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February 27, 2026

To: The Honorable Kriselda Valderrama
Chair, Economic Matters Committee

From: Kira Wilpone-Welborn, Assistant Attorney General
Consumer Protection Division

Re: House Bill 1475 – Consumer Protection - Dynamic Pricing Disclosure and Prohibition on Rent-Setting (SUPPORT IN CONCEPT)

The Consumer Protection Division of the Office of the Attorney General (the "Division") supports in concept House Bill 1475 sponsored by Speaker Joseline A. Peña-Melnyk. House Bill 1475 seeks to address the use of algorithms to set dynamic prices for consumers and in the setting of rent.

House Bill 1475 prohibits landlords from utilizing algorithms built on private competitor data to set rents. Increasingly, landlords have resorted to using these algorithms to the detriment of competition and tenants' pocketbooks. Although some of these practices likely already violate the Consumer Protection Act and the Maryland Antitrust Act, House Bill 1475 would specifically enumerate that using algorithms to set rents is an unfair, abusive, and deceptive practice as defined and enforced under the Consumer Protection Act.

The Division supports House Bill 1475 specifying that the use of algorithms containing private competitor data is a violation of the Consumer Protection Act because these algorithms distort the market and result in tenants paying more for rent.

The Division also supports the disclosure requirements for personalized algorithmic pricing. Personalized algorithmic pricing, or surveillance pricing, uses massive amounts of data collected about an individual consumer to charge the highest price to that individual and extract the maximum profit that the consumer would be willing to pay for a given product or service.

Companies exploit this trove of detailed personal data– including, demographics, browsing history, location data, keystroke data, purchasing behavior, inferential data, and other data – to set the prices of goods and services on an individual basis. The Division, however, recommends removing the exemptions for financial institutions (page 3, lines 11-18) from the disclosure requirement. Exemptions of this kind are generally provided when another law regulates the same activity; here, financial regulations do not regulate personalized algorithmic pricing. Moreover, HB 1475 merely requires disclosure of personalized algorithmic pricing.

Ultimately, House Bill 1475 seeks to address the use of algorithms to set dynamic prices for consumers and in the setting of rent. As such, the Division supports the goals of House Bill 1475.

cc: The Honorable Joseline A. Peña-Melnyk
Members, Economic Matters Committee