

HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR
HOUSE BILL 215

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

AN ACT

RELATING TO PROPERTY; ENACTING A NEW SECTION OF THE UNIFORM
OWNER-RESIDENT RELATIONS ACT; PROHIBITING THE USE OF ARTIFICIAL
INTELLIGENCE TO MANIPULATE RENT PRICING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Uniform Owner-Resident
Relations Act is enacted to read:

"[NEW MATERIAL] ARTIFICIAL INTELLIGENCE MANIPULATION OF
RENT PRICING.--

A. As used in this section:

(1) "consciously parallel pricing
coordination" means a tacit agreement between two or more
owners of separate properties to raise, lower, change, maintain
or manipulate pricing of rent for the separate properties;

(2) "coordinating function" means:

1 (a) collecting historical or
2 contemporaneous prices, supply levels or lease or rental
3 contract termination and renewal dates of dwelling units from
4 two or more rental property owners;

5 (b) analyzing or processing of the
6 information described in Subparagraph (a) of this paragraph
7 through use of a system, software or process that uses
8 computation, including by using the information to train an
9 algorithm; and

10 (c) recommending rent prices, lease
11 renewal terms or occupancy levels to an owner; and

12 (3) "coordinator" means a person who operates
13 a software or data analytics service that performs a
14 coordinating function for an owner, including a rental property
15 owner performing a coordinating function for the rental
16 property owner's own benefit. "Coordinator" does not include:

17 (a) a government entity that sets or
18 limits rent or sale prices in accordance with a rental price
19 restriction program; or

20 (b) a software or data analytics service
21 or entity that: 1) generates or uses any report that provides
22 rental data in an aggregated manner and does not recommend rent
23 prices, fees, occupancy rates or other rental contract terms
24 for future leases; or 2) provides or uses rental data for the
25 purpose of conducting research, statistics, testing or training

.230943.1

1 for software development.

2 B. It is unlawful for:

3 (1) an owner or an agent of an owner to
4 subscribe to, contract with or otherwise exchange a form of
5 consideration in return for the use of services of a
6 coordinator;

7 (2) a coordinator to facilitate an agreement
8 among owners of separate properties that restricts competition
9 with respect to residential dwelling units, including by
10 performing a coordinating function; or

11 (3) two or more rental property owners to
12 engage in consciously parallel pricing coordination."

13 - 3 -
14
15
16
17
18
19
20
21
22
23
24
25

underscoring material = new
~~[bracketed material] = delete~~