OFFERED BY COUNCILORS SHARON DURKAN AND LIZ BREADON

CITY OF BOSTON
IN CITY COUNCIL

ORDER FOR A HEARING TO INVESTIGATE THE USE, IMPACT, AND POTENTIAL BAN OF ALGORITHMIC PRICE SETTING IN THE BOSTON RENTAL HOUSING MARKET

WHEREAS, The City of Boston continues to experience an acutely tight housing market, which has driven rents to rise rapidly, and its share of rent-burdened households exceeds the U.S. average; *and*

WHEREAS, Recent years have seen the emergence of revenue management software programs, often referred to as "algorithmic price-setting devices," which allow landlords to utilize non-public competitor data to set or recommend rental prices and occupancy levels, reducing market competition and contributing to rent increases; *and*

WHEREAS, The U.S. Department of Justice (DOJ) and eight state attorney generals filed a civil lawsuit on August 23, 2024 against a leading rental algorithmic software provider – RealPage – accusing the company of violating antitrust laws by fostering collusion and coordination among landlords by replacing competition with collective pricing strategies that inflate rents; *and*

WHEREAS, The DOJ lawsuit details how these algorithms use non-public data from landlords to generate rent recommendations, guide landlords to artificially inflate rents by limiting competition, and even suggest to landlords to maintain vacancies rather than reduce rent prices, which in totality exacerbates the housing affordability crisis; *and*

WHEREAS, Although the DOJ has since reached a proposed settlement with RealPage imposing certain restrictions on its software, this has not yet been approved by the courts and currently carries no binding legal effect on RealPage or other companies offering similar products; *and*

WHEREAS, Several jurisdictions have taken decisive action to prohibit algorithmic price setting practices in the rental housing market, including San Francisco, Philadelphia, Berkeley, Minneapolis, Seattle, and the states of New York and California; *and*

WHEREAS, The City of Boston has a vested interest in providing affordable and stable housing for its residents, and the use of algorithmic price-setting devices that rely

on non-public information runs counter to that interest; ***NOW, THEREFORE BE IT***

ORDERED: That the appropriate committee of the Boston City Council convenes a hearing to assess the use and impact of algorithmic price-setting tools in the City of Boston's rental housing market, and investigate the potential for an ordinance to be passed in Boston banning the use of non-public information driven algorithmic price setting in the rental housing market.

Filed on: January 23, 2026