

HOUSE BILL 817

N1, I3

5lr2024
CF SB 609

By: **Delegates Palakovich Carr and Stewart**

Introduced and read first time: January 29, 2025

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Residential Leases – Use of Algorithmic Device by Landlord to Determine Rent –**
3 **Prohibition**

4 FOR the purpose of prohibiting a landlord from using certain algorithmic devices to
5 determine the amount of rent to charge a residential tenant; making a violation of
6 this Act an unfair, abusive, or deceptive trade practice under the Maryland
7 Consumer Protection Act; and generally relating to a prohibition against the use of
8 certain technology by landlords to determine rent prices.

9 BY repealing and reenacting, with amendments,
10 Article – Commercial Law
11 Section 13–301(14)(xlii)
12 Annotated Code of Maryland
13 (2013 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article – Commercial Law
16 Section 13–301(14)(xliii)
17 Annotated Code of Maryland
18 (2013 Replacement Volume and 2024 Supplement)

19 BY adding to
20 Article – Commercial Law
21 Section 13–301(14)(xliv)
22 Annotated Code of Maryland
23 (2013 Replacement Volume and 2024 Supplement)

24 BY adding to
25 Article – Real Property
26 Section 8–220
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2023 Replacement Volume and 2024 Supplement)

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

Article – Commercial Law

13–301.

Unfair, abusive, or deceptive trade practices include any:

(14) Violation of a provision of:

(xlii) Section 12–6C–09.1 of the Health Occupations Article; [or]

(xliii) Title 14, Subtitle 48 of this article; or

(XLIV) SECTION 8–220 OF THE REAL PROPERTY ARTICLE;

OR

Article – Real Property

8–220.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) (I) “ALGORITHMIC DEVICE” MEANS A DEVICE THAT USES ONE OR MORE ALGORITHMS TO PERFORM CALCULATIONS OF DATA, INCLUDING DATA CONCERNING LOCAL OR STATEWIDE RENT AMOUNTS BEING CHARGED TO TENANTS BY LANDLORDS, TO ADVISE A LANDLORD ON THE AMOUNT OF RENT THAT THE LANDLORD MAY CONSIDER CHARGING A TENANT.

(II) “ALGORITHMIC DEVICE” INCLUDES A PRODUCT THAT INCORPORATES AN ALGORITHMIC DEVICE.

(III) “ALGORITHMIC DEVICE” DOES NOT INCLUDE:

1. A PERIODIC REPORT PUBLISHED NOT MORE FREQUENTLY THAN ONCE PER MONTH BY A TRADE ASSOCIATION THAT RECEIVES RENTER DATA AND PUBLISHES IT IN AN AGGREGATED AND ANONYMOUS MANNER; OR

2. A PRODUCT USED FOR THE PURPOSE OF ESTABLISHING RENT OR INCOME LIMITS IN ACCORDANCE WITH THE AFFORDABLE

1 HOUSING PROGRAM GUIDELINES OF A LOCAL GOVERNMENT, THE STATE, THE
2 FEDERAL GOVERNMENT, OR ANOTHER POLITICAL SUBDIVISION.

3 (3) (I) "NONPUBLIC COMPETITOR DATA" MEANS INFORMATION
4 THAT IS:

5 1. NOT WIDELY AVAILABLE OR EASILY ACCESSIBLE TO
6 THE PUBLIC REGARDLESS OF WHETHER THE INFORMATION IS ATTRIBUTABLE TO A
7 SPECIFIC COMPETITOR OR ANONYMIZED; AND

8 2. DERIVED FROM OR OTHERWISE PROVIDED TO A
9 PERSON BY ANOTHER PERSON THAT COMPETES IN THE SAME MARKET AS THE
10 PERSON, OR IN A RELATED MARKET.

11 (II) "NONPUBLIC COMPETITOR DATA" INCLUDES INFORMATION
12 REGARDING:

13 1. ACTUAL RENT PRICES;

14 2. OCCUPANCY RATES;

15 3. LEASE START AND END DATES; AND

16 4. OTHER SIMILAR INFORMATION.

17 (4) "RENT" MEANS THE TOTAL AMOUNT OF RENT, INCLUDING ANY
18 CONCESSIONS AND FEES, THAT A RESIDENTIAL TENANT IS REQUIRED TO PAY UNDER
19 A LEASE AGREEMENT.

20 (B) IN SETTING THE AMOUNT OF RENT TO BE CHARGED FOR THE LEASE OF
21 RESIDENTIAL PROPERTY, INCLUDING DETERMINING ANY CHANGE IN RENT TO BE
22 CHARGED FOR THE RENEWAL OF A LEASE, A LANDLORD MAY NOT EMPLOY, USE, OR
23 RELY ON, OR CAUSE ANOTHER TO EMPLOY, USE, OR RELY ON, AN ALGORITHMIC
24 DEVICE THAT USES, INCORPORATES, OR WAS TRAINED WITH NONPUBLIC
25 COMPETITOR DATA.

26 (C) A VIOLATION OF THIS SECTION IS:

27 (1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN
28 THE MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE; AND

29 (2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS
30 CONTAINED IN TITLE 13 OF THE COMMERCIAL LAW ARTICLE.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
2 apply only prospectively and may not be applied or interpreted to have any effect on or
3 application to any landlord's calculation of the amount of rent that the landlord charges for
4 the occupancy of a residential property under a rental agreement that is executed before
5 the effective date of this Act.

6 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2025.