



Gregory J. Swain, County Attorney

MEMORANDUM

To: Council Members, Anne Arundel County Council

From: Kelly Phillips Kenney, Supervising County Attorney /s/

Through: Gregory J. Swain, County Attorney /s/

Date: December 20, 2021

Subject: Bill No. 114-21, Public Works – Utilities – Charges and Assessments – Late Penalties

Legislative Summary

This summary was prepared by the Anne Arundel County Office of Law for use by members of the Anne Arundel County Council during consideration of Bill No. 114-21.

Background. Recently, we have faced a global pandemic, along with widespread delays with deliveries by the United States Postal Service (“USPS”). Both resulted in utility payments being received late by the Office of Finance. Once a payment is late, a 10% penalty is imposed in accordance with § 13-5-809(a) of the County Code. That section of the Code allows the Controller to waive the penalty twice per calendar year at the request of a customer. In the case of widespread payment delays, the Office of Finance has no discretion to waive the penalty without a request for each individual customer, even if there is a widespread delay due to USPS delays or similar circumstance.

Purpose. The main purpose of the Bill is to allow the Controller to waive late penalties on utility bills that are late due to widespread issues such as USPS delivery delays or a state of emergency.

Section **13-5-809(a)** is revised to allow for the waiver of late penalties on overdue utility charges. The waiver can occur if late payments are due to a County error, or an event or issue beyond an individual property owner’s control that effects multiple property owners, such as USPS delivery delays or a state of emergency. This change would allow the Controller to have discretion to waive the penalty when there is a known issue that causes payment delays for multiple property owners, without the need for each customer to request the waiver.

Note: This Legislative Summary provides a synopsis of the bill as introduced. It does not address subsequent amendments to the bill.

Section 2. of the Bill provides that the Ordinance shall apply retroactively to October 1, 2021, which was when the most recent USPS delays began, allowing the late penalties imposed since that time due to USPS delays to be waived upon the Ordinance becoming effective.

Section 3. of the Bill provides that the Ordinance shall take effect 45 days from the date it becomes law.

The Office of Law is available to answer any additional questions regarding this Bill.

Thank you.

cc: Honorable Steuart Pittman, County Executive
Matthew Power, Chief Administrative Officer
Dr. Kai Boggess-de Bruin, Chief of Staff
Peter Baron, Legislative Liaison
Karin McQuade, Controller
Chris Trumbauer, Budget Officer
Christopher J. Phipps, Director, Department of Public Works
Karen Henry, Assistant Director, Department of Public Works