 25 feet from side or rear lot lines and 5 feet from an onsite dwelling. The Department of Health has advised that they do not have any concerns with this change. This bill has no fiscal impact.

**Bill No. 74-20: Finance, Taxation, and Budget – Real Property Taxes – Public Safety Officers
Property Tax Credit**

This bill extends the deadline for applying for the public safety officers' property tax credit through November 30, 2020. This extension would only apply to the current year, as the bill contains a provision that automatically repeals the bill on December 1, 2020.

County Executive Pittman issued Executive Order No. 17 on March 16, 2020, which suspended all legal time requirements in the County. On May 8th, Executive Order No. 17 was amended to extend all legal time requirements in the County, with exception to those related to animal control, until the 30th day following the date the proclamation of the Civil Emergency in the County expired, or was terminated. On June 12, 2020, the County Executive issued Executive Order No. 25, which, among other things, terminated the amended and restated Executive Order No. 17 effective 5 p.m. on June 12, 2020, thereby resuming the legal time requirements in the County. As such, the deadline for filing the public safety officer's tax credit applications, established in law as of April 1, became June 12, 2020 for this fiscal year.

According to Anne Arundel County Code § 4-2-313(e), the maximum tax credit for a public safety officer is the lesser of \$2,500 or the County tax due on the dwelling. According to the Office of Finance, 703 tax credits were granted in FY19 for a total of \$1,445,000, 730 credits were granted in FY20 for a total of \$1,548,400, and 758 applications were received for FY21. The Office of Finance is aware of at least three that were received after the deadline and has received a few inquiries from individuals who have not yet filed. The Office of Finance does not anticipate a large number of additional filings or related costs for FY21 should the application deadline be extended. If 10 additional applications were received during this extension, the maximum reduction in County tax revenue in FY21 would be \$25,000 (\$2,500 x 10). While this bill may impact FY21, it should be noted that this tax credit is terminated after the Public Safety Officer receives a credit for five years. Thus, if the Public Safety Officer continues to be employed by the County and resides in the County, they would still be eligible for the same number of credits (five).



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