

RealPage, Inc.
House Bill 0434
February 19, 2026

My name is Mike Semko, and I am a Senior Vice President and Head of Government Relations for RealPage, Inc. I am offering testimony regarding House Bill 434. This bill would have unintended consequences for both residents and housing providers and should be held in committee for further study. Algorithmic pricing tools, which leverage a combination of public and nonpublic data, play a critical role in creating a more balanced and fair housing market. Nonpublic executed rents, which often reflect the actual rates tenants agree to pay, tend to be lower than the asking rents typically available to the public. Banning the use of this data would strip pricing models of a key input that benefits residents by keeping rental costs grounded in real market behavior, rather than inflated expectations.

It is important to understand that the accuracy of pricing software is crucial for both consumers and housing providers. When pricing algorithms are deprived of comprehensive data, including nonpublic information, they become less accurate and less effective in setting fair rental rates. This decrease in accuracy can lead to overestimations or underestimations of rent, creating volatility that ultimately harms tenants. Housing providers rely on precise pricing to ensure that they remain competitive and can provide sustainable housing options. The prohibition of nonpublic data would undermine this precision, leading to less predictable and potentially higher rents due to the limitations placed on data-driven decision-making.

Moreover, the sharing of nonpublic information between housing providers, especially when aggregated, is not prohibited by existing laws and should not be restricted by this bill. Such data sharing can foster a more transparent market, as it enables more accurate assessments of market trends and rent levels. Nonpublic data, like executed rents, provides a true reflection of what residents are paying, offering a clearer picture of market dynamics. Limiting the use of such information would obscure rather than clarify market conditions, ultimately harming residents who benefit from the more competitive rates that arise from accurate data analysis.

One common misconception is that algorithmic pricing is driving rent inflation, when the root cause of rising rents is the lack of sufficient housing supply. Pricing software simply reflects the current conditions of the market, and any increase in rents is largely due to the fundamental imbalance between the demand for apartments and the limited supply available. Addressing rent increases requires policies that encourage the development of new housing units, rather than restricting the use of tools that help to set fair prices in the existing market. By focusing on the real issue—boosting apartment supply—Maryland can create a more sustainable and affordable housing market for everyone.

This bill also touches on an area of regulation that is better suited for federal oversight rather than being handled at the state level. Federal regulation could ensure consistent standards across all markets, which is crucial for an industry that operates across city and state lines.

By addressing this issue federally, government can avoid creating a patchwork of conflicting state laws that complicate compliance and reduce the effectiveness of pricing tools. A national framework would also help ensure that any regulations reflect the broader economic conditions, rather than the specific interests of one locality.

The passage of a local bill like this one could have serious implications for investment in the rental housing market across Maryland. Investors and developers seek stable and predictable environments, and a proliferation of regulations that prevent housing providers access to useful informational tools could make Maryland less attractive compared to other states. This could result in fewer housing options and higher rents for residents, which is the exact opposite of the bill's intended effect.

We appreciate the opportunity to testify today. Thank you for your time and consideration.