

Senate Bill 318

By: Senators Merritt of the 9th, Islam Parkes of the 7th, Mallow of the 2nd, Jones II of the 22nd, Harrell of the 40th and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 13 of the Official Code of Georgia Annotated, relating to illegal  
2 and void contracts generally, so as to prohibit certain agreements involving parallel pricing  
3 coordination as unenforceable contracts in general restraint of trade with respect to  
4 residential rental properties; to provide for a civil penalty; to provide for educational  
5 materials informing residents in this state of the provisions of this Act; to provide for  
6 statutory construction; to provide for an effective date and applicability; to provide for  
7 related matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 8 of Title 13 of the Official Code of Georgia Annotated, relating to illegal and void  
11 contracts generally, is amended by adding a new Code section to read as follows:

12 "13-8-5.

13 (a) As used in this Code section, the term:

14 (1) 'Agreement' means any contract, combination, or other agreement, whether verbal or  
15 written.

16 (2) 'Coordinating function' means:

17 (A) Collecting historical or contemporaneous rental prices, supply levels, or rental  
18 agreement termination and renewal dates of residential properties from two or more  
19 landlords;

20 (B) Analyzing or processing the information described in subparagraph (A) of this  
21 paragraph through the use of a system, software, or process, including, but not limited  
22 to, a computational process that uses machine learning or other artificial intelligence  
23 techniques; and

24 (C) Recommending rental prices, rental agreement renewal terms, or ideal occupancy  
25 levels to a landlord.

26 (3) 'Coordinator' means an individual who uses or causes to be used a system, software,  
27 or process that performs a coordinating function for one or more landlords, including a  
28 landlord that is performing a coordinating function for the landlord's own benefit.

29 (4) 'Landlord' means the owner, lessor, or sublessor of a residential property or any  
30 person designated as an agent or representative of the owner, lessor, or sublessor,  
31 including, but not limited to, an agent, a resident manager, or a designated property  
32 manager.

33 (5) 'Parallel pricing coordination' means any agreement between two or more landlords  
34 to raise, lower, change, maintain, or otherwise manipulate the rental price of two or more  
35 residential properties.

36 (6) 'Person' means any individual, partnership, association, firm, public or private  
37 corporation, trust, or unincorporated organization. Such term shall include a coordinator  
38 or a landlord.

39 (7) 'Rental agreement' means any lease, rental, or other written agreement entered into  
40 by a landlord and a tenant in order for such tenant to lease, sublease, let, or accept a grant  
41 for consideration the right to possess and enjoy the use of a residential property.

42 (8) 'Rental price' means any consideration a tenant must pay in order to lease, sublease,  
43 let, or accept a grant of the right to possess and enjoy the use of a residential property  
44 either for a fixed time or at the will of the landlord.

45 (9) 'Residential property' means any building, structure, or portion thereof which is used  
46 or occupied as, or designed or intended for use or occupancy as, a residence.

47 (b) No person shall enter into, cause to be entered into, or perform a coordinating function  
48 in relation to an agreement involving parallel pricing coordination. Any such agreement  
49 shall be deemed an unenforceable contract in general restraint of trade as provided in Code  
50 Section 13-8-2, and any person that enters into, causes to be entered into, or performs a  
51 coordinating function in relation to the same shall be subject to a civil penalty of \$1,000.00  
52 per violation. The civil penalty provided for in this subsection shall be recoverable in a  
53 civil action brought in any court of competent jurisdiction by the Attorney General or any  
54 district attorney.

55 (c) The Department of Community Affairs shall develop and publish educational materials  
56 informing residents of this state of the provisions of this Code section.

57 (d) Nothing in this Code section shall be construed to apply to, impair, or otherwise  
58 prohibit actions taken by a person or any federal, state, or local governmental entity, or any  
59 official, employee, or agent thereof, while in the exercise or performance of any power or  
60 duty imposed by a federal or state affordable or low-income housing law, program, or  
61 initiative."

62 **SECTION 2.**

63 This Act shall become effective upon its approval by the Governor or upon its becoming law  
64 without such approval and shall apply to all agreements related to residential property  
65 entered into on or after such date and to all renewals, modifications, or extensions of such  
66 agreements entered into on or after such date.

67

**SECTION 3.**

68 All laws and parts of laws in conflict with this Act are repealed.