## HOUSE RESOLUTION

URGING THE ATTORNEY GENERAL TO INVESTIGATE THE EXTENT TO WHICH ALGORITHMIC PRICE-SETTING AND PRICE-FIXING PRACTICES ARE BEING USED IN THE STATE'S RENTAL HOUSING MARKET.

WHEREAS, Hawaii is experiencing an affordable housing crisis, with the highest median rent in the nation, placing a significant financial burden on residents; and

WHEREAS, data shows that more than half of renters in Hawaii are housing cost-burdened, meaning they spend more than thirty percent of their income on rent; and

WHEREAS, recent national reports suggest that landlords of residential rental housing may be using property management software to collude and artificially inflate rental prices, potentially contributing to the rising cost of housing in the State; and

WHEREAS, these property management software systems collect real-time pricing and lease information from landlords and use algorithms to recommend or set rental prices, which may reduce competition and lead to higher rents; and

WHEREAS, a leading property management software company in the United States has publicly stated that its software enables landlords to "outperform the market" by two to five percent, with a company executive suggesting that the software could be responsible for rent increases of up to 14.5 percent; and

WHEREAS, the use of algorithmic price-setting and potential price-fixing practices in the rental housing market may be exacerbating Hawaii's affordable housing crisis, warranting further investigation to determine the extent of these practices and their impact on rental prices; and

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WHEREAS, it is in the public interest to ensure that Hawaii's rental housing market remains competitive and free from anti-competitive practices that harm consumers; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirty-third Legislature of the State of Hawaii, Regular Session of 2025, that the Attorney General is urged to investigate the extent to which algorithmic price-setting and price-fixing practices are being used in the State's rental housing market, including but not limited to the:

(1) Use of property management software to collect and analyze rental pricing data;

(2) Role of algorithms in recommending or setting rental prices;

(3) Potential for collusion or anti-competitive behavior among rental property owners; and

(4) Impact of these practices on rental prices and housing affordability in Hawaii; and

BE IT FURTHER RESOLVED that the Attorney General is urged to submit a report of its findings and recommendations, including:

(1) An analysis of whether algorithmic price-setting and price-fixing practices are contributing to the increase in rental prices in the State;

(2) Recommendations for legislative or regulatory actions to address any anti-competitive practices identified; and

(3) Any other relevant information that may assist the Legislature in addressing the affordable housing crisis,

to the Legislature no later than twenty days prior to the convening of the Regular Session of 2026; and

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3 4 BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Attorney General.

OFFERED BY:

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