

HOUSE BILL 1538

L1, Q1

6lr3422

By: **Delegates Miller, Arentz, Baker, Beauchamp, McComas, T. Morgan, Rose, and Schmidt**

Introduced and read first time: February 13, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Land Use – Accessory Dwelling Units – Requirements and Prohibitions**
3 **(Maryland Generational Housing Act of 2026)**

4 FOR the purpose of requiring a certain local law to authorize development of at least one
5 internal accessory dwelling unit and one external accessory dwelling unit on certain
6 land notwithstanding a certain density limit; limiting the imposition of off-street
7 parking requirements to certain accessory dwelling units; prohibiting a utility
8 provider from charging a certain property owner certain fees; authorizing a certain
9 accessory dwelling unit to share certain utility meters and service laterals with a
10 primary single-family detached dwelling unit; prohibiting a county or municipality
11 from imposing certain taxes or fees in relation to the development of a certain
12 accessory dwelling unit; exempting a certain accessory dwelling unit from property
13 tax; and generally relating to accessory dwelling units.

14 BY repealing and reenacting, with amendments,
15 Article – Land Use
16 Section 4–501 and 4–504
17 Annotated Code of Maryland
18 (2012 Volume and 2025 Supplement)

19 BY repealing and reenacting, without amendments,
20 Article – Land Use
21 Section 4–502 and 4–503
22 Annotated Code of Maryland
23 (2012 Volume and 2025 Supplement)

24 BY adding to
25 Article – Local Government
26 Section 20–128
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2013 Volume and 2025 Supplement)

BY adding to

Article – Tax – Property

Section 7–252

Annotated Code of Maryland

(2019 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Land Use

4–501.

(a) In this subtitle the following words have the meanings indicated.

(b) (1) “Accessory dwelling unit” means a secondary dwelling unit that is:

(i) on the same lot, parcel, or tract as a primary single–family detached dwelling unit; and

(ii) not greater than 75% of the size of and subordinate in use to the primary single–family detached dwelling unit.

(2) “Accessory dwelling unit” includes a structure that is:

(i) separate from the primary single–family detached dwelling unit;

or

(ii) attached as an addition to the primary single–family detached dwelling unit.

(c) (1) “Dwelling unit” means a single unit providing complete living facilities for at least one individual, including, at a minimum, provisions for sanitation, cooking, eating, and sleeping.

(2) “Dwelling unit” does not include a unit in a multifamily residential building.

(D) (1) “EXTERNAL ACCESSORY DWELLING UNIT” MEANS AN ACCESSORY DWELLING UNIT THAT IS DETACHED FROM THE PRIMARY DWELLING UNIT.

(2) “EXTERNAL ACCESSORY DWELLING UNIT” INCLUDES:

(I) A BACKYARD COTTAGE;

1 (II) A CONVERTED CARRIAGE HOUSE; OR

2 (III) A MODULAR UNIT.

3 (E) (1) "INTERNAL ACCESSORY DWELLING UNIT" MEANS AN ACCESSORY
4 DWELLING UNIT LOCATED WITHIN THE FOOTPRINT OF THE PRIMARY
5 SINGLE-FAMILY DETACHED DWELLING UNIT.

6 (2) "INTERNAL ACCESSORY DWELLING UNIT" INCLUDES AN
7 ACCESSORY DWELLING UNIT CREATED THROUGH THE CONVERSION OF A
8 BASEMENT, AN ATTIC, OR AN ATTACHED GARAGE SPACE OF THE PRIMARY
9 SINGLE-FAMILY DETACHED DWELLING UNIT.

10 (F) (1) "QUALIFIED FAMILY MEMBER" MEANS A PARENT, GRANDPARENT,
11 CHILD, GRANDCHILD, OR SIBLING OF THE OWNER OF THE PRIMARY SINGLE-FAMILY
12 DETACHED DWELLING UNIT.

13 (2) "QUALIFIED FAMILY MEMBER" INCLUDES INDIVIDUALS RELATED
14 TO THE OWNER OF THE PRIMARY SINGLE-FAMILY DETACHED DWELLING UNIT
15 THROUGH ADOPTION OR MARRIAGE.

16 [(d)] (G) "Utility" means water or sewer disposal services provided by:

17 (1) a private company regulated under Division I of the Public Utilities
18 Article;

19 (2) the Washington Suburban Sanitary Commission regulated under
20 Division II of the Public Utilities Article;

21 (3) a sanitary commission regulated under Title 9, Subtitle 6 of the
22 Environment Article; or

23 (4) a municipal authority regulated under Title 9, Subtitle 7 of the
24 Environment Article.

25 4-502.

26 This subtitle applies only to the development of accessory dwelling units on land with
27 a single-family detached dwelling unit as the primary dwelling unit.

28 4-503.

1 (a) It is the policy of the State to promote and encourage the creation of accessory
2 dwelling units on land with a single-family detached dwelling unit as the primary dwelling
3 unit in order to meet the housing needs of the citizens of Maryland.

4 (b) (1) Except as provided in this subtitle and subject to paragraph (2) of this
5 subsection, this subtitle does not alter or abrogate any zoning power or related authority
6 granted to a local jurisdiction under this title.

7 (2) Local jurisdictions shall establish policies that further the intent of this
8 subtitle.

9 4-504.

10 (a) (1) On or before October 1, 2026, each legislative body shall adopt a local
11 law authorizing the development of accessory dwelling units in accordance with this
12 section.

13 (2) A legislative body may adopt a local law that:

14 (i) establishes standards for accessory dwelling unit safety; and

15 (ii) prohibits the full or partial conversion of an accessory structure
16 as an accessory dwelling unit if the only vehicular access to the accessory structure is from
17 an alley.

18 (b) A local law adopted under this section shall provide for construction of
19 accessory dwelling units that meet public health, safety, and welfare standards, including
20 relevant building codes and adequate public facilities provisions.

21 (c) A local law adopted under this section shall:

22 (1) exclude the development of an accessory dwelling unit from the
23 calculation of density and the application of any measures limiting residential growth that
24 pertain to the lot, parcel, or tract proposed for the development of the accessory dwelling
25 unit; AND

26 (2) **NOTWITHSTANDING ANY DENSITY LIMIT ESTABLISHED UNDER**
27 **LOCAL LAW, AUTHORIZE THE DEVELOPMENT OF AT LEAST ONE INTERNAL**
28 **ACCESSORY DWELLING UNIT AND ONE EXTERNAL ACCESSORY DWELLING UNIT ON**
29 **LAND WITH A SINGLE-FAMILY DETACHED DWELLING UNIT AS THE PRIMARY**
30 **DWELLING UNIT.**

31 (d) A local law adopted under this section may not establish setback requirements
32 that exceed the existing accessory structure setback requirements from the side and rear
33 lot lines.

1 (e) (1) (i) [A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A
2 local law adopted under this section may establish additional off-street parking
3 requirements that consider:

- 4 1. the cost to construct off-street parking spaces;
- 5 2. whether sufficient curb area exists along the front line of
6 the property to accommodate on-street parking;
- 7 3. the increase in impervious surface due to the creation of
8 new off-street parking and the relation to any applicable stormwater management plans;
9 and
- 10 4. variability due to the size of the lot, parcel, or tract on
11 which the accessory dwelling unit or primary dwelling is located.

12 (ii) A local law adopted under this paragraph shall provide for a
13 waiver process from the parking requirements.

14 (2) Before adopting a local law under paragraph (1) of this subsection, a
15 legislative body shall complete a parking study to determine the applicable needs and
16 restrictions in the jurisdiction.

17 (3) A LOCAL LAW ADOPTED UNDER THIS SECTION MAY NOT REQUIRE
18 ADDITIONAL OFF-STREET PARKING SPACES FOR AN ACCESSORY DWELLING UNIT
19 THAT IS A CONVERSION OF:

20 (I) SPACE IN THE PRIMARY SINGLE-FAMILY DETACHED
21 DWELLING UNIT; OR

22 (II) AN ACCESSORY STRUCTURE ON THE LAND OF THE PRIMARY
23 SINGLE-FAMILY DETACHED DWELLING UNIT.

24 (F) (1) A UTILITY PROVIDER MAY NOT CHARGE A PROPERTY OWNER
25 THAT CONSTRUCTS AN ACCESSORY DWELLING UNIT THAT WILL BE OCCUPIED BY A
26 QUALIFIED FAMILY MEMBER:

27 (I) A WATER OR SEWER CONNECTION FEE THAT EXCEEDS THE
28 ADMINISTRATIVE COST OF A PERMIT; OR

29 (II) IF THE TOTAL BEDROOM COUNT OF THE ACCESSORY
30 DWELLING UNIT AND THE PRIMARY SINGLE-FAMILY DETACHED DWELLING UNIT
31 WILL NOT EXCEED THE CAPACITY OF THE SEPTIC SYSTEM, A CAPACITY CHARGE OR
32 TAP FEE.

1 **(B) AN ACCESSORY DWELLING UNIT IS NOT SUBJECT TO PROPERTY TAX IF**
2 **THE ACCESSORY DWELLING UNIT IS OCCUPIED BY A QUALIFIED FAMILY MEMBER.**

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
4 1, 2026, and that Section 2 of this Act shall be applicable to all taxable years beginning
5 after June 30, 2026.