

# The Legislature Can Propose This Alternative to the Rent Control Ballot Initiative Scheduled for 2026

Current law already allows for rent stabilization.

Here's a White Paper on Chapter 40P Rent Stabilization.

It's a Practical Guide to Implementation.

We give a sample ordinance.

We give the sample Alternate Ballot Question text.



# Executive Summary

Let us be clear: **This is not real estate advocacy.** This is damage control. It is indisputable that we are in a housing crisis that is fast growing out of control. A ballot initiative for rent control is headed for a vote. If passed, this will expand the housing crisis to encompass municipal revenue. In the 1980s and early 90s, rent control like this reduced assessed values and municipal real estate tax revenue by 20%. It will happen again. **This white paper offers an alternative solution that could help everyone. But we need to act before it's too late.**

A cost-effective rent stabilization ordinance is already permissible under existing Massachusetts General Law Chapter 40P. This overlooked part of the law has been on the books for decades, but it's understandable that no municipality to date has enacted a rent stabilization program under Chapter 40P: The law is overly restrictive. We propose one deletion to enable adoption, in a way that preempts the ballot initiative.

Under a Chapter 40P ordinance, any city or town is permitted to enact anything from inflation-based stabilization to absolute rent freezes to protect our most vulnerable residents. Unlike recently proposed rent stabilization bills or the 2026 ballot initiative, housing providers support 40P because it contains a provision for compensation. And unlike rental assistance, where compensation may be costly for the public, the cost of rent stabilization begins small and increases only as market rents grow over time. Costs can be predictably controlled by enforcing the HUD fair market rents, inspections and rules limiting eligibility (cost burdened, seniors, facing eviction, etc.). This white paper provides a detailed review of the legal text and sample text for a municipal ordinance to enact rent stabilization under Chapter 40P. A recommendation is made to the legislature to facilitate adoption (single phrase deletion).

---

**Prepared for**

The Massachusetts General Court,  
State House,  
Boston

December 1, 2025

**Prepared by**

Douglas Quattrochi  
Executive Director  
MassLandlords, Inc. and team  
hello@masslandlords.net  
774-314-1896

**Funded by**

The 2,500 members of  
MassLandlords, Inc.  
a 501(c)6 nonprofit trade association  
whose mission is to create better  
rental housing in Massachusetts.

---

One Broadway, Floor 14, Cambridge, MA 02142-1187

---

# Contents

<b>Vision Statement .....</b>	<b>5</b>
<b>Dealing With the Post-Truth World.....</b>	<b>6</b>
<b>Background.....</b>	<b>7</b>
<b>Brief Analysis of the Ballot Question .....</b>	<b>8</b>
<b>Rent Stabilization Polls at 63% Approval .....</b>	<b>9</b>
<b>Analysis of Current Law, Chapter 40P .....</b>	<b>11</b>
Section 1: Title .....	11
Section 2: Purpose .....	11
Section 3: Definition of rent control .....	11
Section 4: General prohibition; exception.....	12
<b>Questions About 40P .....</b>	<b>14</b>
Why would a landlord voluntarily submit to rent stabilization under 40P? .....	14
What is market rent? .....	15
What would it mean to compensate owners? .....	17
<b>What Would 40P Stabilization Cost? .....</b>	<b>19</b>
Rent freeze for burdened households .....	19
Rent freeze for households facing eviction .....	20
Capped rent increases for burdened households.....	21
<b>How Would 40P Stabilization Be Funded? .....</b>	<b>21</b>
<b>How Would 40P Stabilization Work? .....</b>	<b>23</b>
Establishing the target demographic.....	23
Establishing the reporting and compensation system .....	23
<b>How 40P Stabilization Could Start.....</b>	<b>24</b>
What an opt-out system could look like .....	24
What an opt-in system could look like .....	24
<b>Rent Stabilization Ordinance Sample Text.....</b>	<b>26</b>
<b>Interpreting or Correcting the \$400 Limit .....</b>	<b>29</b>
Interpret the \$400 limit as “per” something less than a month.....	29
Strike the \$400 limit from the law via an alternative ballot question for 2026.....	30
<b>Likely Stakeholder Response .....</b>	<b>33</b>
Housing providers .....	33
Developers.....	33
Renters .....	34
Municipalities .....	34
The public .....	34
<b>Conclusion .....</b>	<b>34</b>



## Vision Statement

Advocates for rent stabilization have been calling for it for 30 years. It's past time we gave it to them, but in a way that does not have the harmful unintended consequences of every form of rent control recently proposed. Wouldn't it be wonderful:

- Renters including seniors, veterans and cost-burdened households know they can stay in their home.
- Housing providers know they can keep pace with rising costs and changing markets.

- Towns and cities maintain and grow their real estate tax revenue and maintain local control over how much rental stabilization they provide.
- Developers continue to contribute new housing supply at faster rates.
- The legislature can move on from rent stabilization and onto other topics, like mitigating and adapting our housing to climate change.
- Massachusetts is the best place to own and to rent!

***This vision is possible today.*** This white paper explains how.



Something has to be done to fix the housing crisis. We propose rent stabilization that benefits many, without hurting others.  
(Image License: Jon Tyson for Unsplash)

## Dealing With the Post-Truth World

It's hard to tell who's telling the truth these days. Red flags are people or organizations who don't admit evidence contrary to their opinion, who cherry-pick data, or who use inflammatory language.

Please read up on MassLandlords to decide for yourself whether we are telling the truth. Just because we are industry representatives does not mean we are lying. The evidence in favor of rent stabilization is obvious: It's a godsend to renters who have an apartment. It hurts everyone else, though, to varying degrees.



Rent control helps those who are already in an apartment when it is enacted. It hurts everyone else and destroys municipal budgets. (Image License: Chris Rhoads for Unsplash)

To understand the full implications of a measure like the 2026 ballot initiative, it is imperative to read peer-reviewed scientific literature. We recommend two main papers:

- Loikkanen, Heikki A. On Availability Discrimination under Rent Control. Academy of Finland, Helsinki, Finland. *Scand. J. of Economics* 87 (3), 500 – 520, 1985.  
First paragraph in the conclusion: “As long as there are differences among observationally distinguishable tenant groups of importance to landlords, we can expect either price or availability discrimination. The latter becomes more relevant under rent control unless compensating differentials, through bribes (or ‘key money’), emerge.”
- Sims, David P. Out of control: What can we learn from the end of Massachusetts rent control?

First paragraph in the conclusion: “The sudden end of rent control in Massachusetts in 1995 provides a natural experiment to study the effects of rent control. My results indicate that the intuition presented in simple microeconomic models is correct. Rent control decreases the quantity of rental units supplied, as well as rent and unit maintenance. It also lengthens renter stays. In addition, some evidence suggests that rent control produces small spillover effects that decrease the rent of uncontrolled units in controlled areas.”

There is much more to read if you start looking. We encourage you to independently verify what we have written here.

## Background

As the housing crisis deepens, advocates of affordability have long called for policies to stabilize rents. Rent stabilization has been alternately enacted and repealed in Massachusetts throughout the last hundred years. For instance, Chapter 578 of the Acts of 1920 prohibited rent increases of more than 25% for most rentals. There was an appeal process for extenuating circumstances, like repairs. This law sunset in 1923. World War II saw rent freezes, repealed in 1946. Boston, Lynn, Somerville, Brookline and Cambridge all adopted rent control policies c. 1970. A statewide ballot initiative in 1994 ended local policies and enacted Chapter 40P. For more detail on the motivations behind the 1994 ballot initiative, see [RentControlHistory.com](http://RentControlHistory.com).

The law enacted in 1994 as Chapter 40P corrected the primary deficiency of prior rent control policies: They were unfunded. Housing was not free then, and it remains very expensive today, not just for residents, but also for housing operators. Under prior versions of rent stabilization, it was difficult or impossible to maintain buildings. Tens of thousands of buildings were underinvested, and hundreds were boarded up, so much so that Boston Mayor Raymond Flynn sent a team around to catalog the abandonment.

The same abandonment does not happen with rental assistance. For example, the federal Housing Choice Voucher Program (Section 8) has been running for over 90 years. Because it provides owners a good approximation of true market rent, housing providers can operate indefinitely. The benefit to renters with

Section 8 is enormous: For every \$1 spent on the program, society saves approximately \$1.20 in reduced emergency room visits, higher educational attainment for children and lower social services costs overall<sup>1</sup>.

This is what General Law Chapter 40P provides for. It turns rent stabilization into a form of rental assistance. Unlike other rental assistance, 40P costs only the amount of the unaffordable increase; the renter remains responsible for the majority of the rent.

We published an analysis of the ballot initiative online, including FAQ<sup>2</sup>. The main problem: **the ballot question will stop all forms of renovation.**



Massachusetts' history with rent control goes back to the 1920s. It has been instituted and repealed multiple times since. (Image: Public Domain)

<sup>1</sup> Carlson et al. The Benefits and Costs of the Section 8 Housing Subsidy Program: A Framework and First-Year Estimates. Institute for Research on Poverty Discussion Paper no. 1380-10. May 2010. <https://www.irp.wisc.edu/publications/dps/pdfs/dp138010.pdf>

<sup>2</sup> <https://masslandlords.net/rent-control-ballot-2026-content-and-analysis/>

## Brief Analysis of the Ballot Question

The 2026 ballot initiative will impose mandatory, statewide rent control. There is no municipal opt-in or opt-out. Rent can increase by either 5% or the consumer price index, whichever is lower, once per year. All rents are indexed to their value on Jan. 31, 2026, or if the premises are not rented, to their last rent up to five years ago.

If the ballot initiative as drafted had been enacted in 1970, rents today would be half of their present value, but costs would be the same.

There are exemptions for nonprofits, landlords who owner-occupy a four unit building or less, and addresses whose first certificate of occupancy is within the last 10 years.

Importantly, there is no allowance for renovation. Any renovation that would justify an increase of more than the inflation or 5%, whichever is lower, will not take place.

There is no provision for compensation to housing providers.

Altogether, this ballot initiative will create a system where rents cannot keep pace with the true cost of housing. Over time, properties will deteriorate. There will be no ability to renovate. Assessed values will fall in real dollar terms. Municipal tax revenue will fall as a result.

### The Current Ballot Initiative:

- One size fits all
- Most restrictive in country
- No renovation allowance
- No vacancy decontrol
- Base rents set well before election

Don't set Massachusetts up to fail!

Don't set our state up for failure! There are better ways to get rent stabilization. (Image License: derived Mark Olsen for Unsplash)

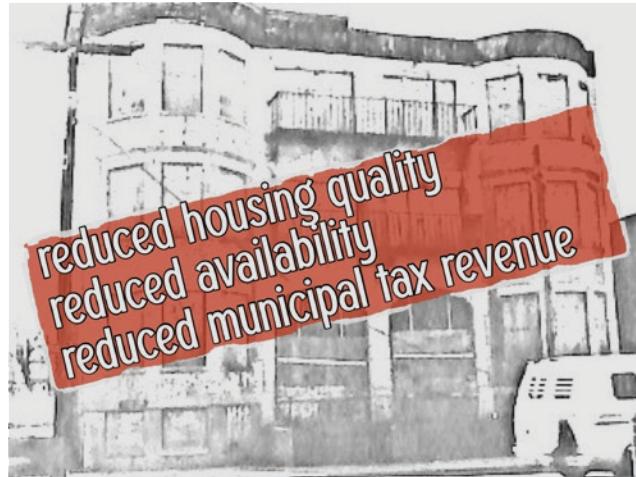


## Rent Stabilization Polls at 63% Approval

Suffolk University, an A- pollster per Nate Silver<sup>3</sup>, estimates that rent stabilization has a 63% favorable rating<sup>4</sup>.

If rent control goes to the ballot, it is likely to pass absent costly opposition. Voters are not being asked to discount rent control against other factors, like decreased housing quality. This is an extreme problem for the commonwealth. Rent control has unintended consequences, including reduced housing quality, reduced availability and decreased municipal funding, none of which will be obvious to voters.

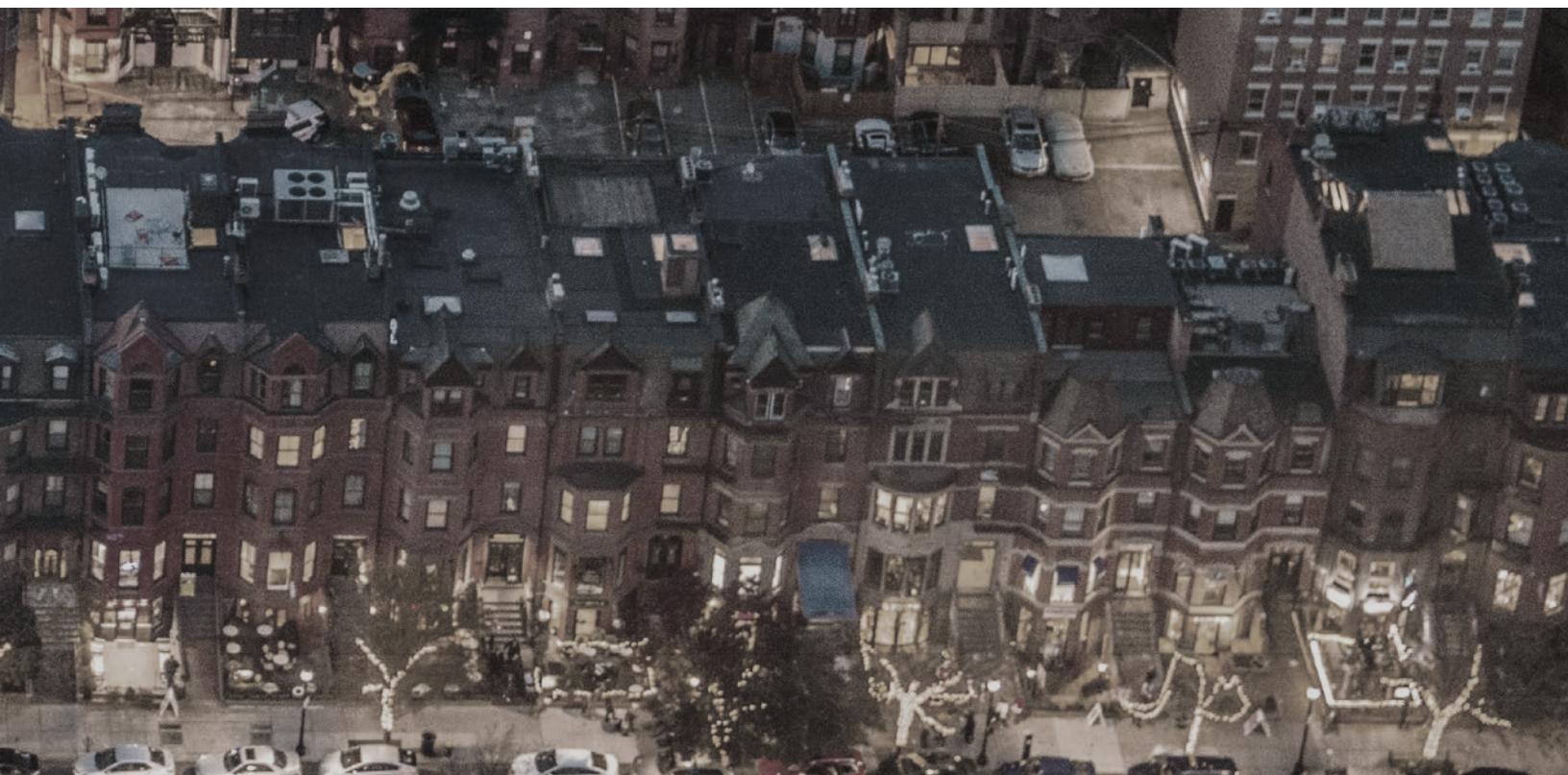
The problem can be addressed by action in 2026. An alternative ballot question can be proposed to take precedence and enact rent control without the unintended consequences. To understand, we have to understand the current law that permits rent control.



Rent control as proposed on the ballot will have the same unintended consequences it did last time. Modifying Chapter 40P provides a fair solution for everyone. (Image License: cc BY-SA 4.0 MassLandlords, Inc.)

<sup>3</sup> <https://www.natesilver.net/p/pollster-ratings-silver-bulletin>

<sup>4</sup> [https://www.suffolk.edu/-/media/suffolk/documents/academics/research-at-suffolk/suprc/polls/massachusetts2/2025/11\\_25\\_2025\\_massachusetts\\_tables\\_embargoed.pdf](https://www.suffolk.edu/-/media/suffolk/documents/academics/research-at-suffolk/suprc/polls/massachusetts2/2025/11_25_2025_massachusetts_tables_embargoed.pdf)





## Analysis of Current Law, Chapter 40P

The current law permitting rent control is broken into five sections.

### Section 1: Title

*This chapter shall be known as The Massachusetts Rent Control Prohibition Act.*

Massachusetts General Law Chapter 40P is titled “The Massachusetts Rent Control Prohibition Act.” It could not have been more unfortunately named. The act permits rent control statewide, provided it meets certain requirements.

### Section 2: Purpose

The intent of the law is to correct the unfair excesses of prior rent control regimes, particularly the one in Cambridge. The wording of the law is as follows:

*The purpose of this chapter is to establish a uniform statewide policy that broadly prohibits any regulatory scheme based upon or implementing rent control, except where, following an initial six month period, compliance with such a scheme is voluntary and uncoerced on the part of property owners. Even when voluntary, rent control should be severely restricted in scope. This policy is based on the belief that the public is best served by free market rental rates for residential properties and by unrestricted home ownership. The terms of this chapter shall be liberally construed to effect this purpose.*

Here we can read three restrictions intended to guide local policies:

1. The rent control or stabilization system should have an opt-in or opt-out mechanism. (More on what factors might incentivize an owner to participate below.)
2. Rent control or stabilization should be restricted in scope to rents. (More on what

other policies are out of bounds below.)

3. Rent control or stabilization should be viewed as a way to correct market failure, not as a replacement for market mechanisms. Thus, some measure of market feedback must be incorporated. (More on this below, as well.)

### Section 3: Definition of rent control

*Section 3. For purposes of this chapter, the words “rent control” shall mean:*

- (a) any regulation that in any way requires below-market rents for residential properties; and*
- (b) any regulation that is part of a regulatory scheme of rent control as defined in clause (a), including the regulation of occupancy, services, evictions, condominium conversion and the removal of properties from such rent control scheme; except that*
- (c) this definition does not include the regulation of, or agreements affecting, publicly owned housing, publicly subsidized housing, federally assisted housing, or mobile homes.*

Under 40P, it's clear that most ordinances named “rent stabilization” are in fact a form



Rent control, or rent stabilization? There can be differences, but under 40P, it's clear that most ordinances named “rent stabilization” are a form of “rent control.” (Image License: cc BY-SA 4.0 MassLandlords, Inc.)

of “rent control” under the law. Anything requiring below-market rent is a system of rent control. We will discuss further on what “market rent” means.

The scope of rent control is constrained to exclude certain matters.

### Occupancy

Rent stabilization cannot exercise choice over the renters to whom a rental housing operator rents.

### Services

Here the original intent remains unclear. Services could mean the utility service or amenity level provided by the housing operator. Or does it mean service of process? To be conservative in interpretation, a rent stabilization ordinance should not seek to specify whether utilities must be included in the rent, nor should it seek to change service of process.

### Evictions

A rent stabilization ordinance cannot supersede state law regarding access to the courts to resolve disputes.

### Condominium Conversion

A rent stabilization ordinance cannot supersede state law on condominium conversion; all buildings with four or more units are subject to General Law Chapter 183A<sup>5</sup>.

### Removal of Properties

A housing provider who previously was rent stabilized can opt out at any time. A rent stabilization ordinance cannot require any long-term behavior except what a housing provider may agree to via written lease with a renter.

## Section 4: General prohibition; exception

---

*Section 4. No city or town may enact, maintain or enforce rent control of any kind, except that any city or town that accepts this chapter may adopt rent control regulation that provides:*

---

Consistent with the rules of legislative drafting, the bill removes all ability to enact, maintain or enforce rent control except according to the following rules.

*(a) after six months from the date of the initial adoption of rent control regulation by a particular city or town, compliance on the part of property owners as to the rent control regulation or any subsequently adopted rent control regulation shall be entirely voluntary and uncoerced, and the property of a person or entity declining to have his or its property subjected to such regulation shall be wholly unaffected by any aspect of the rent control regulation or any subsequently adopted rent control regulation;*

---

Every town and city may enact mandatory rent control for a period of six months.

After six months, participation must be voluntary. There does not have to be an opt-in. An opt-out would be just as compliant.

An owner who opts out of rent control after the initial six-month stabilization period cannot be subject to any part of the rent control ordinances.

*(b) such regulation may not include the regulation of occupancy, services, evictions, condominium conversion or the removal of properties from such regulation, nor may such regulation apply to any rental unit that is owned by a person or entity owning less than ten rental units or that has a fair market rent exceeding \$400; and*

---

---

<sup>5</sup> <https://malegislature.gov/laws/generallaws/partii/titlei/chapter183a>



What's the difference between the ballot initiative and what we have? Chapter 40P is like rent control turned rental assistance, which is proven to work under programs like Section 8 and pandemic-era RAFT assistance. (Image License: cc BY-SA 4.0 MassLandlords, Inc.)

As discussed above, the rent stabilization ordinance cannot modify a housing provider's choice of occupants, services, evictions, condominium conversion or decision to opt out.

Further, rent stabilization exempts small housing providers. By this definition, it's any person or entity owning nine rental units or fewer<sup>6</sup>.

Finally, rent stabilization cannot be applied to any unit with a fair market rent exceeding \$400. "\$400 per what?" Presumably this was originally a monthly rent amount, but rents were more commonly weekly. We will discuss this limit below, and the possibility of flexible interpretation or the need for legislative change. If inflation-adjusted, this limit would be \$880.

*(c) a municipality adopting such regulation shall compensate owners of rent controlled units for each unit in the amount of the difference between the unit's fair market rent and the unit's below market, rent controlled rent, with such compensation coming from the municipality's general funds, so that the cost of any rent control shall be borne by all taxpayers of a municipality and not by the owners of regulated units only.*

A rent stabilization ordinance must make disbursements to compensate owners for the difference between the stabilized rent and the market rent. There cannot be a tax, fee or charge levied upon only rent stabilized housing providers specifically to pay for this compensation. There can be a general tax or other citywide mechanism.

<sup>6</sup> The academically rigorous definition of a small housing provider is one for whom the decision to evict is socially inflected (Gomory, "The Social and Institutional Contexts Underlying Landlords' Eviction Practices" 2022). A landlord may own their property through an LLC and still be a small landlord if they know their renters personally and wait longer to evict than a typical long-distance corporate landlord. A cut-off of 10 units is reasonable, regardless of owner-occupy status. Gomory used 15 units as a cut-off.

## Questions About 40P

The text of the legislation is mostly clear, but the primary question is why any housing provider would participate. Also, there are specific questions left unanswered for a city or town to decide.



New housing dropped off under rent control. When it was repealed, builders started building again. 40P allows renters to have affordable housing and doesn't curtail important development. (Image License: CDMA for Unsplash)

### Why would a landlord voluntarily submit to rent stabilization under 40P?

As we've seen above, rent stabilization must be opt-in, or at the very least opt-out. To assume no housing provider will participate gives housing providers too little credit and misunderstands the many factors influencing housing provider behavior besides purely economic incentives. Remember that at the start of the COVID-19 pandemic, Winn Residential was among the first to voluntarily self-impose an eviction moratorium on March 14, 2020<sup>7</sup>. Specific proponents of rent stabilization in general also proudly identify as landlords, including at least one who signed the 2026 ballot initiative.

Clearly there are some cases where housing providers will voluntarily participate in a rent stabilization scheme.

The strongest economic reason for a landlord to opt into rent stabilization is that Chapter 40P makes rent stabilization a form of rental assistance. Rental assistance is proven to stabilize households long-term and to reduce eviction for nonpayment. Most recently and dramatically, pandemic rental assistance reduced eviction filings by half and forced move-outs by 90%, even when the courts were open.

→ A landlord who participates in compensated rent stabilization under 40P can expect a lower risk of renter default on payment obligations, and therefore a better ability to operate long-term.

A town or city is free to adopt any number of additional non-coercive incentives to

---

<sup>7</sup> <https://www.boston.gov/news/partnership-announced-impose-moratorium-eviction-proceedings-boston-protect-residents>

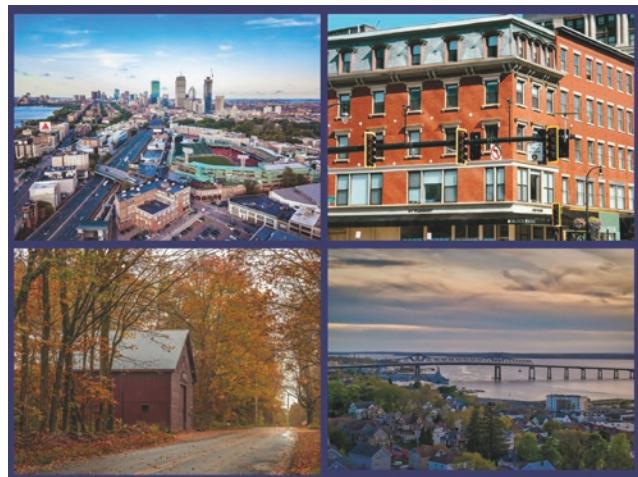
participate. These could range from weak to strong, and could appeal to reasoning based on economics, social context or public relations. A strong incentive would be tax credits above and beyond the mandatory compensation. A weaker incentive could be a favorable presence on a municipal website or at municipal events thanking housing providers that participate. Or perhaps the city or town could waive rental registry fees, or help landlords to maintain code compliance, or require participation to access municipal funding for lead remediation. Finally, there can be general public awareness campaigns that rent stabilization exists and renters in need can benefit when their landlord does “the right thing.”

Despite political rhetoric to the contrary, many housing providers take pride in their work. Two-thirds of all rental housing statewide is owned by small housing providers with local ties. Many housing providers are routinely moved to take hard luck cases, especially where the public backs the application with financial guarantees as under 40P.

It is worth pointing out that financial risk is one aspect of tenancy risk. Chapter 40P does not eliminate housing barriers in general. Landlords have an obligation to all residents to ensure that each resident follows community standards, including quiet hours, trash management and more. So while Chapter 40P is not a panacea, it goes a long way toward reducing risk to housing providers and would be voluntarily opted into.

## What is market rent?

Chapter 40P does not define “market rent.” Under a rent stabilization ordinance, it is difficult to determine the market rent for a unit. “Market rent” would be what someone would have paid had it not been for the ordinance. Here the world of rental assistance provides a guide.



Market rent will vary widely by ZIP code. HUD offers guidelines on pricing. (Image License: derived Unsplash)

The United States Department of Housing and Urban Development uses a public algorithm to look at a wide variety of rents by metropolitan statistical area or by ZIP code. These rents are further qualified by number of bedrooms. Then they are de-rated for separate utilities and the condition of the apartment, as seen during the most recent inspection. The statewide fair market rents for 2026 are published online<sup>8</sup> and reproduced in part here, for the metro areas. Note that ZIP code-based fair market rents can vary widely.

<sup>8</sup> [https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2026\\_code/2026state\\_summary.odn](https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2026_code/2026state_summary.odn)

### Final FY2026 Massachusetts FMR Metropolitan Area Summary

Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Amherst Town-Northampton, MA MSA	\$1,382	\$1,580	\$2,004	\$2,504	\$2,702
Barnstable Town, MA MSA	\$1,834	\$1,846	\$2,422	\$2,985	\$3,428
Berkshire County, MA (part) HUD Metro FMR Area	\$1,250	\$1,302	\$1,709	\$2,206	\$2,867
Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area	\$2,359	\$2,476	\$2,941	\$3,526	\$3,894
Brockton, MA HUD Metro FMR Area	\$1,631	\$1,761	\$2,311	\$2,889	\$3,060
Eastern Worcester County, MA HUD Metro FMR Area	\$1,493	\$1,651	\$2,166	\$3,012	\$3,380
Easton-Raynham, MA HUD Metro FMR Area	\$1,931	\$1,943	\$2,550	\$3,057	\$3,679
Fitchburg-Leominster, MA HUD Metro FMR Area	\$1,206	\$1,410	\$1,749	\$2,247	\$2,637
Lawrence, MA-NH HUD Metro FMR Area	\$1,565	\$1,730	\$2,270	\$2,722	\$3,006
Lowell, MA HUD Metro FMR Area	\$1,621	\$1,792	\$2,351	\$2,819	\$3,113
New Bedford, MA HUD Metro FMR Area	\$1,203	\$1,230	\$1,527	\$1,831	\$2,289
Pittsfield, MA HUD Metro FMR Area	\$1,245	\$1,269	\$1,626	\$2,109	\$2,577
Providence-Fall River, RI-MA HUD Metro FMR Area	\$1,318	\$1,402	\$1,729	\$2,087	\$2,480
Springfield, MA MSA	\$1,219	\$1,382	\$1,734	\$2,127	\$2,296
Taunton-Mansfield-Norton, MA HUD Metro FMR Area	\$1,433	\$1,584	\$2,078	\$2,562	\$2,751
Western Worcester County, MA HUD Metro FMR Area	\$1,096	\$1,200	\$1,532	\$2,131	\$2,570
Worcester, MA HUD Metro FMR Area	\$1,588	\$1,599	\$2,056	\$2,548	\$2,825

A city or town would be well justified in adopting one of the HUD fair market rents above, or one of the small area fair market rents listed online (too numerous to include here).

A crucial component of fair market rent not obvious in the chart above is apartment age or quality. Section 8 inspectors are trained to evaluate apartments on a letter grade scale, where "A" is first-rate or new, and "C" includes aesthetically undesirable but still functional fixtures like avocado green, Mamie pink or harvest gold bathtubs. Enforcing fair market rents therefore requires an on-site inspection to verify bedroom count and age of the unit at a minimum. Additionally, the unit should be verified to meet the minimum standards of habitation called for in 105 CMR 410.

## What would it mean to compensate owners?

Chapter 40P leaves it up to the town. Compensation can take a number of forms. For instance, it could be a direct deposit, a check, or a credit on real estate tax owed.

Compensation can require any amount of paperwork. For example, it would be entirely consistent with the law to require a rent stabilized owner provide a form W-9 Request for Taxpayer Identification, to register their rental agreements with the city or the registrar of deeds, and to maintain their contact information in a rental registry.

The frequency of compensation is entirely up to the town to decide. If the compensation is intended to stabilize housing providers as well as renters, then it could be in the form of a monthly ACH transfer. If it's a tax credit, it could appear on the quarterly bill. If it's part of an annual filing, that would be okay, too.





## What Would 40P Stabilization Cost?

In the rest of this white paper, we will use the city of Somerville as our hypothetical municipality. Somerville is a city whose legislators consistently sponsor or co-sponsor legislation for rent stabilization. It has a large renter population. We can place the costs in the context of a well-developed municipal budget for comparison's sake. The analysis applies to Boston, Cambridge, Northampton or any other city or town. Bear in mind that implementation may fall to another department if the town lacks an office of housing stability.

Let's assume Somerville is effective at incentivizing owners to participate, discussed above and later on with specific proposals for communications to owners.

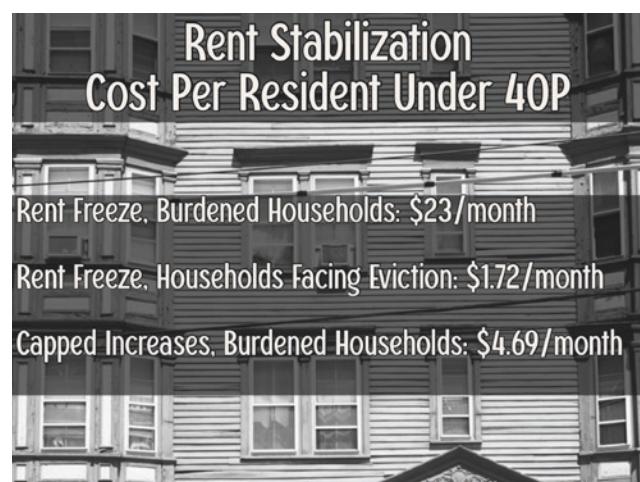
According to the Fiscal Year 2026 projection, Somerville is set to expend \$380 million<sup>9</sup> on total municipal outlays. According to the Massachusetts Department of Revenue parcel counts, Somerville has 19,452 parcels, of which 19,045 are not exempt. Somerville's 2020 census population was 81,045. These figures provide context.

### Rent freeze for burdened households

According to data from the Metropolitan Area Planning Council<sup>10</sup>, Somerville has 8,073 renter households that are cost burdened (something like one in five households). According to the 2024 rental market report by Boston Pads<sup>11</sup>, average asking rent was \$3,663. (HUD fair market rents are between \$3,526 and \$3,894 for a three- or four-bedroom.)

Assume these cost-burdened households pay market rent, and that the market-driven rent increase would be 5% next year but for rent stabilization. Eight thousand households paying average rent receiving a 5% increase would be asked to pay an additional \$18 million in rent over the next year. (Bear in mind 92% of this rental income will be re-spent on mortgage debt, insurance, real estate taxes, utilities, repairs and maintenance<sup>12</sup>.)

Somerville could impose a mandatory rent freeze for six months, after which we can assume substantially all owners will be incentivized to remain in the system (i.e., will not opt out). Remember 40P is fully compensated.



This image shows how much each non-burdened resident in Somerville would have to pay under different stabilization scenarios. The monthly cost to is equal to or less than other municipal budget obligations. (Image License: derived Unsplash)

<sup>9</sup> <https://city-somerville-ma-budget-book.cleargov.com/19991/fund-summaries/expenditure-table>

<sup>10</sup> <http://www.housing.ma/somerville/profile>

<sup>11</sup> <https://bostonpads.com/boston-rental-market/2024-somerville-apartment-rental-market-report/>

<sup>12</sup> <https://naahq.org/massachusetts-where-does-1-rent-go>

The total cost of a mandatory six-month rent freeze for the city, followed by few opt-outs for the next six months, would amount to 5% of municipal budget. This is a large figure, but nonetheless smaller than the total budget increase awarded to Somerville public schools (\$22 million between FY23 and FY24).

The point is not that schools do not deserve funding. The point is that it is well within the city's ability to do any amount of rent stabilization up to and including an absolute rent freeze for burdened households.

The initial cost of a city-wide rent freeze per non-rent burdened resident would be \$23 per month (the cost of a pizza). The rent freeze could be temporary, lasting only as long as is necessary for additional housing to come online.

Additional demographic targeting and partial stabilization would further reduce the total outlay. For example, we can consider just those households facing eviction.

### Rent freeze for households facing eviction

In 2024, 601 Somerville households were facing eviction<sup>13</sup>. Somerville knows of each and every eviction as it happens, thanks to the required end of tenancy notice<sup>14</sup>. Assume the same average rents as before and the same 5% market rent increase. The total cost of a rent freeze for these households would be \$1,321,000 per year. For context, this is half of the total ordinary maintenance expense forecast for FY26 for the Office of Strategic Planning and Community Development, in which Housing Stability is one department.

**1 in 5 Somerville renter households are cost-burdened.**



There are more than 8,000 cost-burdened renter households in Somerville, where the average asking rent in 2024 was \$3,663. (Image License: derived Ethan Hansen for Unsplash)

This is not to say ordinary maintenance expenses are unnecessary. The point is that rent freezes for all households facing eviction are well within the city's ability.

Rent freezes are obviously the most expensive option of rent stabilization. The program could instead impose a cap on increases for all housing. Or the city could reserve rent freezes for specific groups. For instance, the program could aim to benefit: residents over the age of 80, families with special needs children, cost-burdened households, households with limited English proficiency, and more.

The initial cost of a rent freeze for households facing eviction, per non-rent burdened resident, would be \$1.72 per month. Once more, the rent freeze could be temporary, lasting only as long as is necessary for additional housing to come online.

---

<sup>13</sup> <https://masslandlords.net/policy/eviction-data/filings-year-ending-2024-12-31/>

<sup>14</sup> <https://www.somervillema.gov/departments/office-strategic-planning-and-community-development-ospcd/office-housing-stability>

## Capped rent increases for burdened households

Somerville's ordinance could permit rent increases according to inflation (we'll specify the Consumer Price Index for Urban Workers, CPI-U). Any increase in excess of this amount could be covered.

Suppose the fair market rent increases 5% in a year when inflation per the CPI-U is only 4%. (Remember, inflation is a global metric and housing costs are not guaranteed to stay at or below inflation.) Somerville's

ordinance could cap the increase at 4% for rent-burdened households. The 1% stabilization benefit would cost \$3.6 million. Unlike frequently proposed alternative policies, Chapter 40P ensures that all rent stabilization, no matter how large or small, has no impact on the housing market. All impacts are compensated for by the city.

The initial cost of this city-wide CPI cap in a year where market rates exceed CPI, per non-rent burdened resident, would be \$4.69 per month.

## How Would 40P Stabilization Be Funded?

Rent stabilization isn't free no matter what form it takes. If an attempt is made to put the costs on housing providers, as in the ballot initiative, then assessed values and municipal tax revenue go down anyway.

The Community Preservation Act provides one mechanism for funding. It permits

CPA funds to be used for rental assistance provided the target demographic is less than 100% of area median income. As we outline here, rent stabilization under Chapter 40P is a form of rental assistance. A town can also appropriate from the general fund, as for any other social service.





## How Would 40P Stabilization Work?

### Establishing the target demographic

A primary failing of prior rent stabilization ordinances in Massachusetts has been misallocation, that is to say, rent stabilized apartments went to residents who did not need them. Under 40P, the municipality is at total liberty to target eligibility. For instance, the rent stabilization system could target residents who are at or below area median income who are not assisted by permanent rental assistance like Section 8. Or rent stabilization could be available to any resident over the age of 60, or a combination of the above. Any policy consistent with the goal of affording equal housing opportunity without regard to protected class status (without discrimination) would be permissible.

### Establishing the reporting and compensation system

Here again the town is at complete liberty to implement whatever town administrators find best. The recommendation would be to use existing payment/credit channels, like real estate taxes, to prevent the need for additional payments to be made.

The difference between market rent and the stabilized rent must be dollar-for-dollar reimbursed. This requires participating owners to provide truthful information on rental agreement start and end dates, as well as amounts. Reporting could be under the pains and penalties of perjury. The information could be due well in advance of the next tax bill. The reimbursement on a tax bill could be for prior periods. There is no requirement that the reimbursement due under 40P be issued on any particular schedule, so long as it is reimbursed in a way that sustains the housing provider's ability to operate.



Rent stabilization need not be all or nothing. Cities and towns can decide who is eligible to receive assistance, making sure their most vulnerable population are served. (Image License: Jakub Zerdzicki for Unsplash)

## How 40P Stabilization Could Start

There are two options here. A municipality could choose an opt-out or an opt-in system.

### What an opt-out system could look like

Under the six-month provision in Chapter 40P, a town or city could enact mandatory, city-wide rent stabilization on all rental housing. It could provide a mechanism to opt out, and to turn this on six months after adoption.

Because the system requires compensation, the town must adopt a measure of fair market rents early, set the stabilized rent at a level that is financially viable for the town, and prepare to issue reimbursements according to the forecast difference between stabilized and actual.

Pros:

- All rental housing will be placed under stabilization immediately.
- Because of the nature of opt-outs, fewer people will opt out than would have opted in. As a result, more units will be stabilized long-term.

Cons:

- Given a fixed amount of funding, the amount of rent stabilization offered on a per-apartment basis would be smaller than if it were rolled out slowly and for specific demographics.

The initial adoption of rent stabilization could be targeted, for instance, only to seniors or veterans at first. This would subject all units presently with a senior or veteran residing therein to rent stabilization, and it would be up to the owner to opt out. This would stretch the municipal budget further, on a per-apartment basis, and still provide long-term stabilization.

### What an opt-in system could look like

Imagine a rental housing provider in Somerville approves a rental application from Sally Senior. Sally presents the landlord with a pamphlet from Somerville (which she picked up at the senior center) informing the landlord of the rent stabilization ordinance and requesting her participation.

### The Opt-Out System

- ✓ All housing immediately stabilized.
- ✓ More units stabilized long-term.
- ✗ Smaller stabilization amounts compared to slow roll-out.

An opt-out system stabilizes all units immediately, but stabilization amounts may be smaller. (Image License: derived Jane Sorensen for Unsplash)

### The Opt-In System

1. Renter registers address with the city.
2. City contacts the landlord, encouraging opt-in.
3. If successful, stabilization starts with next lease renewal.

An opt-in system could let eligible renters know about the possibility of rent stabilization, and include landlord outreach initiatives. (Image License: derived Jane Sorensen for Unsplash)

Dear Housing Provider,

Great news! Your new renter meets our eligibility requirement to participate in our rent stabilization program. The City of Somerville strongly encourages you to enroll your renter in this program at your earliest convenience.

Under the City of Somerville Rent Stabilization Program, if you need to raise the rent in the future, simply notify us and the city will cover the rent increase while your renter pays their current rent. This offer is valid as long as the rent remains at or below fair market rent, your increase is not in excess of our allowable increase, and you continue to meet your obligations under the state sanitary code to provide safe housing. The form of reimbursement will be a tax credit equal to the amount of the increase for each month your renter resides in the unit.

This program is voluntary, but it has been shown to decrease the likelihood of eviction for nonpayment.

Plus, it comes with special perks: We will waive registration fees on our rental registry! Also, we will thank you publicly on our website.

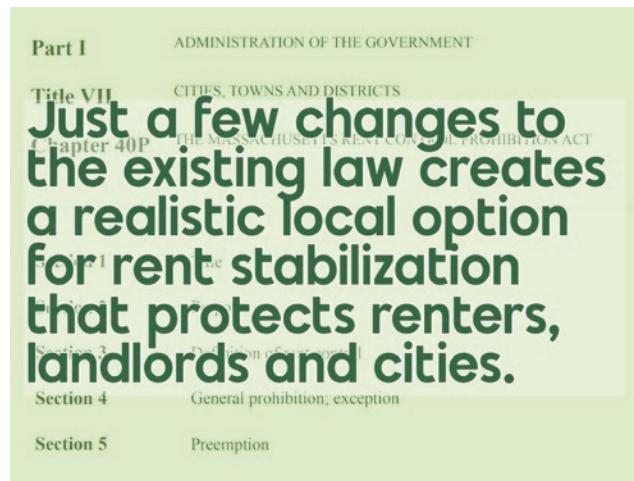
For as long as your renter resides in your unit, this rent stabilization program will be available to help them make sure you get paid. You will be able to opt out at any time. If you have any questions, you can contact the Somerville Office of Housing Stability. You can enroll online at [somervillema.gov/stability](http://somervillema.gov/stability).

Sincerely,  
<Insert Official's Name Here>

Under 40P, the renter is free to register themselves and their new address with Somerville, even if the landlord does not immediately opt in, so that the city can follow up with the landlord. Under 40P, the city is free to include notice of the rent stabilization program in every tax bill, in every water

bill, via direct mail, or by any other means of encouraging adoption. Because rent stabilization will not become necessary prior to the next rent increase, the city will have on average a year (a typical lease duration) to enroll the landlord.

## Rent Stabilization Ordinance Sample Text



The existing law doesn't need to be deleted to provide rent stabilization to those who need it most. It just needs some updating. (Image License: cc BY-SA 4.0 MassLandlords, Inc.)

### The Rent Stabilization Act

Be it ordained by the (governing body) of the (municipality name), in session assembled, that the Code of Ordinances is hereby amended by adding the following new provisions to Chapter \_\_\_\_\_ Housing:

#### ARTICLE \_\_\_\_\_. RENT STABILIZATION

##### Sec. 1. Purpose.

The purpose of this Ordinance is to promote the housing stability of residents.

##### Sec. 2. Definitions.

“Applicable laws” means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders that have the effect of law, as well as all applicable final, non-appealable judicial opinions.

“Housing Provider” means the owner of record of a Residence liable for taxes if applicable or otherwise responsible for the conduct of the Residence.

“Lessor” means a Housing Provider, or their agent, assign or heir, that would enter into an agreement for Tenancy with a Tenant.

“Office” means the office of the City created to address the problem of displacement in the city, or any other subsequent or successor office or entity similarly empowered with like purpose or responsibility, or if no such office exists, the city office or entity with the closest corresponding purpose or responsibility.

“Residence” shall have the meaning of 105 CMR 410 Part II, the Minimum Standards of Fitness for Human Habitation.

“Dwelling Unit” shall have the meaning of 105 CMR 410 Part II, the Minimum Standards of Fitness for Human Habitation..

“Tenancy” means occupation or use of a dwelling unit under a written or verbal rental agreement.

“Tenant” means any person who inhabits or is entitled to inhabit a dwelling unit under a rental agreement.

##### Sec. 3. Applicability.

The provisions of this ordinance shall apply to all rental units and housing accommodations in the City, in whole or in part rented to a cost-burdened household.

Pursuant to General Law Chapter 40P, this Ordinance shall apply to all Dwelling Units with a market rent of less than \$400 per day or other limit as may be modified in the future.

The provisions of this ordinance shall not apply to rental units in any hospital, skilled nursing facility, health facility, or college dormitory.



There's no such thing as free housing. But a ballot initiative amending 40P would go a long way toward letting cost-burdened households breathe easier. (Image License: Sara Shute for Unsplash)

#### **Sec. 4. Six-Month Compulsory Rent Freeze.**

Pursuant to General Law Chapter 40P, for a period of six months following the effective date, no Lessor may sign a new rental agreement with any existing Tenant that is not at the same or lower rent as the prior Tenancy.

#### **Sec. 5. Opt Out.**

Beginning at the expiration of the six-month rent freeze in Section 4, a Housing Provider may opt out of rent stabilization for their Dwelling Units by notice to the City. A Housing Provider who opts out shall not be subject to this ordinance.

#### **Sec. 6. Rent Stabilization.**

Subject to appropriation, the Office shall implement a rent stabilization program consistent with General Law Chapter 40P.

The rent stabilization program shall limit rent increases on cost-burdened households to a rate commensurate with or lower than inflation as measured by the Consumer Price Index for Urban Workers, or other such index as the Office shall determine, provided

the same index is applied uniformly to all Housing Providers. Priority for eligibility shall be given to Tenancies in Dwelling Units where one or more Tenant is a senior or living with a disability.

The Office shall develop incentives and communications to Housing Providers subject to the rent freeze in Section 4 to encourage they not opt out of this Ordinance as to any or all of their Dwelling Units. The Office shall develop incentives and communications to new Housing Providers to opt into this Ordinance. Opting out or opting in shall be on a unit-by-unit basis, but bulk format communications of status changes shall be encouraged.

The Office shall communicate to the City Treasurer/Collector the amount of any compensation owed to a Housing Provider. The Treasurer shall credit the compensation due to the Housing Provider. In no circumstance shall compensation due be paid out except as a tax credit. In no circumstance shall compensation be paid out to a Lessor. The Office shall work with the Treasurer to utilize tax bills or other collections as a channel to reinforce desired opt-in/out behavior.

#### **Sec. 7. Housing Provider Restrictions.**

A Housing Provider regulated by this Ordinance shall register with the City all Tenancies in all Dwelling Units subject to this ordinance. The Housing Provider shall provide to the City the Dwelling Unit address and the contract amount of rent for that Tenancy, or if the Dwelling Unit is vacant, by stating so, all under the pains and penalties of perjury. The Housing Provider shall provide a copy of an inspection report for the Dwelling Unit produced by a third party in the prior 12 months, or if no such report is available, shall request an inspection by the City.



Changing the \$400 limit to “per day” would make nearly all housing in a city eligible to participate in rent stabilization.  
(Image License: Dan Dennis for Unsplash)

Every quarter thereafter, or on a different schedule as set by the Office not to exceed an interval of one year, a Housing Provider regulated under this Ordinance shall provide for each Rental Unit a true accounting of the start and end date for all Tenancies and of the rents charged.

**Sec. 7-285. Partial Invalidity.**

If any provision of this ordinance or application thereof is held to be invalid or in conflict with

Applicable Laws, this invalidity or conflict shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provisions or applications, and to this end, the provisions and applications of this ordinance are severable.

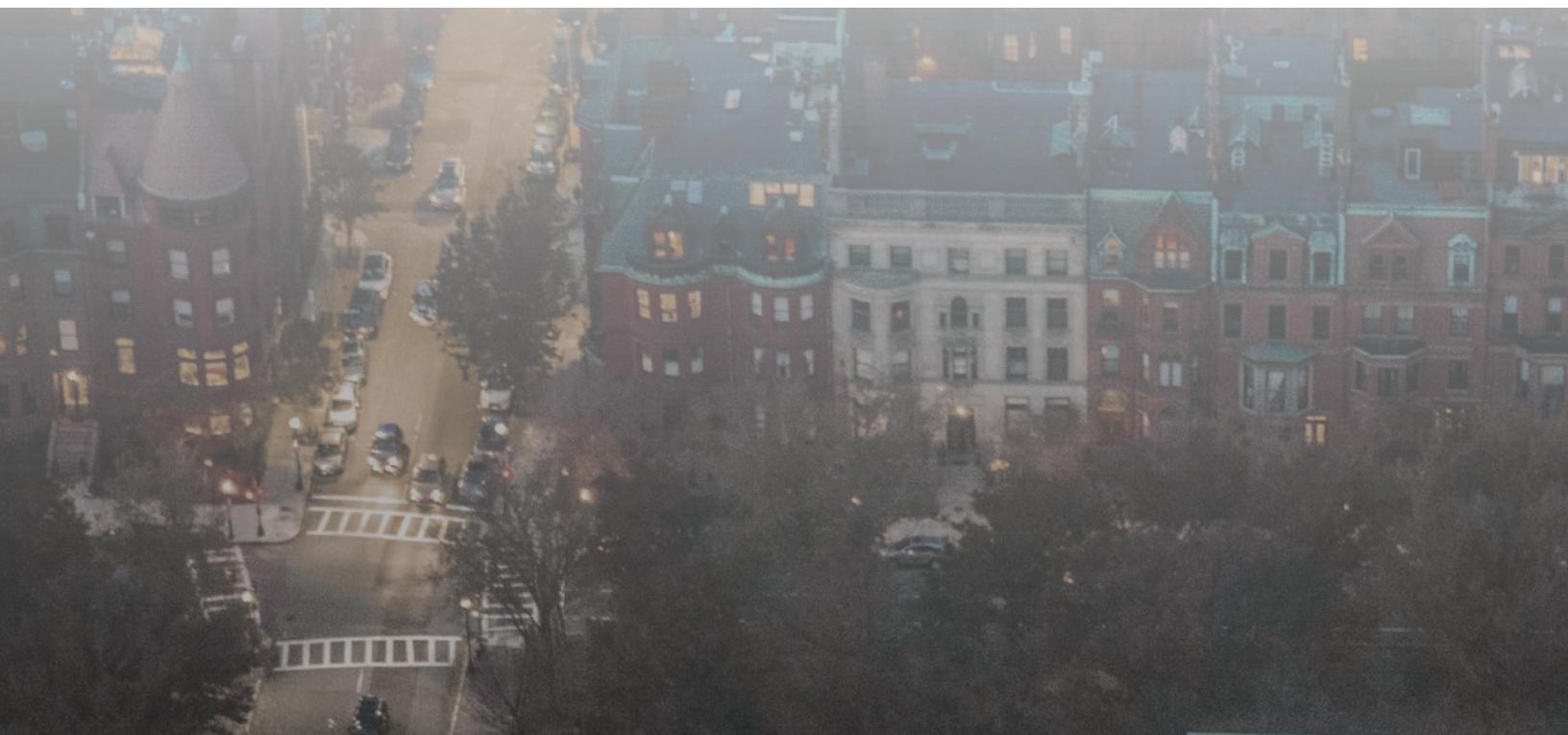
**Sec. 7-286. Enforcement.**

The provisions of this Ordinance shall be enforced by the Superintendent of Inspectional Services, and their duly authorized agents, officers and employees, by a noncriminal disposition pursuant to Massachusetts General Laws Chapter 40 Section 21D.

A Housing Provider or Tenant regulated by this Ordinance making an untrue statement to the City on any report due under this ordinance shall be subject to a fine of triple damages in accordance with the provisions of Code of Ordinances Section \_\_\_\_\_. The damages shall be assessed as additional real estate tax owed.

**Sec. 7-287. Effective Date.**

This Ordinance shall become effective 90 days after passage by the City Council.



## Interpreting or Correcting the \$400 Limit

As discussed above, Chapter 40P says rent stabilization cannot be applied to any unit with a market value of greater than \$400. It does not specify per which timeframe. There are two ways to approach this. Both ways benefit from knowledge that the \$400 limit is not necessary. Given that the system is fully compensated and uncoerced, very few, if any, property owners could be harmed by working around or deleting this one provision of Chapter 40P. Without harm, they could not bring a legal complaint for ignoring or reinterpreting the limit.

### Interpret the \$400 limit as “per” something less than a month.

If a municipality wanted to have rent control today, it could interpret the \$400 limit as a “per week” rent. This would be equivalent to a prohibition on rent stabilization for any unit with a market value of more than approximately \$1,720 per month. Inflation-adjusted, this would be approximately twice as high, or \$3,440 per month. The original intent was clearly that luxury apartments

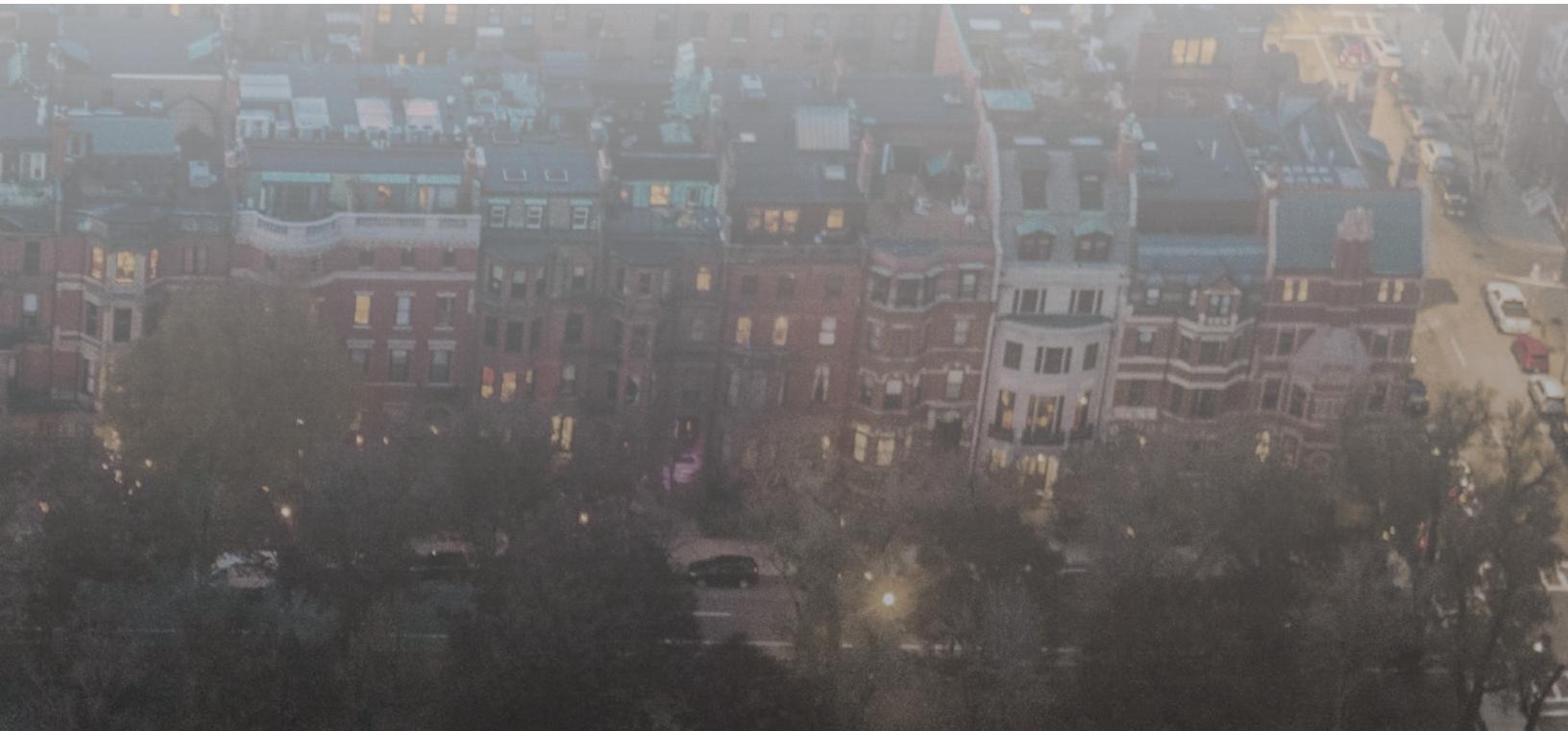
should be exempted. (Worse legal arguments have been made!)

A municipality could be even more aggressive, reasoning that the \$400 limit was on the smallest reasonable way to assess a residence, “per night.” This would permit the application of rent stabilization to any apartment worth less than approximately \$12,000 per month.

In other words, a loose interpretation would permit rent control to be applied broadly with immediate effect.

The chief obstacle to this interpretation is Section 2. It states, “Even when voluntary, rent control should be severely restricted in scope. ... The terms of this chapter shall be liberally construed to effect this purpose.”

Well, who would sue? As with anything in life, especially in this political climate, there is not always legal compliance without litigation to enforce it. If the rent stabilization system is compensated, then is any housing provider really going to litigate on philosophical grounds? Would they even



have standing to do so, having suffered no harm?

We have reviewed the rent control literature extensively and talked with those who fought to pass the text originally. This number is open to interpretation.

There is a better idea, discussed next.

### **Strike the \$400 limit from the law via an alternative ballot question for 2026.**

The legislature can specify that the overly restricted \$400 limit in Chapter 40P could be struck. Optionally, the small landlord provision could be struck as well. These two provisions would be the only provisions that need to be deleted to enable the form of rent stabilization detailed in this white paper.

Considering the timing, the correct way to do this is via alternative ballot question. This is a rarely used process made available in early 2026 only owing to our complex ballot process. Instead of modifying Chapter 40P by an act, the legislature instead has the power

under the state constitution, article XLVIII Part III Section 2, to propose an alternative ballot measure:

---

*The general court may, by resolution passed by yea and nay vote ... by the two houses separately... submit to the people a substitute for any measure introduced by initiative petition, such substitute to be designated on the ballot as the legislative substitute for such an initiative measure and to be grouped with it as an alternative therefor.*

---

As luck would have it, the rent control petition headed for the November 2026 ballot is related. It has gathered enough signatures and will be presented to the legislature in early 2026. We will call this the “signed ballot question” going forward. The legislature could enact the signed ballot question before November. Enactment would be inadvisable: As discussed above, the signed ballot question would delete Chapter 40P wholesale. It would enact a statewide, uncompensated rent control



A ballot initiative from the legislature would allow Massachusetts residents to vote for a rent stabilization plan that makes sense for every city and town. (Image License: Mark Riechers for Unsplash)

system. It would prevent renovations, reduce assessed values and weaken municipal tax bases far beyond anything contemplated under Chapter 40P. It would have additional unintended consequences, principally to renters seeking housing.

Instead of this, the legislature can resolve to present an alternative ballot question. This alternative ballot question would run alongside the signed ballot question on the November 2026 ballot. As it is a resolve of the legislature related to a current initiative petition, no signatures would be required; it would need simply a resolve of the legislature. If both rent control ballot questions pass (as polling predicts), only the legislature's version would be deemed approved by voters.

The following is sample alternative ballot text:

---

*Be it enacted by the People, and by their authority:*

*SECTION 1: Section 4(b) of Chapter 40P of the General Laws as appearing in the 2016 Official Edition is hereby amended by deleting the phrase “, nor may such regulation apply to any rental unit that is owned by a person or entity owning less than ten rental units or that has a fair market rent exceeding \$400”.*

*SECTION 2: This measure shall take priority over any other conflicting measure.*

---

To be doubly sure that the legislature's alternative ballot question is enacted, the resolve to propose the alternative ballot question (in addition to the alternative text itself) should specify that the legislature's changes to 40P are what would prevail should the voters approve both rent control ballot questions.

---

**To summarize: The legislature's alternative ballot question would be more stabilizing and less harmful than the signed ballot question.** You can give us a way to provide absolute price caps (something renter advocates have not dreamed of in recent memory) without harming housing providers, reducing assessed values or lowering municipal tax revenue.

MassLandlords cannot take credit for this genius idea. Many smart and wise people have contributed to housing policy over the years. Thank you.



## Likely Stakeholder Response

Enacting rent stabilization under Chapter 40P would be different. Human nature is to resist change. But ultimately this form of rent stabilization has the fewest unintended consequences for the most people. Most importantly, permitting actual stabilization up to and including rent freezes for certain demographics would address a decades-long source of policy strife, potentially permitting us all to move on to more pressing matters like climate change.

### Housing providers

Housing providers would likely be grumbly about rent control under Chapter 40P. There is already a substantial amount of compliance work involved in operating rental housing, from lead paint through security deposits to finding help repairing old buildings in a tight contractor market. The six-month mandatory rent stabilization period, if implemented as a rent freeze, could be traumatic. It may appear to harm certain senior housing providers with very definite timetables to exit. But short- and

long-term, the compensation system prevents financial harm and gives no actual or legal basis for complaint. Any reduction in value from a six-month mandatory stabilization, even if the building must be sold, would be entirely mitigated by the statutorily granted ability of the new owner to opt out.

Key points to remember in messaging to housing providers:

- All rent stabilization, including the six-month mandatory period, will be compensated to the extent rents are reasonable and the units meet code.
- The system is opt-out at any time.
- Rent stabilization has been shown to decrease the likelihood of nonpayment eviction over time.

### Developers

Developers would be as fine under Chapter 40P rent control as under any other version proposed in recent history. The rent stabilization system would be opt-in for any future owner. It would not even factor into the decision whether or not to invest. The predictable impact of Chapter 40P rent control on housing production is zero.

Key points to remember in messaging to developers:

- Development is strongly encouraged because rent control need cost the public only for as long as it takes new housing units to be built. We need more housing!
- Newly built properties will not be rent controlled unless the owner opts in to the program.
- Nothing in the rent control ordinance restricts development, imposes additional affordability requirements, or reduces condo conversion.



Some parties may be wary of changing 40P instead of voting for a statewide initiative. Others may be wary of any form of rent control. But this is the option that helps the most, and hurts nearly no one. (Image License: Tierra Mallorca for Unsplash)

## Renters

Renters ought to be supportive of the measure, as they have been supportive of rent stabilization in the past. There will be a constituency unaware of the real trade-offs involved in enacting a rent stabilization system who do not believe the public should be paying for it.

Key points to remember in messaging to renters:

- The town can choose to make rent stabilization as strict as it wants. Even absolute rent freezes are on the table.
- Rent stabilization can be targeted to demographics or neighborhoods most in need.
- Unlike alternative measures, the form of rent stabilization available under Chapter 40P is available now.

## Municipalities

Municipalities are free to choose their own path. Cities like Somerville and others will no doubt work hard to come up with rent stabilization systems that fit their goals. Other towns that have historically not endorsed rent control can continue as they have been.

Key points to remember in messaging to municipalities:

- The cost of a rent stabilization system is entirely within local control. The program can be sized up or down to fit local needs.
- The form of rent stabilization provided for under Chapter 40P has none of the unintended consequences. In particular, it is blight-free.
- It will be important to develop messaging to housing providers to retain and acquire enrolled housing providers. See talking points for housing providers above.

## The public

The public overall would benefit from a stabilization scheme that provides what renter advocates have been calling for without enacting any of the unintended consequences. It is already the case that too little funding is made available for public works. There is no need to limit rent increases statewide for all renters, regardless of renter need, when real estate taxes are a major contributor to local budgets.

We need this intervention.

---

## Conclusion

Rent stabilization under General Law Chapter 40P has not been implemented in the past because of its restriction on the dollar value of applicable units. That restriction is ready to be lifted by the legislature, who have the power to propose this one-phrase deletion as an alternative to existing proposals for rent stabilization. Once corrected in this way, any city or town will be permitted to enact anything from inflation-based stabilization to absolute rent freezes to protect its most vulnerable residents.

Unlike with the 2026 ballot initiative, which would delete Chapter 40P wholesale, housing providers support rent stabilization under a modified 40P because it contains a provision for compensation. The cost of this compensation is not zero, but it is well within the ability of a typical pro-rent stabilization community to afford it. In any case, rent stabilization could be a needed stopgap while we wait for new housing to be built at the required pace.

We strongly recommend the legislature take urgent action to put the alternative ballot text on the 2026 ballot as suggested.





Better Communities. Better Policy. Better Lives.