



Meeting Summary
Algorithmic Pricing Workgroup Meeting

Tuesday, July 21, 2026, at 1:00 p.m.

House Room B

Attendance

Members Present: Senator Lashrecse Aird, *Workgroup Chair*, Delegate Briana Sewell, *Commission Chair*, Delegate Eric Phillips, Martin Johnson, *Gubernatorial Appointee*, Bismah Ahmed, *Apartment and Office Building Association (AOBA)*, Tracy M. Baynard, *McGuire Woods Consulting LLC*, Andrew Clark, *Home Builders Association of Virginia*, Helen Hardiman, *Office of the Attorney General*, Erin Kormann, *Virginia REALTORS*, Christie Marra, *Virginia Poverty Law Center*, Mike Pruitt, *Housing Opportunities Made Equal (H.O.M.E.)*, Gabriella Waters, *Center for Responsible AI at Virginia State University*

Staff Present: Director Jesseca Hoff, Jacob Sztraicher

Senator Aird, *Workgroup Chair*, called the meeting to order at 10:01 a.m.

HB 1252 Presentation

Delegate Bonita Anthony presented HB1252, describing it as a deliberate progression from the 2025 legislation (HB2047) and the subsequent JCOTS report.

- **Delegate Anthony** stated that the bill removes private rights of action and the creation of an ombudsman office, leaving enforcement to the Attorney General.
- It does not regulate rent amounts, ban software, or require the disclosure of proprietary trade secrets. It targets VRLTA-covered landlords operating 10 or more units using commercial pricing software.
- Landlords must disclose the device/service used; tenants can request a plain-language summary of general factors considered by the device; and tenants are entitled to a human review of the recommended rent.

SB 585 Presentation

Senator Saddam Salim presented SB585, which shares a similar definition of an algorithmic pricing device.

- **Senator Salim** stated that the bill functions primarily as a disclosure tool so prospective tenants know when AI is used to set rental prices.
- Enforcement is handled by the Attorney General's office, with the ability to levy a \$1,000 fine per violation.
- **Sen. Salim** noted the goal is to prevent artificial, anti-competitive price inflation, pointing out that New Jersey recently passed similar legislation.

Executive Director Jesseca Hoff delivered a presentation framing the current use of algorithmic pricing devices in multifamily property management to ground the workgroup's discussion.

Workgroup Discussion

The workgroup debated key definitions, the root causes of rent inflation, and the practical application of the proposed legislation.

Small Landlord Definitions and Thresholds

- **Delegate Sewell** asked for more information on the small landlord definition difference.
 - **Del. Anthony** stated that the 10-unit cutoff targets landlords operating at a scale where commercial software is common. **Sen. Salim** added they were willing to compromise on this threshold during the legislative session.
- **Sen. Aird** asked about the standard definition of a small landlord
 - **Helen Hardiman (Deputy AG)** responded, recommending applying coverage thresholds to *property managers* rather than owners, as managers are the ones operating algorithmic devices. **Andrew Clark (HBAV)** agreed, noting that defining institutional ownership is complex.

Defining Algorithmic Pricing Devices

- **Erin Kormann (VA REALTORS)** asked how this legislation differs from using MLS, checking market history, or asking ChatGPT for rental pricing, and whether those scenarios constitute an algorithmic pricing device.
 - **Del. Anthony** clarified that internal spreadsheets and public tools are strictly excluded. **Sen. Salim** added that the 2025 bills were specifically amended to exclude public market analysis and emphasized the need to align definitions with other states.
- **Sen. Aird** asked whether the definition simply captures RealPage or if it needs to be tightened.
 - **Del. Anthony** reiterated that the bills do not ban software and only require landlords to disclose the vendor used so renters understand how prices were generated, noting RealPage was not opposed to the legislation.
 - **Erin Kormann** expressed concern that small business owners might manually price units to avoid disclosing software they do not fully understand.
- **Sen. Aird** asked the patron to describe the journey of the algorithmic pricing device definition.
 - **Sen. Salim** explained that previous versions defined the device separately from nonpublic competitor data, but attempting to regulate the technology broadly, inadvertently banned standard industry players, which was not the intent.

Data Inputs and Compliance

- **Bismah Ahmed (AOBA)** asked how a property manager would evaluate whether a software provider is using specific data inputs or not.
 - **Del. Anthony** stated that the bill was drafted so landlords do not need to know how the software works internally; it simply requires disclosing the vendor's name to the tenant.
- **Sen. Aird** asked if there is data from other states regarding how many units are affected.
 - **Del. Anthony** referenced the 2025 JCOTS report, noting it was unable to determine the number of affected units or the exact compliance costs to landlords.

Impact and Scope of Legislation

- **Delegate Phillips** asked how much of the rental pricing problem stems from construction inflation versus algorithmic devices, and whether data exists from states with similar laws.

- **Erin Kormann** suggested nationwide inflation and construction costs drive rent increases rather than software.
- **Sen. Salim** stated the goal is to prevent landlords from manipulating prices using illicit nonpublic competitor inputs.
- **Del. Anthony** added that the human review requirement ensures algorithmic recommendations are not treated as unquestionable facts.
- **Sen. Aird** asked the patrons if anything beyond the scope of these bills exceeds what they are comfortable with.
 - **Sen. Salim** stated the workgroup must determine whether the state is pursuing disclosure, a product ban, or another approach.
 - **Del. Anthony** reiterated that their original intent is disclosure and landlord accountability, acknowledging it will not guarantee affordability on its own.

Additional Stakeholder Insights

- **Christie Marra (VPLC)** and **Michael Pruitt (HOME)** argued that a disclosure form does not help tenants; the core issue is the use of proprietary competitor data.
- **Dr. Waters (VSU)** suggested the state needs to define what data can be used to train models. **Tracey Baynard** warned against stifling technological development, noting other states permit models trained on nonpublic data older than 12 months.

Public Comment

There was no public comment.

Adjournment