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**HB 817 - Residential Leases – Use of Algorithmic Device by Landlord to Determine Rent – Prohibition**  
**Hearing before the House Environment and Transportation Committee**  
**February 18, 2025, 1:00PM**  
**Position: Favorable**

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader and clearinghouse for pro bono civil legal services in Maryland. As the designated pro bono arm of the MSBA, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar and offers direct legal services to over 6,200 clients annually.

In May 2017, with a grant from the Maryland Judiciary’s Access to Justice Department, PBRC launched the **Tenant Volunteer Lawyer of the Day (TVLD) Program** in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for eviction-related proceedings. Since then, this continually expanding Program has allowed PBRC staff and volunteer attorneys to represent thousands of low-income tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction.

HB 817 prohibits a landlord from using certain non-public “algorithmic devices” to determine the amount of rent to charge a residential tenant. **PBRC urges a favorable report on HB 817 as a necessary action that will help level the playing field between landlords and tenants in a tight housing market, where 79% of low-income Maryland tenants are “cost-burdened”, paying over 30% of their income in rent.**<sup>1</sup>

While a lease is a form of a contract, it is not typically a contract where both parties negotiate terms and come to a mutual agreement, like one might see when purchasing a home. Instead, the landlord dictates the terms and the tenant has little or no leverage to negotiate. This fact alone leaves tenants – especially low-income tenants - at a severe disadvantage. When landlords use an anticompetitive algorithmic pricing model to determine the price of rent, they can effectively collude to raise the price of rent at the expense of tenants, exacerbating an already tight rental market and making it even more difficult for low-income tenants to find adequate, affordable housing.

This unfair and anticompetitive practice has caught the attention of Attorney General Anthony Brown, who has filed suit against a software vendor and several corporate landlords in Maryland.<sup>2</sup> HB 817 would further clarify that using algorithmic pricing models is an unfair and deceptive trade practice under the Maryland Consumer Protection Act.

Tenants already face a disadvantage when entering into a rental contract. They should not be disadvantaged even further by these unfair practices.

For the above reasons,  
**PBRC urges a FAVORABLE report on HB 817.**

Please contact Katie Davis, Director of PBRC’s Courtroom Advocacy Project, with any questions.  
[kdavis@probonomd.org](mailto:kdavis@probonomd.org) • 443-703-3049

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<sup>1</sup> National Low Income Housing Gap Report, <https://nlihc.org/gap/state/md>

<sup>2</sup> Miller, H. (2025, January 16). *Maryland AG sues software vendor, landlords for price-fixing rents*. The Baltimore Banner. <https://www.thebaltimorebanner.com/community/housing/realpage-maryland-ag-price-fixing-rents-FH4KWU6TDRAOFOWKJK5C6HJS24/>