

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 12

(Senator West)

Judicial Proceedings

Economic Matters

Residential Rental Apartments - Air-Conditioning Requirement

This bill requires a landlord of residential rental units in apartment buildings with 10 or more individual dwelling units to provide air conditioning each year beginning June 1 through September 30, as specified. Unless otherwise exempted by the bill, landlords must provide air conditioning in residential rental units (1) beginning June 1, 2026, for newly constructed units; (2) beginning June 1, 2026, for residential rental units where, at any time on or after January 1, 2025, the landlord equipped the unit with air conditioning, provided air conditioning, or the lease required the landlord to provide air conditioning; and (3) beginning October 1, 2026, for existing units that undergo renovation that includes the replacement or substantial upgrade of electrical systems or heating systems. The bill applies prospectively only and does not have any effect on or application to any building construction or renovation for which the building permit is issued before the bill's effective date. **The bill takes effect June 1, 2026.**

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: Local government expenditures may increase, potentially significantly, as discussed below. Revenues are not affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Meaningful.

Analysis

Bill Summary: Each year beginning on June 1 through September 30, landlords must provide air conditioning in residential units, except as otherwise necessary for reasonable maintenance and repairs, according to the following requirements:

- for air-conditioning systems not controlled by the tenant, the landlord must maintain a temperature of 80 degrees Fahrenheit or lower, measured three feet above the floor in all habitable spaces; or
- for air-conditioning systems controlled by the tenant, the landlord must ensure the system is in good working order and capable of maintaining a temperature of 80 degrees Fahrenheit or lower, measured three feet above the floor in all habitable spaces.

The bill's requirements do not apply to residential rental units that are located on property listed on the National Register of Historic Places.

Current Law: Statutory provisions provide tenants with a mechanism for encouraging the repair of serious and dangerous defects/conditions that exist within or as part of any residential dwelling unit, or upon common property, as specified. The defects are those in which a substantial and serious threat of danger to the life, health, and safety of the occupants is present. Statutory provisions provide a remedy and impose an obligation upon landlords to repair and eliminate the serious and dangerous conditions and defects.

However, statute does not provide a remedy for the landlord's failure to repair and eliminate minor defects or, in those locations governed by such codes, housing code violations of a nondangerous nature. There is a rebuttable presumption that the following conditions, when they do not present a serious and substantial threat to the life, health, and safety of the occupants, are not covered by the aforementioned statutory provisions:

- any defect that merely reduces the aesthetic value of the leased premises, such as the lack of fresh paint, rugs, carpets, paneling, or other decorative amenities;
- small cracks in the walls, floors, or ceilings;
- the absence of linoleum or tile on the floors, provided that they are otherwise safe and structurally sound; or
- *the absence of air conditioning.*

Local Expenditures: Local expenditures in jurisdictions that own/operate residential rental units in apartment buildings increase, potentially significantly, to the extent that costs are incurred for newly constructed units or planned renovations (as specified) that, absent the bill, would not have included air conditioning. According to information provided by

the Maryland Association of Counties for similar legislation in a prior year, approximately eight jurisdictions provide public housing to residents, although the majority already abide by certain standards that necessitate the presence of air conditioning in all units. Some jurisdictions may also experience increased demand for code enforcement related to heating, ventilation, and air conditioning systems subject to the bill.

The Housing Authority of Baltimore City (HABC) reports that it operates approximately 6,000 public housing units across multiple developments and receives federal funding from the U.S. Department of Housing and Urban Development (HUD), making it subject to applicable federal program requirements. HUD regulations do not require housing authorities to provide or install air conditioning units for residents. HABC indicates that *some* public housing units are being redeveloped, and that new units constructed through these redevelopment projects including central air conditioning that meet the bill's requirements.

In contrast, HABC reports that many of its remaining sites have aging infrastructure (averaging more than 80 years old) and are not presently underdoing redevelopment. To the extent that certain renovations occur after October 1, 2026, and the properties are not otherwise exempted under the bill, significant costs may be incurred to provide the required air conditioning.

Small Business Effect: Expenditures may increase, potentially significantly, for small business landlords that are required to provide air conditioning to rental units under the provisions of the bill.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 339 of 2025 and HB 1295 of 2024.

Designated Cross File: HB 153 (Delegate Lehman, *et al.*) - Economic Matters.

Information Source(s): Housing Authority of Baltimore City; Office of the Attorney General; Judiciary (Administrative Office of the Courts); Department of Housing and Community Development; Department of Legislative Services

Fiscal Note History:
caw/jkb

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