



Testimony to the Senate Judicial Proceedings Committee
SB609 Residential Leases – Use of Algorithmic Device by Landlord to Determine Rent – Prohibition
Position: Favorable

February 11, 2025

The Honorable Senator William Smith, Chair
Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in strong support of SB609 which would prohibit landlords from using an algorithm drawn from private data to set rental prices.

A free and fair marketplace relies on competition where firms and producers compete for consumers based on price and quality. If the market is functioning, consumers decide to make purchases based on their preferences, price elasticity, and quality. When companies collude and fix prices, consumers lose out.

[RealPage](#) has been sued for using algorithmic software to suggest rental prices to property managers. Lawsuits allege that landlords provided private rental data to RealPage which then suggested rental prices for landlords.

In the Baltimore-Columbia-Towson area, 14% of multi-family units are managed by property companies named in the price-fixing lawsuits. According to [the Office of the Attorney General](#), RealPages algorithm was used to set prices for more than 100,000 apartments across Maryland.

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In 2023 [53.3%](#) of Maryland tenants were cost-burdened, meaning they spent more than 30% of their income on rent. The real costs of housing, insurance, utilities, and food prices have increased 22% since 2020 for working families in Maryland. Families are struggling paycheck to paycheck while property management companies across Maryland use private data to fix prices and increase profits at the expense of cash-strapped tenants.

SB609 promotes a free and fair competitive marketplace, protects personal private data, and protects tenants by prohibiting landlords from using algorithms to set rental prices.

For all these reasons, we support SB609 and urge a favorable report.

Best,

Marceline White
Executive Director

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