

## Testimony for HB1467 to Anne Arundel County Delegation

I am Pam Foster, Acting Secretary of the Cedarhurst Citizens Association (CCA) here on behalf of Cedarhurst on the Bay in Shady Side, regarding Anne Arundel County's administration of Cedarhurst's Shoreline Erosion Control District (SECD) funds.

On January 20, 2024, CCA requested to use \$56,000 of its accumulated SECD funds to pay for final design, cost estimate, permitting, and grant assistance services to rebuild the community's failing shoreline.

The County Office of Law (OOL) made the determination that the restoration of Cedarhurst's half mile of existing hardened shoreline is a "new" project which would require completion of an arduous petition process. Perplexed by this determination, I thoroughly reviewed the MD Code regarding SECDs.

In June, a Deputy County Attorney provided a memo which included this statement which is not supported by MD Code, "To qualify as maintenance, the proposed projects would have to be required to maintain or repair specific shore erosion control projects that were paid for through the district." Cedarhurst reached out to our County Executive and our Councilperson, both deferred to the Office of Law. I then reached out to Delegate Howard explaining how the outdated and nebulous MD Code had allowed for interpretation that is counter intuitive to the intent of the law.

My review of the code also revealed that SECD funds are to be paid interest. A County Accountant confirmed that County-held SECD funds were not in an interest-bearing account. To put this into perspective, Cedarhurst currently has over \$200,000 of accumulated SECD funds. Eight months later the Deputy County Attorney responded to our inquiry about the interest, saying, "The County will be calculating interest on SECD funds held by the County for the past three years and crediting that amount to the community's fund balance." ...a clear admission that the funds had been mishandled. She went on to say, "The County has not changed its position that the proposed project is a "new" project and that a petition evidencing consent for the project from owners of 75% of the properties in the district is required to proceed with the project, as required by State law."

Cedarhurst has been forced to hire a lawyer to negotiate with the County who continues to deny taxpayers access to their funds, in the name of State law, as they held the funds in a non-interest-bearing account in an apparent violation of State law. What has happened to Cedarhurst is wrong, and I urge you to take whatever steps are necessary to ensure it doesn't happen to other communities.

Thank you.