SUBSTITUTE SENATE BILL 5469

State of Washington 69th Legislature 2025 Regular Session

By Senate Housing (originally sponsored by Senators Salomon, Bateman, Trudeau, Frame, Hasegawa, Lovelett, Nobles, Pedersen, Saldaña, Shewmake, Valdez, and C. Wilson)

READ FIRST TIME 02/17/25.

- 1 AN ACT Relating to prohibiting algorithmic rent fixing and 2 noncompete agreements in the rental housing market; and adding a new
- 3 chapter to Title 19 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 8 (1) "Coordinating" or "coordinate" means the act of a service 9 provider that:
- 10 (a) Collects historical, anticipated, or contemporary prices, 11 price changes, supply levels, occupancy rates, or lease or rental 12 contract termination and renewal dates of residential dwelling units 13 from two or more landlords, from private databases, or from public 14 databases; and
- (b) Analyzes or processes the information described in (a) of this subsection through the use of a system, software, algorithm, or other automated process to provide recommendations regarding rental prices, lease renewal terms, or occupancy levels to more than one landlord, except the terms "coordinating" or "coordinate" do not include the publication of rental price estimates that: (i) Are solely based on publicly available information; (ii) are equally

p. 1 SSB 5469

- available to all members of the public; and (iii) do not require a contract, agreement, or license to obtain.
- 3 (2) "Dwelling unit" has the same meaning as in RCW 64.37.010 or 4 59.18.030.
- 5 (3) "Landlord" has the same meaning as in RCW 59.18.030, or the terms "operator" or "owner" in RCW 64.37.010.
- 7 (4) "Person" means any natural person, corporation, partnership, 8 limited liability company, firm, or association.
- 9 (5) "Service provider" means any person that performs a 10 coordinating function.
- NEW SECTION. Sec. 2. (1) It is a violation of this chapter for any landlord, in or affecting commerce, or any agent or subcontractor, to subscribe to, contract with, seek to obtain, or otherwise exchange anything of value in return for the services of a service provider.
- 16 (2) It is a violation of this chapter for any service provider, 17 in or affecting commerce, to coordinate two or more landlords.
- NEW SECTION. 18 Sec. 3. (1) The legislature finds that the 19 practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection 20 act, chapter 19.86 RCW. A violation of this chapter is not reasonable 21 22 in relation to the development and preservation of business and is an 23 unfair or deceptive act in trade or commerce and an unfair method of 24 competition and a contract in restraint of trade for the purpose of 25 applying the consumer protection act, chapter 19.86 RCW.
- 26 (2) Only the attorney general may bring an action, in the name of 27 the state, or as parens patriae on behalf of persons residing in the 28 state, to enforce this chapter.
- 29 (3) Any person injured by a violation of this chapter may 30 institute a civil action to recover damages pursuant to chapter 19.86 31 RCW.
- 32 <u>NEW SECTION.</u> **Sec. 4.** Sections 1 through 3 of this act 33 constitute a new chapter in Title 19 RCW.

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p. 2 SSB 5469