



HB 434 - Residential Leases - Use of Algorithmic Device by Landlord to Determine Rent, Occupancy, and Lease Terms - Prohibition
House Economic Matters Committee
February 19, 2026
SUPPORT

Chair Valderrama, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 434. This bill will protect Maryland renters from unfair, technology-driven rent-setting practices that undermine economic mobility and financial stability.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Across Maryland, housing is the single largest expense for most working families. When rent consumes too much of a household's income, it limits a family's ability to build savings, invest in education, start a business, repair credit, or prepare for emergencies. Many renters in Maryland are considered cost-burdened, meaning they spend more than 30% of their income on housing, while others are severely cost-burdened, spending more than 50% of their income on rent. Stable and predictable housing costs are foundational to economic advancement. Without that stability, families are forced into a cycle of reacting to crises rather than planning for the future.

According to the National Low Income Housing Coalition, Maryland faces a severe shortage of affordable rental housing, particularly for extremely low-income households. There are only about 35 affordable and available rental homes for every 100 extremely low-income renters in the state. This imbalance between supply and need leaves many families competing for too few homes, driving up costs and limiting options for stable housing.¹

When landlords rely on algorithmic tools trained on nonpublic competitor data, rents can increase in coordinated ways that reduce competition rather than promote it. A marketplace functions best when independent actors set prices based on their own business decisions and publicly available information—not when shared private data is used to harmonize pricing across competitors. HB 434 does not prevent landlords from analyzing their own internal data or publicly available market trends. It draws a clear line that landlords may not use algorithmic systems built on nonpublic competitor data to determine rent, lease terms, or occupancy levels. By tying violations to Maryland's consumer protection framework, the bill ensures meaningful enforcement and accountability.

Housing stability is a cornerstone of economic opportunity. When families can rely on fair and competitive pricing practices, they are better positioned to save, invest, and move up the economic ladder.

Thus, we encourage you to return a favorable report for HB 434.

¹ <https://nlihc.org/housing-needs-by-state/maryland>