

SENATE BILL REPORT

SB 5469

As of January 29, 2025

Title: An act relating to prohibiting algorithmic rent fixing and noncompete agreements in the rental housing market.

Brief Description: Prohibiting algorithmic rent fixing and noncompete agreements in the rental housing market.

Sponsors: Senators Salomon, Bateman, Trudeau, Frame, Hasegawa, Lovelett, Nobles, Pedersen, Saldaña, Shewmake, Valdez and Wilson, C..

Brief History:

Committee Activity: Housing: 1/31/25.

Brief Summary of Bill

- Prohibits a service provider from collecting or analyzing certain data to provide recommendations regarding rental prices, lease renewal terms or occupancy levels for more than one landlord, and landlords from contracting with service providers to receive the recommendations.
- Authorizes the Attorney General's Office to enforce a violation of this law under the Consumer Protection Act.

SENATE COMMITTEE ON HOUSING

Staff: Bill Fosbre (786-7531)

Background: Residential Landlord-Tenant Act. The Residential Landlord-Tenant Act (RLTA) governs the relationship and agreements between residential landlords and tenants.

Under the RLTA landlords are authorized to set rental prices for dwelling units, lease renewal terms, and occupancy levels. The RLTA does not prohibit landlords from

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providing rental information to third-party service providers. This information may include:

- historical, anticipated, or contemporary rental prices;
- rental price changes;
- supply levels;
- occupancy rates; or
- lease or rental contract termination and renewal dates.

Consumer Protection Act. The Consumer Protection Act (CPA) prohibits:

- unfair or deceptive acts or practices in trade or commerce;
- the formation of contracts, combinations, and conspiracies in restraint of trade or commerce; and
- monopolies.

A person injured by a violation of the CPA may bring a civil action to enjoin violations and recover certain damages, costs, and attorneys' fees. The Attorney General's Office may bring an action in the name of the state, or on behalf of persons residing in the state, against any person to enjoin violations of the CPA and obtain restitution and may seek civil penalties against any person who violates the CPA. Civil penalties are paid to the state.

Summary of Bill: A service provider is prohibited from coordinating two or more landlords to provide historical, anticipated, or contemporary rental prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates of residential dwelling units from public or private databases and analyzing such data through the use of a system, software, algorithm or other automated process to provide recommendations regarding rental prices, lease renewal terms, or occupancy levels for more than one landlord.

A landlord is prohibited from subscribing to, contracting with, seeking to obtain, or otherwise exchange anything of value in return for providing the prohibited services.

The Attorney General's Office is authorized to enforce a violation of this law under the CPA.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.