

Climate Assessment

Office of Legislative Oversight

BILL 8-26: LANDLORD–TENANT RELATIONS – PROHIBITION AGAINST PRICE COORDINATION AND RENT-SETTING ALGORITHMS

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 8-26 will have no impact on the County’s contribution to climate change. While the affordability of a community’s housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks, it is unclear if and how algorithmic devices have impacted affordable housing stock in the County.

BACKGROUND AND PURPOSE OF BILL 8-26

In recent years, federal and state lawsuits have been filed against companies using algorithms¹ to facilitate coordination among landlords to set rent prices and occupancy levels. In 2025, Maryland’s Attorney General sued RealPage and six of the largest residential landlords in the state for illegally raising the rent for hundreds of thousands of Maryland tenants.¹ In January 2026, Maryland state delegates introduced legislation to prohibit the use of devices that rely on nonpublic data to set rent, occupancy levels, and lease terms.²

According to its lead sponsor, the purpose of Bill 8-26 is to promote free markets in rental housing by “cracking down on illegal price-fixing and collusion that results in higher rents.”³ If enacted, the Bill would:⁴

- 1) prohibit the use of algorithmic devices to establish rents or rental terms in the County;
- 2) prohibit price coordination regarding rents or rental terms in the County; and
- 3) provide for the enforcement of the prohibitions.

Each day a landlord breaks the law under this Bill counts as a separate Class A offense, with fines starting at \$500 and increasing to \$750 per repeat violation. The County can issue orders requiring landlord action or a court appearance to force compliance.⁵

Figure 1 in the Appendix includes the definitions of an algorithmic device and price coordination under Bill 8-26. Figure 2 lists the rental data collection activities that would still be allowed under the Bill.

The Council introduced Bill 8-26 on February 10, 2026.

¹ “An algorithm is a set of steps for accomplishing a task or solving a problem. Algorithms are a key component of any computer program and are the driving force behind various systems and applications, such as navigation systems, search engines, and music streaming services.” [What Is an Algorithm? | Definition & Examples](#), Scribbr.

ANTICIPATED IMPACTS

The affordability of a community's housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks.⁶

Affordable housing can improve community resilience through two ways: increasing housing stability and alleviating cost-burdened households. Housing stability can increase community resilience through enhancing social cohesion by building community ties and enabling residents to stay better connected during emergencies.⁷

Cost-burdened households, which are households that spend over 30% of income on housing, generally have less cash on hand to weather shocks, such as extreme weather events, compared to households that are not cost burdened. Many cost-burdened households are renters and census data released in 2024 show nearly half (49.2%) of renter households in the United States are cost-burdened.⁸ In Montgomery County, 47% of renters are cost burdened and the County's median monthly gross rent of \$2,097 is 22% higher than Maryland's median (\$1,721).⁹

Algorithmic devices, such as RealPage and YieldStar, have been used across the country to set rents using proprietary data from other landlords, which has resulted in inflated rents according to various reports.¹⁰ However, the effects of algorithmic price fixing on rent prices cannot be determined in Montgomery County. According to staff from the Department of Housing and Community Affairs (DHCA), there has not been a complaint or report related to landlords using rent-setting algorithms.¹¹ It is unclear how algorithmic devices have been used to establish rents in the County and how it would affect affordable housing stock.¹²

As it is unclear if and how algorithmic devices have impacted affordable housing stock in the County and if it has caused more households to be cost-burdened, OLO anticipates Bill 8-26 will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptive capacity.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.¹³ OLO does not offer recommendations or amendments as Bill 8-26 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptive capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptive capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

APPENDIX

Figure 1: Definition of an Algorithmic Device and Price Coordination

In general, an *algorithmic device* would be a product or service that:

- (1) uses one or more algorithms to perform calculations;
- (2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:
 - (A) 2 or more landlords;
 - (B) public databases; or
 - (C) a combination of public databases and 2 or more landlords; and
- (3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

The general definition of *price coordination* would be:

- (1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and
- (2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

Source: [Introduction Staff Report for Bill 8-26](#), Montgomery County Council, Introduced February 10, 2026.

Figure 2: Rental Data Collection Activities Allowed Under Bill 8-26

The following activities would be exempt from the bill's prohibition against algorithmic devices and price coordination:

- (1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;
- (2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or
- (3) the provision or use of data by a natural person who is a landlord of only one rental unit.

Source: [Introduction Staff Report for Bill 8-26](#), Montgomery County Council, Introduced February 10, 2026.

¹ [Attorney General Brown Sues RealPage and Residential Landlords for Illegally Raising Rent for Thousands of Maryland Resident, Press Release from the Office of the Attorney General of Maryland.](#)

² [2026 Regular Session - House Bill 434](#), Introduced January 22, 2026.

³ [Introduction Staff Report for Bill 8-26](#), Montgomery County Council, Introduced February 10, 2026.

⁴ Ibid.

⁵ Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Montgomery County Code, Sec. 1-19. Fines and penalties.

⁶ [Alliance for National and Community Resilience](#), The Community Resilience Benchmarks, 2019.; [National Low Income Housing Coalition](#), Disaster Housing Recovery, Research and Resilience, Accessed 2/24/2026.

⁷ [Georgetown Climate Center](#), Equitable Adaptation Legal and Policy Toolkit, Accessed 2/24/2026.; [Alliance for National and Community Resilience](#), The Community Resilience Benchmarks, 2019.

⁸ [United States Census Bureau](#), Nearly Half of Renter Households Are Cost-Burdened, Proportions Differ by Race, September 12, 2024.

⁹ [Montgomery Planning](#), Findings from the 2024 American Community Survey: Montgomery County, Maryland, and the United States, September 19, 2025.

¹⁰ [American Economic Liberties Project](#), A New Culprit in the Housing Crisis: Rent-Setting Software Algorithms, March 13, 2024.; [Propublica](#), Rent Going Up? One Company's Algorithm Could Be Why, October 15, 2022.; [NPR](#), New limits for rent algorithm that prosecutors say let landlords drive up prices, November 25, 2025.

¹¹ DHCA Staff

¹² Ibid.

¹³ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022