



CHAPTER 2025-18

No. 263 AN ORDINANCE AMENDING CHAPTER 13, "HOUSING" OF THE PROVIDENCE CODE OF ORDINANCES TO ADD ARTICLE X - "PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES"

EFFECTIVE May 25, 2025

Be it ordained by the City of Providence:

WHEREAS, In recent years, several software programs, often referred to as "algorithmic devices," have threatened to destabilize rental housing markets in cities across the United States; and

WHEREAS, More and more landlords in large U.S. cities are now pooling their data and pricing decisions using such software; and

WHEREAS, The use of this software has contributed to double-digit rent increases, higher vacancy rates, and higher rates of eviction. It has distorted markets to the extent that rents and vacancy rates have increased simultaneously; and

WHEREAS, In Providence, the metro area experienced the highest year-over-year rent increase in the United States, with a 16.18% rise from March 2023 to March 2024, highlighting the urgency of addressing the role of algorithmic devices in exacerbating the housing crisis; and

WHEREAS, This ordinance prohibits the use of algorithmic devices for the purpose of setting rents on residential dwelling units in Providence, Rhode Island, to bring immediate relief to tenants and ensure that landlords are adhering to fair standards for setting rental rates.

Now Therefore, Be it ordained by the City of Providence:

Section 1. Chapter 13, "Housing", is hereby amended to add Article X, "PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES" as follows:

Article X. PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES.

Section 3-69 – Definitions.

Algorithmic device shall mean a product or service involving a system, software, or process using computation that: uses one or more algorithms to perform calculations; uses data concerning historical or contemporaneous prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

- (a) two or more real estate lessors;
- (b) Public databases;
- (c) A combination of public databases, or two or more real estate lessors;

that recommends rental prices, fees, rental terms, or occupancy levels to a landlord. "Algorithmic device" includes a product that incorporates an algorithmic device, but does not include (A) a report that publishes periodically, but not more frequently than monthly, existing rental data in an aggregated and anonymous manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (B) 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 state, the federal government, or other political subdivision.

Price coordination shall mean engaging in both of the following acts: (a) collecting historical or contemporaneous non-public competitor information concerning prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates of residential rental units from two or more real estate lessors, whether or not monetary or other valuable consideration is paid to acquire or collect such information, or information concerning such matters from a public database; and (b) recommending or suggesting rental prices, fees, rental terms, or occupancy levels to a real estate lessor based on such information when such recommendation involves the analysis or processing of such information using an algorithmic device. Price coordination does not include (i) providing information for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a governmental entity; or (ii) generation or use of any report, study, or presentation that provides existing rental data in an aggregated manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (iii) providing or using information for the purpose of conducting market research for project financing, for the purpose of conducting an appraisal, or for conducting research, testing, and training for software development.

Real estate lessor shall mean any individual, corporation, partnership, association, joint-stock company, trust, or unincorporated organization that owns or manages real property, or any agent thereof who leases or rents such property or any portion of such property as a residential unit.

Section 13-70 – Prohibited conduct.

- (a) No *real estate lessor* in the city shall engage in *price coordination* for residential rental units in the city, including through the sale, licensure, or provision of any service or product that involves *price coordination* of residential units.
- (b) No *real estate lessor* in the city shall enter an agreement with any other person to not compete with respect to rental pricing, fees, or any other rental term for residential rental units in the city.
- (c) No *real estate lessor* shall use, subscribe to, or contract or pay for, the services of another person if such services involve *price coordination* or otherwise encourage or facilitate an agreement with other persons to not compete with respect to any rental term for residential units in the city.
- (d) No *real estate lessor* shall use, subscribe to, contract or pay for, or otherwise provide anything of value for an *algorithmic device*.

Section 13-71 – Enforcement.

The city, through the city solicitor, may bring an action in any court of competent jurisdiction against any *real estate lessor* violating subsections (a), (b), or (c) of Section 13-70 of this article.

The city solicitor’s office shall work collaboratively with the Rhode Island Office of Attorney General to share information about violations of this section in order to aid the Attorney General’s prosecution under the Rhode Island Deceptive Trade Practices Act.

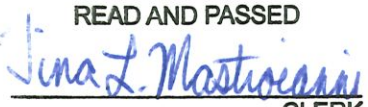
Section 13-72 – Penalties.



- (a) Any *property owner* found to be in violation of the provisions of this section may be subject to a civil penalty of up to five hundred dollars (\$500) per day per violation.
- (b) In the case of any successful action to enforce liability pursuant to this section, costs and attorney fees shall be awarded to the moving party to the extent allowed by law.

Section 13-73 – Severability.

If any section, subsection, paragraph, sentence, clause, phrase, or word contained in this article shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this article, which shall remain in full force and effect, and, to this end, the provisions of this article are hereby declared to be severable.

Section 2. The provisions of this ordinance shall be effective upon passage.

IN CITY COUNCIL
MAY 01 2025
FIRST READING
READ AND PASSED

CLERK

IN CITY COUNCIL
MAY 15 2025
FINAL READING
READ AND PASSED

RACHEL M. MILLER, PRESIDENT

CLERK

Effective without the
Mayor's Signature

Tina L. Mastroianni
City Clerk



May 1, 2025

Honorable Rachel Miller, President
Providence City Council
25 Dorrance Street
Providence, RI 02903

Dear Council President Miller and Members of the Providence City Council,

We're writing on behalf of Reclaim RI, a grassroots organization made up of tenants and working-class neighbors organizing across Rhode Island for housing justice. For the past five years, we've worked alongside legal advocates, unions, and community groups to better understand the housing crisis. Many of our members are renters who live and work in Providence and are your constituents. We've spent time on doorsteps, in meetings, and in conversation with people dealing with rising costs and instability.

Right now, Providence is seeing some of the sharpest rent hikes in the country. While some blame market forces, the truth is that powerful actors are distorting the market itself.

Algorithmic rent-setting software sold by companies like RealPage undermines market forces and lets landlords coordinate to raise rents instead of competing. These tools don't just react to supply and demand—they manipulate it. This software allows collusion as a service, by enabling disparate landlords to act as a cabal by pooling their data, calculating the maximum possible rent increases, and pushing each client to adopt its recommendation. To maximize prices, it will encourage landlords to hold units empty and discourage competitive pricing. This undermines fair competition and pushes tenants out. These practices have been extensively documented in both investigative reporting (see [ProPublica's excellent reporting](#), for instance) and in legal filings.

If these actions were taken in a smoke-filled back room, there would be no question they were wrong. Adding a technological gloss doesn't make them right. That is why the Department of Justice and eight state attorneys general are suing RealPage for enabling price-fixing. Two of the corporate landlords named in that lawsuit (Cushman & Wakefield and Willow Bridge) own and operate properties in Rhode Island.

The City Council is right to be acting on this. We thank Council President Rachel Miller for introducing this ordinance and the HOPE Committee for advancing it with a unanimous vote.

We have been paying attention and we see that RealPage has been as well. That's why they sent a lobbyist to City Hall to oppose this bill, someone who once served as City Solicitor. It's a clear example of how national corporations use political insiders to protect their profits and preserve the tools that are wreaking havoc on our housing market. But Providence residents aren't fooled. Their brazen attempt to influence local politics is why local action is so necessary.

Banning this software won't fix everything, but it will stop one of the most dangerous practices fueling rent hikes and displacement in our city. It's a targeted, commonsense measure. One that helps level the playing field for tenants and smaller landlords alike.

We urge you to vote yes. We'll be there on Thursday not just as advocates but as constituents, standing with many others who live and work in the city and who want to see real action to protect our homes and neighborhoods.

***In solidarity,
Reclaim RI***