

Testimony of Montgomery County Civic Federation
Cheryl Gannon, President
Anti-algorithmic Price Fixing Act
March 10, 2026

Good afternoon, my name is Cheryl Gannon, and I am the President of the Montgomery County Civic Federation. The Civic Federation is a not for profit, county-wide umbrella group of civic, homeowner and community associations in Montgomery County. Through our members, we now reach over 40,000 households.

Thank you for this opportunity to testify today in support of the Anti-Algorithmic Price Fixing Act. We thank Councilmember Jawando for his leadership and Councilmembers Mink and Evans for co-sponsorship of this important bill.

In 2023, the DC Attorney General filed a lawsuit against RealPage and 14 landlords for pooling nonpublic, competitively sensitive data from landlords to set rental prices and keep rents artificially high. Instead of competing, landlords all raise their prices together based on RealPage's recommendations, according to the DC Attorney General. Instead of the market determining rents, it's software. Even worse, companies were encouraged to bring other landlords into the system to bolster the dominance of this price fixing algorithm. At least 10 of these large landlords sued in DC are operating in Montgomery County, and perhaps others, likely exposing thousands of renters here to price gouging.

Numerous lawsuits have been filed, by the Biden DOJ and across the country by states and private parties. The Maryland Attorney General filed a lawsuit in 2025. Settlements have ranged from small private settlements to \$142 million. However, we all know that litigation is costly and time consuming and renters may wait a long time in Maryland for relief through the courts.

This legislation forges a path through that morass, and simply requires that from this point forward, landlords in this county must use lawful practices when setting rental prices. It is a reasonable, forward-looking effort at justice for renters that limits ongoing economic damage. It stops the bleeding in other words.

The County's rent stabilization law provides a 23-year exemption from rent stabilization for new buildings, and the price fixing software eliminates market competition during that time and after that. The result is a perfect storm of unfettered price rigging for a quarter of a century. Renters don't stand a chance under this system.

Antitrust laws exist to promote vigorous competition and protect consumers from anticompetitive business practices. By prohibiting monopolies, price-fixing, and mergers that reduce competition, these laws ensure lower prices and greater innovation in the marketplace.

Councilmembers who argue that supply and demand will lower rent prices, must acknowledge that price fixing eliminates the market competition that makes that dynamic work. You can't call for supply, for the sake of lowering prices, and ignore the price fixing that defeats it.

Thank you