SENATE DOCKET, NO. 1607 FILED ON: 1/16/2025

SENATE . . . . . No. 994

The Commonwealth of Massachusetts

PRESENTED BY:

Cindy F. Friedman

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act prohibiting algorithmic rent setting.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Cindy F. Friedman	*Fourth Middlesex*	
Julian Cyr	*Cape and Islands*	*2/13/2025*
Mike Connolly	*26th Middlesex*	*4/8/2025*
Lydia Edwards	*Third Suffolk*	*6/25/2025*

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SENATE . . . . . No. 994

By Ms. Friedman, a petition (accompanied by bill, Senate, No. 994) of Cindy F. Friedman and Julian Cyr for legislation to prohibit algorithmic rent setting. Housing.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act prohibiting algorithmic rent setting.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 186 of the General Laws is hereby amended by adding the following section:-

Section 15G. (a) As used in this section, the following words shall have the following meanings unless the context clearly requires otherwise:

"Algorithmic device", any computational process, including a computational process derived from machine learning or other artificial intelligence techniques, that processes or calculates nonpublic competitor data for the purpose of advising a lessor or landlord concerning the amount of rent that the lessor or landlord may consider charging a tenant; provided, however that "algorithmic device" shall not include: (i) any report published periodically, but not more frequently than monthly, by a trade association that receives renter data and publishes it in an aggregated and anonymous matter; or (ii) a product used for the purpose of establishing rent or

income limits in accordance with the affordable housing program guidelines of a local government, the commonwealth, the federal government or other political subdivision.

“Coordinating function”, any action that includes: (i) collecting historical or contemporaneous prices, supply levels or lease or rental contract termination and renewal dates of residential dwelling units from two or more rental property lessors or landlords; (ii) analyzing or processing of historical or contemporaneous prices, supply levels or lease or rental contract termination and renewal dates of residential dwelling units from two or more rental property lessors or landlords through use of a system, software or process that uses computation, including by using the information to train an algorithm; and (iii) recommending rental prices, lease renewal terms or ideal occupancy levels to a rental property lessor or landlord.

"Coordinator", any person who operates an algorithmic device, software or data analytics service that performs a coordinating function for any residential rental property lessor or landlord, including a residential rental property lessor or landlord performing a coordinating function for their own benefit.

"Nonpublic competitor data", information that is not widely available or easily accessible to the public, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless of whether the data are attributable to a specific competitor or anonymized, and that is derived from or otherwise provided by another person that competes in the same market as a person, or a related market.

“Person”, any natural person or persons, or any corporation, partnership, company, trust or association of persons.

"Residential Dwelling Unit", any house, apartment, accessory unit or other unit intended to be used as a primary residence in the state.

(b) In setting the amount of rent to be charged to a tenant for the occupancy of a residential dwelling unit, determining any change in the amount of rent to be charged to a tenant for the renewed occupancy of a residential dwelling unit, or otherwise determining what amount to charge a tenant to rent a residential dwelling unit, or determining occupancy levels of residential dwelling units, no lessor or landlord shall employ, use or rely upon an algorithmic device or coordinator.

(c) A violation of this section shall constitute a violation of section 2 of Chapter 93A.

SECTION 2. This act shall take effect 90 days after its passage.