THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1289 Session of 2023

INTRODUCED BY FLEMING, N. NELSON, VENKAT, MADDEN, PROBST, RABB, BURGOS, SMITH-WADE-EL, McANDREW, SCHLOSSBERG, SANCHEZ, ROZZI, WARREN, HILL-EVANS, FREEMAN, PARKER, MALAGARI, KRAJEWSKI, KINSEY, CERRATO, HANBIDGE, GREEN AND WEBSTER, JUNE 1, 2023

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 27, 2023

AN ACT

1 2 3 4	Amending Title 68 (Real and Personal Property) of the Pennsylvania Consolidated Statutes, in residential real property, providing for discharging REPUDIATION OF discriminatory real estate covenants.	<
5	The General Assembly of the Commonwealth of Pennsylvania	
6	hereby enacts as follows:	
7	Section 1. Title 68 of the Pennsylvania Consolidated	
8	Statutes is amended by adding a chapter to read:	
9	CHAPTER 74	
0	DISCHARGING REPUDIATION OF DISCRIMINATORY	<
1	REAL ESTATE COVENANTS	
.2	Sec.	
.3	7401. Scope of chapter.	
_4	7402. Definitions.	
. 5	7403. Nullification of existing unlawful restrictive covenants.	
- 6	7404. Discharge REPUDIATION of unlawful restrictive covenants.	<
_7	7405. Form for discharge REPUDIATION.	<

- 1 7406. Unlawful restrictive covenants in declarations of common
- 2 <u>interest ownership communities.</u>
- 3 7407. Unlawful restrictive covenants not in declarations of
- 4 <u>common interest ownership communities.</u>
- 5 § 7401. Scope of chapter.
- 6 This chapter relates to real estate covenants that
- 7 <u>discriminate against individuals.</u>
- 8 § 7402. Definitions.
- 9 The following words and phrases when used in this chapter
- 10 shall have the meanings given to them in this section unless the
- 11 <u>context clearly indicates otherwise:</u>
- 12 "Board." The executive board or board of directors of a
- 13 common interest ownership community.
- "Common interest ownership community." Includes:
- 15 (1) A condominium as defined in section 3103 (relating
- to definitions).
- 17 (2) A cooperative as defined in section 4103 (relating
- to definitions).
- 19 (3) A planned community as defined in section 5103
- 20 (relating to definitions).
- 21 "Department." The Department of Community and Economic
- 22 <u>Development of the Commonwealth.</u>
- 23 "Instrument." A deed, mortgage, declaration of restrictive
- 24 covenants, conditions or covenants, easement or other similar
- 25 document.
- 26 "Recorder." As follows:
- 27 (1) A county recorder of deeds or a county official or
- department responsible for the recording of documents in a
- 29 county without a recorder of deeds.
- 30 (2) The term includes the Philadelphia Department of

- 1 Records and the Allegheny County Department of Real Estate.
- 2 "Unlawful restrictive covenant." A covenant or other
- 3 provision that purports to restrict ownership or occupancy of
- 4 real property on the basis of one or more of the following:
- 5 (1) Race, color, ethnicity, national origin, religious
- 6 creed, sex, gender identity, sexual orientation, age, marital
- 7 status, familial status, citizenship or immigration status or
- 8 <u>any other status as those terms are defined in A PRACTICE OR</u> <--
- 9 <u>POLICY OF DISCRIMINATION AGAINST INDIVIDUALS OR GROUPS</u>
- 10 COVERED UNDER the act of October 27, 1955 (P.L.744, No.222),
- 11 <u>known as the Pennsylvania Human Relations Act, or 42 U.S.C.</u>
- 12 Ch. 45 (relating to fair housing) or which may hereafter
- become a protected class under Federal or State law.
- 14 (2) The presence of a sensory, mental or physical <--
- 15 disability or the use of a quide, service, assistance or
- 16 support animal as a reasonable accommodation for the user or
- 17 because the user is a handler or trainer of service, support,
- 18 <u>assistance or guide animals.</u> THE TERM DOES NOT INCLUDE A <
- 19 COVENANT OR RESTRICTION AFFIXED TO A PROPERTY BY A RELIGIOUS
- ORGANIZATION THAT PREVENTS THE USE OF THE PROPERTY FOR
- 21 PURPOSES THAT WOULD OFFEND THAT RELIGIOUS ORGANIZATION OR AN
- 22 AGE-BASED COVENANT OR RESTRICTION INTENDED TO CREATE A SENIOR
- 23 LIVING COMMUNITY.
- 24 § 7403. Nullification of existing unlawful restrictive
- covenants.
- 26 (a) Unenforceable covenants. -- An unlawful restrictive
- 27 covenant contained in an instrument affecting title to real
- 28 property, whether or not recorded, in this Commonwealth shall be
- 29 null, void and unenforceable ab initio without need for further
- 30 action by any person or recorder.

- 1 (b) Combined covenants. -- If an unlawful restrictive covenant
- 2 <u>is contained in an instrument affecting title to real property</u>
- 3 that also contains other covenants or provisions that are not an
- 4 <u>unlawful restrictive covenant</u>, the validity and enforceability
- 5 of the remaining covenants or provisions, as well as the
- 6 validity of the recorded instrument, shall not be affected by
- 7 the nullification, voiding and unenforceability of the unlawful
- 8 restrictive covenant.
- 9 § 7404. Discharge REPUDIATION of unlawful restrictive <--
- 10 <u>covenants.</u>
- 11 (a) Landowner discharge MAY FILE FORM. -- An owner of real_ <--
- 12 property, including a common interest ownership community, with
- 13 <u>an unlawful restrictive covenant recorded in the instrument may</u>
- 14 <u>file a form described in section 7405</u> (relating to form for
- 15 discharge REPUDIATION) with the recorder in the county where the <--

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- 16 <u>real property is located to repudiate the unlawful restrictive</u>
- 17 covenant from the instrument.
- 18 (b) Electronic filing. -- A form filed under subsection (a)
- 19 shall be in writing and may be filed electronically if the
- 20 county allows for electronic recording of deeds.
- 21 (c) Duty of recorder.--The recorder shall record the form
- 22 submitted under subsection (a) and, to the extent practicable, <--
- 23 <u>notate the indices to the records accordingly to reflect the</u>
- 24 invalidity of the unlawful restrictive covenant.
- 25 (d) Fees prohibited. -- A recorder may not assess a fee for
- 26 the filing of a form under this section.
- 27 (e) Separation of covenant from instrument.--When the form
- 28 submitted under subsection (a) is properly recorded, the removal <--
- 29 REPUDIATION of the unlawful restrictive covenant is effective
- 30 and does not affect the validity of the instrument. The

- 1 instrument shall be construed as if the unlawful restrictive
- 2 covenant was never contained in the instrument.
- 3 § 7405. Form for discharge REPUDIATION.
- 4 <u>(a) Development.--No later than 90 days after the effective</u>

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- 5 date of this section, the department shall develop and release a
- 6 standardized form for landowners or other persons with an
- 7 <u>interest in real property to file with the recorder to discharge <--</u>
- 8 REPUDIATE an unlawful restrictive covenant within the interested <--
- 9 person's instrument.
- 10 (b) Distribution.--No later than 30 days after the
- 11 <u>standardized form required in subsection (a) is approved in</u>
- 12 final form by the department, the department shall provide a
- 13 "Discharge REPUDIATION of Unlawful Restrictive Covenant" form to <--
- 14 <u>each recorder in this Commonwealth and publish the form on the</u>
- 15 <u>department's publicly accessible Internet website.</u>
- 16 § 7406. Unlawful restrictive covenants in declarations of
- 17 common interest ownership communities.
- 18 (a) Board vote for removal. -- Notwithstanding any other
- 19 provision of law, a board of a common interest ownership
- 20 community may, upon receipt of an opinion by independent legal
- 21 counsel, consider an unlawful restrictive covenant to be removed <--
- 22 as a corrective amendment REPUDIATED by a vote of a majority of <--
- 23 the members of the board and without further need for a vote by
- 24 unit owners or approval from lenders on individual units,
- 26 REPUDIATING the unlawful restrictive covenant.
- 27 (b) Unit owner request for removal REPUDIATION.--If a unit <--
- 28 owner in a common interest ownership community submits a written
- 29 request to the board for an amendment to the declaration to <-
- 30 remove TO REPUDIATE an unlawful restrictive covenant, the board <--

- 1 shall, no later than 90 days after receipt of the request, hold
- 2 a meeting to determine whether an unlawful restrictive covenant
- 3 exists and should be removed from the declaration by a <--
- 4 corrective amendment to the declaration REPUDIATED. If the board <--
- 5 finds that an unlawful restrictive covenant exists and should be
- 6 removed from the declaration by a corrective amendment to the <--
- 7 <u>declaration</u> REPUDIATED, the board shall take swift action to <--

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- 8 record the corrective amendment REPUDIATION FORM.
- 9 § 7407. Unlawful restrictive covenants not in declarations of
- 10 <u>common interest ownership communities.</u>
- 11 If an instrument in the chain of title to the common elements
- 12 in a condominium, in the common facilities or controlled
- 13 <u>facilities in a planned community or in the chain of title to a</u>
- 14 real estate cooperative includes an unlawful restrictive
- 15 <u>covenant</u>, the board may perform a landowner <u>discharge</u> <--
- 16 <u>REPUDIATION in accordance with section 7404 (relating to </u>
- 17 discharge REPUDIATION of unlawful restrictive covenants). <--
- 18 Section 2. This act shall take effect as follows:
- 19 (1) The following shall take effect immediately:
- 20 (i) The addition of 68 Pa.C.S. §§ 7402 and 7403.
- 21 (ii) This section.
- 22 (2) The remainder of this act shall take effect in 60
- days.