



TESTIMONY FOR SB0609

Residential Leases – Use of Algorithmic Device by Landlord to Determine Rent

Bill Sponsor: Senator Love

Committee: Judicial Proceedings

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in strong support of SB0609 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

It's bad enough that Maryland is an expensive state to live in without landlords colluding on rent increases. In Maryland, the Attorney General has already initiated a lawsuit against RealPage, whose software is used by many landlords to calculate rental increases. A report last month from the Biden administration estimated that the use of anticompetitive algorithms such as RealPage cost renters \$3.8 billion in 2023, with the average renter in a building using this software paying \$70 a month more than that person would if the building weren't using the program.

This bill would prohibit landlords from using such software, which allows them to input nonpublic, competitively sensitive data — for example, the number of potential tenant visits to a property — to estimate supply and demand, and then generate a 'price' to charge that maximizes the landlord's revenue.

Our members are appalled at the gift and support efforts to keep this kind of price setting software out of the hands of landlords in Maryland.

We strongly support this bill and recommend a **FAVORABLE** report in committee.