



June 2, 2026

The Honorable French Hill
Chairman
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
4340 O'Neill House Building
Washington, DC 20515

Dear Chairman Hill and Ranking Member Waters:

On behalf of the members of the National Multifamily Housing Council (NMHC), the National Apartment Association (NAA), and the Real Estate Technology and Transformation Center (RETTCC), we thank you for your work on the GUARD Financial Data Act and its companion bill, the SECURE Data Act. As the Subcommittee on Commerce, Manufacturing and Trade convenes a hearing on the SECURE Data Act, we thank you for the opportunity to share insight on the need of a long-overdue federal data privacy standard that protects consumers and American businesses, including rental housing firms and our technology partners.

Rental housing owners and operators, and their service providers, rely heavily on sensitive, personal data about rental applicants, residents and employees to run their day-to-day business. Given the sensitivity of the information that rental housing operators rely on and the ever-expanding cyber threat landscape we face, our industry has placed a high priority on strengthening defenses against vulnerabilities and protecting sensitive data and consumer privacy. In fact, rental housing firms are committing tremendous resources to this cause.

The relationship between a resident and the housing provider may span years and involve the collection and use of various types of information. Consumer data contained in resident screening reports and held by housing operators and their service providers is crucial in accounting for rental history, tenure and payment data, which make up an important part of a resident's profile. These data points can also serve as tools to improve a resident's housing opportunities in the future.

SECURE Data Act and the GUARD Financial Data Act

We commend the leadership for releasing the companion bills, the SECURE Data Act and the GUARD Financial Data Act, to continue the longstanding conversation about creating a national data privacy standard. NMHC, NAA, and RETTCC strongly support the establishment of a comprehensive federal data privacy framework. Further, we believe the creation of this framework is more urgent than ever as it must precede the imposition of any additional regulations on the use and development of AI technologies.

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. As policymakers consider how federal financial regulators are supporting the use of new technologies, we urge you to support a balanced framework that safeguards innovation. The existing legal landscape in housing already offers strong protections, and any new regulations should build on that foundation without undermining technological progress.

Rental Housing Data Privacy Priorities

As leadership considers the legislation, NMHC, NAA, and RETTC would like to take the opportunity to highlight our priorities in this space. We believe that these priorities should serve as a starting point for any other federal data privacy and security measure:

- **Federal Preemption:** A clear federal preemption is necessary to provide clarity for rental housing firms and their technology partners. The current patchwork of state laws creates a significant compliance burden for rental housing firms and leaves consumers vulnerable to mistakes and unintended consequences. This is particularly true given the constantly evolving nature of state data privacy and security laws. 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.
- **Flexible and Scalable National Standard:** A data privacy and protection standard will benefit from taking into consideration the data collected and the size of the company. NMHC, NAA, and RETTC believe that any enforcement regime must provide for a flexible and scalable national standard for data security, privacy and breach notification that takes into account the needs and available resources of small businesses, as well as large firms and the sensitivity of the data in question.
- **The Ability to Continue to Perform Essential Business Functions:** Entities may have an essential business need to engage with consumer data and should be mindful of data minimization. Rental housing firms must maintain the right to collect, use and retain sensitive information necessary for business operations. This is particularly important to ensure the safety and security of residents and employees through prospective resident screening while also ensuring compliance with regulatory requirements such as reporting under the Fair Housing Act.
- **Reasonable Time Frame to Respond to Consumers:** Any data privacy and protection enforcement should provide for adequate time for rental housing firms to respond to inquiries. Given the complexities of verifying any privacy or protection request and responding accurately, rental housing firms need sufficient time to carry out any request, with the option for an extension if necessary.
- **Third Party/Assignment of Financial and Legal Liability:** There is an important distinction between covered entities, service providers and third parties. We believe that service providers must hold responsibility for their own security and privacy safeguards. Liability for any third-party/service provider security lapse or privacy violation must not shift to rental housing firms or other primary consumer relationship holders. Often, businesses of all sizes are faced with the reality of being forced to accept boilerplate contractual language when contracting with a service provider or supplier. For example, while one large company may have the market share and financial leverage to negotiate and demand certain security protocols, the vast majority of American businesses do not. The responsibility for overseeing a third party's data security program and consumer privacy safeguards should remain with the party that is collecting, using and retaining sensitive information—not with rental housing companies or other firms that rely on third-party services.
- **Clarity in Regulatory Authority:** To provide clarity and certainty to apartment firms, a single federal agency should be responsible for data privacy and protection rulemaking and enforcement. Further, Congress should establish the scope of any federal regulator's authority.

Entities that must comply with new data privacy and security regulations will need education, flexibility and the right to cure in the event of a possible violation.

- **Preserving Innovation:** As policymakers seek to determine how to best regulate AI and other emerging technologies, they should be cautious not to stifle innovation or inhibit the development of tech-driven, pro-consumer solutions. That said, it is also imperative for Congress to protect consumers, businesses, and national security from the growing threat of cyber-crime. The most effective way to achieve both of these goals is through focusing on the development of a robust, flexible, and scalable federal data security and privacy standard.

Conclusion

We appreciate the policymakers' focus on fostering innovation and ensuring a coherent, forward-looking approach to financial policy. We urge the House Committee on Financial Services and House Energy and Commerce Committee to continue their bipartisan work to achieve federal policy that protects consumers, allows business uses of AI and other emerging technologies to continue and avoid a duplicative and complex regulation that could inadvertently drive housing costs higher. NMHC, NAA, and RETTC stand ready to work with policymakers to support responsible innovation that improves efficiency, resilience, and affordability in rental housing.

Sincerely,



Sharon Wilson Géno
President
National Multifamily Housing Council



Bob Pinnegar
President and Chief Executive Officer
National Apartment Association



Kevin Donnelly
Executive Director and Chief Advocacy Officer
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