



Testimony - HB 817, Residential Leases - Use of Algorithmic Device by Landlord to  
Determine Rent - Prohibition  
Favorable

House Environment and Transportation Committee

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On Behalf of SEIU Local 500

Honorable Chairman Korman & Members of the House Environment and Transportation Committee:

SEIU Local 500 represents over 23,000 workers across Maryland who have a role in the lives of Marylanders from cradle to career. Many of our members are renters and the issue of affordable housing remains paramount in their minds. Being able to live where they work often remains a challenging endeavor for our members. Raising rents by squeezing every last margin through data-mining and the use of AI-driven technology is not how we solve these challenges. Therefore, we wish to express our support for Maryland House Bill 817. This bill is an essential step toward promoting fairness, transparency, and consumer protection in our rental housing market.

In recent years, the use of algorithmic pricing tools by landlords has contributed to rising rental costs and housing instability. These devices, which aggregate and analyze nonpublic competitor data, often result in inflated rental prices that do not reflect the true supply and demand dynamics of the local housing market. Rather than allowing natural competition to determine fair rental rates, these algorithms can encourage price-fixing, reduce affordability, and place undue financial burdens on Maryland renters.

HB 817 rightly classifies the use of these algorithmic tools as an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act. By doing so, this legislation ensures that tenants are protected from exploitative pricing strategies that prioritize profits over people. Furthermore, it preserves the integrity of our rental housing market by promoting fair competition among landlords.

This bill does not prevent landlords from adjusting rental prices based on traditional market research or fair business practices. Instead, it simply prohibits reliance on opaque, data-driven pricing mechanisms that remove human judgment from the equation. Additionally, the bill includes reasonable exemptions for certain rental pricing models used in affordable housing programs, ensuring that the legislation does not hinder efforts to provide below-market-rate housing to those in need.

As Maryland continues to face an affordable housing crisis, it is imperative that we take action to prevent predatory practices that exacerbate the problem. HB 817 represents a common-sense approach to ensuring that rental prices are set in a fair and transparent manner, without the undue influence of profit-driven algorithms.

We ask you all to support HB 817 and provide a favorable report.

Thank you for your consideration.

Terrence Cavanagh  
SEIU Local 500