Janet Abrahams President | Chief Executive Officer



HB 303

March 10, 2023

TO: Members of the Environment and Transportation Committee

FROM: Janet Abrahams, HABC President & CEO

RE: House Bill 303 - Baltimore City – Air Conditioning in Residential Rental Units

POSITION: Letter of Information

Chair Barve, Vice Chair Stein, and Members of Environment & Transportation Committee, please be advised that the Housing Authority of Baltimore City wishes to submit Information on HB 303 - Baltimore City – Air Conditioning in Residential Rental Units.

HB 303 establishes that every residential landlord in *Baltimore City* provide air conditioning in units from June 1 through September 30 where at least one resident is: 3 years or younger; or 65 years of age or older. The bill also proposes that a landlord maintain the temperature at a setting no greater than 80 degrees Fahrenheit and 3 feet above the floor level.

The Housing Authority of Baltimore City (HABC) is the country's 5th largest public housing authority and Baltimore City's largest provider of affordable housing opportunities. HABC serves over 42,000 of Baltimore City's low-income individuals through its Public Housing and Housing Choice Voucher programs. HABC's public housing inventory currently consists of just under 6,000 units located at various developments and scattered sites throughout the city. HABC is federally funded and regulated by the U.S. Department of Housing and Urban Development (HUD). **HABC respectfully requests that properties owned and operated by a public housing authority be exempt from this legislation.**

HABC is subject to federal laws and regulations that pertain to the operation of its housing programs. One overarching federal law is the Fair Housing Act, which discrimination against protected classes such as families with children and persons with disabilities. HB 303 would have the effect of having a discriminatory effect on these two groups in particular. The bill requires air conditioning for families with children three years or younger. However, the Fair Housing laws would not permit HABC to selectively install air conditioning based on this criterion since such actions would discriminate against families with children older than three years and who do not have children in the household three years or younger. Also, the bill requires air conditioning in dwelling units for persons who are 65 years or older. Although this age group may be a protected class under Maryland law, this age group is not a protected class under the Fair Housing Act. Moreover, if this bill were enacted, its implementation would result in discrimination against persons with disabilities, which is a protected class under the fair Housing Act.

Housing Authority of Baltimore City | 417 East Fayette Street, Baltimore, MD 21202 ↓ 410.396.3232 ↓ www.HABC.org ♥ ▲ @BmoreHabc 4 HABC requests clarification on whether this bill requires landlords of buildings that do not have central air conditioning to provide units to the eligible households, or whether it merely requires landlords to set the cooling at no greater than 80 degrees if there is central air conditioning in the building. HUD has specific requirements about how public housing units are to be maintained, and all public housing authorities must comply with these requirements. HUD regulations do not require that HABC provide or install air conditioning units for residents. HUD does require that a "reasonable accommodation" be provided for air conditioning usage if the resident demonstrates a need. This accommodation would be reflected in the utility allowance provided to the resident. It would be above and beyond what a resident currently receives for a baseline utility allowance. HUD does not require that HABC install and maintain air conditioner units for residents.

Residents of HABC's public housing can purchase and install window air conditioner units within their dwelling units when central air conditioning is not provided. The window where the air conditioner is to be installed must not be used for an emergency exit. If an air conditioning unit was installed in a residence with only one emergency exit, it would be considered a blocked egress, which would violate HUD regulations. This would result in a finding on our yearly HUD inspections, which could potentially impact our funding and our ability to provide housing.

HB 303 would result in a substantial cost burden. In addition to the cost of purchasing, installing, and maintaining air conditioning units for potentially up to 6,000 public housing units, which already have considerable immediate capital needs, there would also be a significant impact on the increased electrical load on our aged electrical infrastructure leading to mass blackouts and brownouts. HABC would have to overhaul entire electrical systems, which could take well over two years from concept and design to completion. The estimate to install basic air conditioners in one of our larger public housing developments, such as Latrobe Homes, consisting of approximately 670 units, would be approximately \$800 per equipment installation. To maintain the cooling level specified in the bill, a one bedroom unit would have to have at least two installations. The number of installations would increase with the bedroom size of each unit. In addition, the electrical demand for each apartment building. For example, for a development like Latrobe Homes built in 1941, the electrical upgrade to the site, building and units, as well as the installation of window air conditioners, would be approximately \$9.5 million. This would cause HABC to divert its already limited federal funding to meet the requirements of the bill and impact our ability to provide housing to those in need.

In addition, this bill would affect utility allowances (UAs) provided to residents, as HUD does not consider air conditioning a covered utility for public housing, except in certain circumstances. This means that residents who are already struggling to afford rent would be responsible for an additional utility expense. The bill would also affect Housing Choice Voucher Program participants or landlords in determining the UA for those residents, as the HUD regulation requires that if the comparable properties in the area provide air conditioning then the UAs must also include an allowance for air conditioner usage.

We respectfully request an exemption for public housing authorities on House Bill 303.

Respectfully submitted:

Janet Abrahams, HABC President & CEO

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