AMENDED IN COMMITTEE 7/28/2025 ORDINANCE NO. 169-25

FILE NO. 240796

[Administrative Code - Ban on Automated Rent-Setting] 1 2 3 Ordinance amending the Administrative Code to authorize tenant's rights organizations to enforce the prohibition against landlords' prohibit the sale or use of algorithmic 4 5 devices to set rents or manage occupancy levels for residential dwelling units located in San Francisco, and to authorize enforcement by tenants' rights organizations. 6 7 8 Unchanged Code text and uncodified text are in plain Arial font. NOTE: **Additions to Codes** are in *single-underline italics Times New Roman font*. 9 **Deletions to Codes** are in *strikethrough italies Times New Roman font*. Board amendment additions are in double-underlined Arial font. 10 Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code 11 subsections or parts of tables. 12 13 Be it ordained by the People of the City and County of San Francisco: 14 Section 1. Chapter 37 of the Administrative Code is hereby amended by revising 15 Section 37.10C, to read as follows: 16 SEC. 37.10C. USE AND SALE OF ALGORITHMIC DEVICES PROHIBITED. 17 (a) **Prohibition on Sale.** It shall be unlawful to sell, license, or otherwise provide to 18 San Francisco landlords any algorithmic device that sets, recommends, or advises on rents or 19 20 occupancy levels that may be achieved for residential dwelling units in San Francisco. 21 (b) **Prohibition on Use.** It shall be unlawful for a landlord to use an algorithmic 22 device described in subdivision (a) when setting rents or occupancy levels for residential

dwelling units in San Francisco. Each separate month that a violation exists or continues,

and each separate residential dwelling unit for which the landlord used the algorithmic device,

shall constitute a separate and distinct violation.

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(d) Remedies.

- (1) The City Attorney may file a civil action for violations of subsections (a) and/or (b), for damages, injunctive relief, restitution/return of illegal profits, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the City Attorney if the City Attorney is the prevailing party in such a civil action.
- (2) A tenant may file a civil action for violations of subsection (b), for injunctive relief, money damages, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the tenant if the tenant is the prevailing party in such a civil action. A lease provision that limits a prevailing tenant from obtaining attorneys' fees shall not be enforceable against a tenant's claim for attorneys' fees that arises under this subsection (d)(2).
- (3) A nonprofit organization with tax-exempt status under 26 United States

 Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco may also bring a civil action to enforce violations of subsection (b) and seek the remedies set forth in subsection (d)(2), including attorneys' fees and costs.

Section 2. Clarification Regarding Existing Text. This ordinance was duplicated from Board File No. 240766 in the Land Use and Transportation Committee on July 29, 2024. That ordinance was adopted by the Board of Supervisors on September 3, 2024, and took effect following approval by the Mayor as Ordinance No. 224-24. This ordinance now shows the amendments from the original file that became effective as existing text (consistent with the explanatory note immediately below the long title), does not show sections of the original file that are not being amended by this ordinance, including the uncodified Section 1 of that

ordinance, and shows the amendments to this ordinance approved in Committee as Board amendments.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: /s/
MANU PRADHAN
Deputy City Attorney
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City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Ordinance

File Number: 240796

Date Passed: September 02, 2025

Ordinance amending the Administrative Code to authorize tenant's rights organizations to enforce the prohibition against landlords' use of algorithmic devices to set rents or manage occupancy levels for residential dwelling units located in San Francisco.

July 29, 2024 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 29, 2024 Land Use and Transportation Committee - CONTINUED TO CALL OF THE CHAIR AS AMENDED

July 28, 2025 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 28, 2025 Land Use and Transportation Committee - RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

July 29, 2025 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

September 02, 2025 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

Daniel Lurie

Mayor

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/2/2025 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

9.5.2025

Date Approved