ASSEMBLY SCIENCE, INNOVATION AND TECHNOLOGY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5495

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 16, 2026

The Assembly Science, Innovation and Technology Committee reports favorably and with committee amendments Assembly Bill No. 5495.

As amended and reported, this bill regulates the use of automated tenant screening tools to evaluate prospective tenant applications.

Under the bill, an automated tenant screening tool means a machine-based system that, for a set of human-defined objectives provided by a landlord or individual acting on behalf of a landlord, has been developed as a tool to evaluate a prospective tenant's rental application.

The bill prohibits the sale, development, deployment, use, or offer for sale of an automated tenant screening tool unless:

(1) the automated tenant screening tool is the subject of a bias audit conducted in the past year prior to selling, deploying, using, or offering the automated tenant screening tool for sale;

(2) the sale of the automated tenant screening tool includes, at no additional cost, an annual bias audit service that provides the results of that audit to the purchaser and a written plan to monitor the implementation of the recommendations in the audit report;

(3) the automated tenant screening tool is sold, developed, deployed, used, or offered for sale with a notice stating that the automated tenant screening tool is subject to the provisions of this bill; and

(4) the developer of the automated tenant screening tool has implemented the recommendations of the most recent bias audit conducted and issued a press release announcing how the recommendations have been implemented.

The bill prohibits a landlord from inputting non-quantifiable metrics into the automated tenant screening tool, such as race, gender identity or expression, age, or disability.

The bill provides that any landlord who uses an automated tenant screening tool for the evaluation of rental applications is required to notify each prospective tenant in writing of the automated tenant screening tool's use in the evaluation process.

The bill establishes civil penalties for certain developers and landlords that do not comply with the provisions of the bill.

COMMITTEE AMENDMENTS:

The committee amended this bill to:

(1) remove language granting municipal courts jurisdiction to enforce civil actions under the bill; and

(2) make technical changes.