

Senate Bill 559

By: Senators Rahman of the 5th, James of the 28th, Jones II of the 22nd, Halpern of the 39th, Merritt of the 9th and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia  
2 Annotated, relating to the "Fair Business Practices Act of 1975," so as to prohibit any person  
3 from facilitating noncompete agreements between residential rental property owners or  
4 managers, including by use of algorithmic coordinating functions; to prohibit rental property  
5 owners or managers from setting or adjusting rental prices, lease renewal terms, occupancy  
6 levels, or other lease terms and conditions based on recommendations from software, data  
7 analytics service, or algorithmic devices; to provide for definitions; to provide for related  
8 matters; to provide an effective date and for applicability; to repeal conflicting laws; and for  
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, the  
13 relating to "Fair Business Practices Act of 1975," is amended by adding a new Code section  
14 to read as follows:

15 "10-1-393.22.

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

17 (1) 'Algorithm' means a computational process that uses a set of rules to define a  
18 sequence of operations.

19 (2) 'Algorithmic device' means any machine, device, computer program, or computer  
20 software that, on its own or with human assistance, performs a coordinating function.

21 (3) 'Coordinating function' means performing all of the following subfunctions;  
22 provided, however, that a product used for the purpose of establishing rent or income  
23 limits in accordance with an affordable housing program administered by a federal, state,  
24 or local government or other political subdivision of this state shall not be considered to  
25 be performing a coordinating function:

26 (A) Collecting historical or contemporaneous prices, supply levels, or lease or rental  
27 contract termination and renewal dates of residential dwelling units from two or more  
28 residential rental property owners or managers, provided that at least two such  
29 residential rental property owners or managers are not wholly owned subsidiaries of the  
30 same parent entity or otherwise owned or managed by the same residential rental  
31 property owner or manager;

32 (B) Analyzing or processing the information described in subparagraph (A) of this  
33 paragraph using a system, software, or process that uses computation, including by  
34 using such information to train an algorithm; and

35 (C) Recommending rental prices, lease renewal terms, occupancy levels, or other lease  
36 terms and conditions to a residential rental property owner or manager.

37 (4) 'Residential dwelling unit' means:

38 (A) A single-family dwelling, including attached structures such as porches and stoops;  
39 or

40 (B) A single-family dwelling unit in a structure that contains more than one separate  
41 residential dwelling unit, and in which each such unit is used or occupied, or intended  
42 to be used or occupied, in whole or in part, as the home or residence of one or more  
43 persons.

44 (5) 'Residential rental property owner or manager' means any individual or entity that  
45 owns or is a beneficial owner of, directly or indirectly, in whole or in part, or manages  
46 one or more residential dwelling units in this state.

47 (b) It shall be an unlawful, unfair, and deceptive trade practice for any person, firm, or  
48 corporation doing business in this state to knowingly or with reckless disregard facilitate  
49 an agreement between or among two or more residential rental property owners or  
50 managers to not compete with respect to the renting or leasing of residential dwelling units,  
51 including by operating or licensing a software, data analytics service, or algorithmic device  
52 that performs a coordinating function on behalf of or between and among such residential  
53 rental property owners or managers.

54 (c) It shall be considered an unlawful agreement in violation of this Code section for a  
55 residential rental property owner or manager to knowingly or with reckless disregard set  
56 or adjust rental prices, lease renewal terms, occupancy levels, or other lease terms and  
57 conditions in one or more of their residential rental properties based on recommendations  
58 from a software, data analytics service, or algorithmic device performing a coordinating  
59 function.

60 (d) Nothing in this Code section shall impair or limit the applicability of any other part of  
61 this article, Chapter 7 of Title 44, or any other state law."

62 **SECTION 2.**

63 This Act shall become effective on July 1, 2026, and shall apply to all contracts and other  
64 agreements entered into or that become effective on or after such date.

65 **SECTION 3.**

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