NMHC NATIONAL MULTIFAMILY HOUSING COUNCIL | NAA NATIONAL APARTMENT ASSOCIATION | RETTC Real Estate Technology & Transformation Center

August 14, 2026

The Honorable Maxine Waters
Ranking Member, House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Waters:

On behalf of the National Multifamily Housing Council (NMHC), the National Apartment Association (NAA), and the Real Estate Technology and Transformation Center (RETTC), we write to thank you for the opportunity to share the view of rental housing providers and their technology partners as the Committee examines the opportunities of rapidly evolving AI technology in addressing our nation's long-standing housing challenges.

NMHC, NAA, and RETTC provide a single voice for rental housing developers, owners, and operators and the technology suppliers that are driving innovation and helping address our nation's long-term housing challenges. One-third of all Americans call a rental property home, where technology solutions are increasingly leveraged to modernize property operations, improve housing affordability and enhance the resident experience.

It is clear that the tools of yesterday will not solve today's housing affordability crisis. As the Committee considers AI policy, we urge you to support a pro-innovation, pro-housing approach to AI policy that enables responsible adoption while avoiding fragmented or overly prescriptive regulation that could hinder the development or deployment of housing tech innovations. It's also important to note that the existing housing regulatory and legal landscape already offers strong protections, and any new regulations should build on that foundation without undermining technological progress. As our organizations have consistently said in the past, a fragmented regulatory approach in data management, security, and technology risks stifling innovation and increasing compliance costs. This ultimately undermines the benefits these systems and technologies offer to renters and housing providers alike.

We appreciate the Committee's request for information ("RFI") on encouraging responsible AI practices in the finance and housing sectors, and we offer the following responses to the questions most relevant to our organizations.

Question 1: Please provide your name and the name of your organization.

Kevin Donnelly, Real Estate Technology & Transformation Center
Sharon Wilson Géno, National Multifamily Housing Council
Bob Pinnegar, National Apartment Association

Question 2: Supplemental data and reports are optional and welcome. Please email AIRFI_Data@mail.house.gov with your name, organization, and supplemental data and reports only. Please confirm below whether you have submitted additional materials.

Question 3: Would you like to provide an email address, potentially allowing us to contact you for further details? If so, please include your email address below.

kdonnelly@rettc.org

Anthropic's Mythos and OpenAI's GPT-5.5-Cyber

Question 6: What responsible AI frameworks have financial services and housing firms adopted and complied with prior to Mythos and GPT-5.5-Cyber developments? How should firms rethink these practices?

Last year, RETTC announced the AI Governance Framework for Rental Housing and Technology Partners, a first-of-its-kind framework built by a diverse group of housing providers and technology innovators to guide the responsible development and use of AI in rental housing. While not an industry standard, the framework was designed to promote responsible innovation, protect consumers, and uphold core statutory obligations including the Fair Housing Act, the Fair Credit Reporting Act, and the state and local housing laws that govern rental housing across the country. It is currently being used by a growing number of housing providers and technology partners involved in the development and operation of rental housing.

The framework is intended to serve as a starting point for conversation as the technology and its applications continue to transform rental housing and is guided by a commitment to fairness, transparency, privacy, people-centered governance, and accountability. The framework can be accessed here, and a summarized version is included below for reference. RETTC encourages rental housing providers and technology firms, where practicable, to use this framework as a practical reference point and guide their work to:

1. Establish an Organizational Philosophy on AI Use and Oversight
2. Promote Fairness & Consumer Protection
3. Uphold Transparency & Explainability
4. Protect Privacy & Promote Data Integrity
5. Maintain Outcome-Based Accountability & Human Involvement
6. Promote Positive Renter Experiences and Outcomes
7. Strive for Innovation with Responsibility
8. Encourage Third-Party Partner Accountability and Due Diligence

The framework gives rental housing providers tools to create responsible AI policies for the unique needs of their business and their residents. This flexibility is essential for the diverse rental housing ecosystem.

Congress should work with stakeholders to encourage adoption of AI and other emerging technologies to address our long-standing housing challenges and ensure that existing and emerging regulatory frameworks do not stifle innovation or limit the ability of housing providers to leverage technology to improve operations or lower housing costs.

Data Privacy and Disclosures

Question 13: How should Federal laws relating to data privacy for the financial and housing industries be amended to address the privacy risks from AI? Do they need to be amended in any way to simultaneously ensure that financial institutions can conduct appropriate identity verification and financial crime compliance?

A single national, uniform standard for consumer privacy, data security, and breach notification that would preempt the existing patchwork of conflicting state and local laws would help create certainty for renters and housing providers. Rental housing providers increasingly operate across multiple states. They must comply with varying state and local requirements governing data security, breach notification, and privacy standards. This inconsistency creates gaps in consumer protection and leaves renters vulnerable to uneven safeguards depending on where they live. A federal standard should allow appropriately flexible compliance options so that firms can meet the standard while adapting to evolving technologies. Any such standard should be designed to preserve the ability of financial institutions and housing providers to conduct appropriate identity verification and financial crime compliance, which depend on continued access to sensitive personal data.

Question 14: What steps can Federal regulators take, utilizing existing authorities, to improve data privacy in the financial and housing marketplace for the benefit of consumers? How can this be balanced, too, with the necessary access to data in areas like customer identification and financial crime compliance?

Regulators can improve data privacy by promoting consistent expectations across the financial and housing marketplace and by coordinating so that providers operating in multiple markets are not subject to conflicting requirements. In doing so, regulators should recognize that firms require continued access to consumer data to carry out identity verification and financial crime compliance, including the screening tools that housing providers rely on to prevent rising application fraud.

The scale of this problem is significant. In the first half of 2026 alone, a leading national rental application fraud detection platform found that 1 in every 26 rental applications contained fraudulent documentation and screening tools prevented an estimated $62.8 million in bad debt across 2.5 million units. Without access to this data, housing providers lose a critical line of defense against fraud and the resulting costs will inevitably fall on the residents who pay their rent on time.[1]

Privacy protections should be balanced against these operational needs so that stronger data privacy does not come at the expense of the tools housing providers and financial institutions use to verify identity and combat fraud. More durable improvements in data privacy are best achieved through a single national standard rather than through the existing patchwork of state and local requirements, which can leave consumers with inconsistent protections and create confusion about their rights.

Question 15: What customer notice and disclosure regimes should be applied to financial institutions and housing firms that utilize AI (either internally or provided by a third-party vendor) in providing a product or service to a consumer?

Congress should work to support a risk-based approach to AI transparency that protects consumers while preserving the ability of housing providers and financial institutions to responsibly adopt innovative technologies.

Policymakers should build upon existing, robust consumer protections like the Fair Housing Act and the Fair Credit Reporting Act and other adverse-action frameworks rather than layering duplicative AI-specific disclosures onto regulated entities. Requirements should focus on consumer outcomes and material risks, not the mere presence of AI within a business process.

Critically, responsibility should be appropriately allocated across the AI ecosystem. Housing providers and other end users should not bear responsibility for technical aspects of third-party AI systems that they cannot reasonably access, evaluate, or control. Developers and technology vendors should provide sufficient transparency, documentation, and assurances to enable their customers to understand and responsibly deploy their products, while end users should remain accountable for how those products are implemented and used.

A workable framework should therefore provide clear obligations, appropriate safe harbors for good-faith users of compliant third-party technologies, and consistent national standards that protect consumers without discouraging responsible AI adoption or creating an unworkable patchwork of disclosure requirements.

<u>**Third-Party Service Providers**</u>

Question 19: What steps should Congress and regulators take to heighten monitoring of emerging risks from the use of AI in the financial services and housing industries?

Rental housing providers and their third-party service providers collect, use, store, and maintain sensitive personal data about applicants, residents, and employees, which makes them a target

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[1] https://snappt.com/blog/2026-midyear-fraud-report/

for cyberattacks as the threat landscape grows and bad actors deploy increasingly sophisticated methods. In response, housing providers are already working diligently to strengthen their cyber defenses, implement robust internal controls, and protect consumer data; this industry-led work gives providers a direct stake in identifying and responding to emerging risks. Congress and regulators should build on these efforts by pursuing a coherent federal approach to risk monitoring, since a fragmented approach across states could leave gaps in consumer protection and create blind spots that put renters' sensitive personal data at greater risk.

Monitoring of emerging AI risks should also be evidence-based rather than built on assumptions about new technology. Congress and regulators should assess AI-related risks in the financial services and housing industries using real-world evidence of how these tools perform. Congress and regulators should work with housing providers and their technology partners, who are closest to the technology and its risks, in developing that understanding.

Housing

Question 32: What tenant protections should be ensured in PropTech?

PropTech policy should begin with the recognition that technology and innovation can be fundamentally pro-renter. At a time of significant housing affordability and supply challenges, technology can help lower operating and development costs, expand access to housing, improve energy efficiency and sustainability, increase transparency, strengthen building safety and security, and provide renters with more convenient and responsive services.

Consumer protections should therefore focus on preventing harmful outcomes without unnecessarily restricting the technologies that can improve renter outcomes. Renters should have appropriate transparency and opportunities to correct materially inaccurate information or seek review when technology is used in decisions affecting access to housing. However, it is important to ensure that any legislative solution assigning liability for AI tools must be carefully limited to avoid penalizing housing providers for outcomes they neither intended nor directly controlled.

In fact, the existing housing regulatory and legal landscape already offers strong protections for renters. Rental housing providers deploy AI and emerging technologies subject to robust internal controls, existing legal protections, and regulatory requirements at the federal, state, and local level, and these existing safeguards should be considered before any additional regulations are overlaid.

At the same time, policymakers should recognize that many PropTech applications—including fraud prevention, digital leasing and payments, flexible financial products, energy and utility management, connectivity, maintenance technologies, and automation—can directly benefit renters while helping housing providers operate more efficiently and control costs. Regulation should be risk-based and targeted to specific consumer harms rather than treating the use of technology itself as a source of risk.

Ultimately, renter protection and innovation should not be viewed as competing objectives. A well-designed policy framework can protect renters while enabling technology to help address housing affordability, supply, sustainability, accessibility, and operational efficiency. Policymakers should prioritize clear and consistent standards, technology-neutral regulation, and flexibility for continued innovation while preserving strong protections against demonstrable consumer harm.

Question 33: What is specifically needed to ensure transparency and clarity in algorithms used on online real estate platforms, automated valuation models, automated underwriting systems, electronic closing products and other PropTech so that regulators and Congress can promote responsible innovation while ensuring access to fair and affordable housing and prohibiting disparate outcomes and/or discriminatory practices?

Transparency and clarity in PropTech algorithms are best advanced through a coherent, forward-looking federal approach rather than a fragmented one. A fragmented regulatory approach to data management, security, and technology risks creating inconsistent consumer protections and undermines the ability of renters to benefit from innovations that improve affordability and access to housing.

In underwriting and other resident-facing applications, empirical evidence suggests that while AI systems are far from perfect, they appear to result in less bias than human decision-making and may be taught to mitigate bias. Human, individualized oversight of AI-recommended decisions further supports fair and accurate outcomes. Restricting technology or objective applicant information does not necessarily make housing decisions fairer. Congress should promote transparency through evidence-based oversight that recognizes existing protections and preserves housing providers' ability to leverage PropTech to expand access to fair and affordable housing.

Question 34: What actions should the FHFA and other similar agencies take to oversee PropTech and ensure its compliance with fair lending laws and regulations?

FHFA and other relevant agencies should pursue a pro-innovation, pro-housing approach to PropTech oversight that enables responsible adoption while avoiding fragmented or overly prescriptive regulation that could delay the delivery of consumer benefits or limit renters' access to tools that improve affordability and housing opportunity. The existing legal landscape already offers strong Fair Housing and Fair Lending protections, and any oversight actions should build on that foundation without undermining technological progress. Agencies should also recognize that housing providers rely on AI and emerging technologies developed by startups and mid-sized technology firms, not only large platforms, and that overly prescriptive requirements risk slowing the innovations that directly benefit consumers through improved affordability, efficiency, and the resident experience. NMHC, NAA and RETTC encourage FHFA and similar agencies to support responsible innovation that improves property financial performance and stability, efficiency, and resilience, while also improving affordability in rental housing.

Conclusion

NMHC, NAA, and RETTC stand ready to serve as a resource to the Committee as it continues this important work. We welcome the opportunity to share data, practical insights, and real-world experience from the rental housing sector to help inform durable, technology-neutral policies that expand access and affordability for renters across the country.

Thank you again for your leadership in exploring how responsible AI legislation can support a more connected future across rental housing.

Sincerely,

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Bob Pinnegar
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