## A BILL FOR AN ACT

RELATING TO PROPERTY.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECT	ION 1. Section 515-2, Hawaii Revised Statutes, is
2	amended b	y adding a new definition to be appropriately inserted
3	and to re	ad as follows:
4	" <u>"Di</u>	scriminatory restrictive covenant" means any
5	restricti	ve covenant on real property which, if enforced, would
6	violate t	he:
7	(1)	Prohibition in the federal Fair Housing Act (42 U.S.C.
8		section 3601 et seq.) against discrimination on the
9		basis of race, color, sex, religion, familial status,
10		disability, or national origin;
11	(2)	Equal protection clause of the United States
12		Constitution, under Shelley v. Kraemer, 334 U.S. 1
13		(1948) (holding that the enforcement of a racially
14		restrictive covenant violated the equal protection
15		clause); or
16	(3)	Prohibition against discrimination on the basis of
17		race, sex, including gender identity or expression,

1	sexual orientation, color, religion, marital status,
2	familial status, ancestry, disability, age, or human
3	immunodeficiency virus infection."
4	SECTION 2. Section 515-6, Hawaii Revised Statutes, is
5	amended to read as follows:
6	"§515-6 Restrictive covenants and conditions. (a) Every
7	provision in an oral agreement or a written instrument relating
8	to real property that purports to forbid or restrict the
9	conveyance, encumbrance, occupancy, or lease thereof to
10	individuals because of race, sex, including gender identity or
11	expression, sexual orientation, color, religion, marital status,
12	familial status, ancestry, disability, age, or human
13	immunodeficiency virus infection, is void.
14	(b) Every condition, restriction, or prohibition,
15	including a right of entry or possibility of reverter, that
16	directly or indirectly limits the use or occupancy of real
17	property on the basis of race, sex, including gender identity or
18	expression, sexual orientation, color, religion, marital status,
19	familial status, ancestry, disability, age, or human
20	immunodeficiency virus infection is void, except a limitation,
21	on the basis of religion, on the use of real property held by a

•	refrigious inscreacion of organizacion of by a refrigious or
2	charitable organization operated, supervised, or controlled by
3	religious institution or organization, and used for religious o
4	charitable purposes.
5	(c) It is a discriminatory practice to insert in a writte
6	instrument relating to real property a provision that is void
7	under this section or to honor or attempt to honor [such a] the
8	provision in the chain of title.
9	(d) Any person who discovers a recorded discriminatory
10	restrictive covenant may:
11	(1) With the consent of all parties to a real estate
12	transaction, include in any deed, mortgage, or other
13	instrument filed for recording in connection with the
14	transaction a statement that the discriminatory
15	restrictive covenant is invalid and unenforceable; or
16	(2) Prepare and record a separate notice, cross-reference
17	to the discriminatory restrictive covenant, stating
18	that the discriminatory restrictive covenant is
19	invalid and unenforceable.
20	(e) The statement or notice described under subsection (d
21	shall be in a form substantially consistent with the following:

1	"The chain of title for the real property described		
2	herein contains a restrictive covenant that, if		
3	enforced, would discriminate against individuals based		
4	upon their race, color, sex, religion, familial		
5	status, disability, or national origin. The covenant		
6	is invalid, unenforceable, and antithetical to		
7	American values of justice and equal protection under		
8	the law."		
9	(f) A person who in good faith:		
10	(1) Prepares or causes to be prepared; or		
11	(2) Records or causes to be recorded;		
12	a statement or notice under subsection (d) shall be immune from		
13	liability for incorrectly stating that the restrictive covenant		
14	is discriminatory."		
15	SECTION 3. Statutory material to be repealed is bracketed		
16	and stricken. New statutory material is underscored.		
17	SECTION 4. This Act shall take effect on July 1, 2050.		

## Report Title:

Property; Discriminatory Restrictive Covenants; Invalid; Immunity

## Description:

Allows a person who discovers a recorded discriminatory restrictive covenant to take certain actions without liability, to invalidate the covenant. Defines discriminatory restrictive covenant. Effective 7/1/2050. (SD2)

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