

December 10, 2025

Chair Brandon J. Markosek 305 Irvis Office Building P.O. Box 202025 Harrisburg, PA 17120-2025

Dear Pennsylvania House Housing & Community Development Committee members,

As local elected officials from across Pennsylvania, we work every day to combat the ways in which this nation's housing crisis is harming our communities. From Philadelphia to Allegheny County to Meadville, no matter the type or size of jurisdiction, families are being priced out of their homes daily as rents continue to climb and wages remain stagnant. Many complex factors contribute to this reality. But there is one factor that ought to be intolerable across the board: the use of software algorithms by landlords and property managers to collectively coordinate rent increases and keep units offline in the pursuit of creating false scarcity of housing supply. Algorithmic rental price-fixing is further exacerbating our housing crisis through classic cartel behavior.

We, as Local Progress Pennsylvania, made up of 100 locally elected representatives in 57 jurisdictions across the state, write this letter in strong support of <u>HB 140</u> and ask you to bring the bill up for a vote as soon as possible.

How exactly does algorithmic rent-setting work? Landlords provide information on their rental units and vacancy rates to third-party service providers like RealPage. RealPage's algorithms use both that private, sensitive data and public data to provide recommendations to landlords regarding rent prices, concessions, and vacancy rates that promise to boost owners' profits while artificially driving up housing costs for tenants. The software creates an environment for landlords to set rents in concert with one another, at the direct expense of tenants living in those units. It is collusion by a different name.

Data from <u>a 2022 court filing</u> shows that property owners and managers who use RealPage's software account for over 31% of the multifamily rental market in Philadelphia,¹ and over 26% of the rental market in Pittsburgh.² Use of this software has resulted in Philadelphia renters paying **23% more in rent** in 2023 than they paid in 2016 and **37% more** over the same period for renters

¹ Second Amended Complaint at 224–26, *In re: Realpage, Inc., Rental Software Antitrust Litigation (No. II),* Dkt. No. 530, 3:23-md-03071 MDL (M.D. Tenn. 2023).

² Id. at 228-30.

in Pittsburgh - note that this reflects rent increases for **all** renters in these cities, not just renters living in properties that use this software. While data for other jurisdictions in the Commonwealth is not readily available, it is safe to assume that the dire impacts of this software is present in rental markets across the state, given that property managers and corporate landlords throughout the state use RealPage's anti-competitive products.

As local elected leaders in jurisdictions across the Commonwealth of Pennsylvania, we urge state lawmakers to support HB 140. This bill will protect Pennsylvanians from predatory landlord behaviors that serve to further corporate profits over serving the housing needs of our neighbors. At the local level, we have shown up for communities and continue to take a stand for renters across the state against this extractive practice. We are now looking to state leaders to carry the baton. Fighting rental price-fixing is one small step we can all take to try to even the playing field for workers and tenants in a system that's rigged against them.

Passage of HB 140 would be the first state-level bill to address this practice of algorithmic rental price-fixing. In October 2024, Philadelphia led a national wave of bans by becoming the second city in the country to ban the use of algorithms to set rents. As of September 2025, the practice is now banned in ten cities, with more preparing to follow suit. As members of Local Progress Pennsylvania, we stand in solidarity with our colleagues across the country and are encouraged by this movement of action.

The <u>United States Department of Justice</u> (DOJ), alongside Attorneys General in ten states, and, in a separate private class action, thousands of tenants have sued RealPage for alleged violations of antitrust and consumer protection laws. The DOJ's lawsuit began under the Biden Administration, and the current presidential administration has continued to litigate it.³

While these lawsuits are ongoing and have resulted in various corporate landlords agreeing to no longer use the anticompetitive services, state legislation is still necessary for three important reasons. First, tenants cannot wait for litigation, which may take years, to play out. Second, there is no guarantee that settlements and court judgments will adequately protect tenants from exploitation. Case in point: the DOJ's recent settlement with Greystar, the nation's largest landlord, achieved important concessions such as barring Greystar from sharing its competitively sensitive information with competitors; attending RealPage meetings of competitor landlords; and using any "anti-competitive" algorithm that uses competitors' sensitive information to generate rent price recommendations. ⁴ But it *does not* bar Greystar from using a common algorithm that generates price recommendations for multiple competitors—a practice ripe for anticompetitive coordination. Lastly, Pennsylvanians deserve immediate action to create a uniform regulatory

³ See Heather Vogell, <u>America's Largest Landlord Makes Deal With DOJ to Settle Price-Fixing Claims in RealPage Case</u>, ProPublica (Aug. 12, 2025) (in connection with securing settlement agreement with nation's largest landlord Greystar, Assistant Attorney General and head of DOJ's Antitrust Division, Abigail Slater, stated "whether in a smoke-filled room or through an algorithm, competitors cannot share competitively sensitive information or align prices to the detriment of American consumers.").

⁴ Proposed Final Judgment at 7–8, <u>United States v. Greystar Mamt. Servs.</u>, Dkt. No. 152-1, 1:24-cv-00710-WLO-JLW (M.D.N.C. 2025).

environment across the state that bans this anticompetitive, unfair practice, particularly given that housing markets are not isolated and price-fixing in one area can impact rent prices elsewhere.

This is an opportunity to protect working-class tenants against the billionaires and corporations behind the exploitation and distortion of our housing market. Pennsylvania has a chance to take a clear stance in this fight for an affordable and accessible housing system for all. We urge you to take this important step in passing much-needed protections for our communities by supporting HB 140.

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In solidarity,

Joelisa McDonald, Rankin Borough Mayor

Jaime Kinder, Meadville City Mayor

Dwan Walker, Aliquippa City Mayor

Yaniv Aronson, Conshohocken Borough Mayor

Tara Zrinski, Northampton County Controller

Jeffery Young, *Philadelphia City Councilmember*

Nicolas O'Rourke, Philadelphia City

Councilmember

Kendra Brooks, Philadelphia City

Councilmember

Jamie Gauthier, Philadelphia City

Councilmember

Isaiah Thomas, *Philadelphia City*

Councilmember

Rue Landau, Philadelphia City Councilmember

CeCe Gerlach, Allentown City Councilmember

Autumn Vogel, Meadville City Councilmember

Gretchen Myers, *Meadville City Councilmember*

Ahmed Ahmed, Lancaster City Councilmember

Natalie Santos, Allentown City Councilmember

Tyler Titus, *Erie City Councilmember*

Jon Irons, Lehigh County Commissioner

Zach Cole-Borghi, Lehigh County Commissioner

Angela Stribling, Swissvale Borough

Councilmember

Fred Quinn III, Swissvale Borough

Councilmember

Sara Agerton, *Mechanicsburg Borough*

Councilmember

Drew Lawrence, New Cumberland Borough

Councilmember

Jordi Comas, Lewisburg Borough

Councilmember

Adrian Serna, Conshohocken Borough

Councilmember

Ethan Byers, Columbia Borough

Councilmember-elect

Pamela Thompson, Lower Paxton Township

Supervisor

Xaras Collins, Norristown Area School Board

Director

Chris Jaramillo, Norristown Area School Board

Director

Amanda Barber, Wilkinsburg School Board

Director

Darnika Reed, Woodland Hills School Board

Director

Devon Taliaferro, Pittsburgh School Board

Director

Dan Wiser, Phoenixville Area School Board

Director

Ariel Zych, Fox Chapel Area School Board

Director

Karen Lyons, Woodland Hills School Board

Director