REVISOR

19-0734

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HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

EESSION H. F. No. 51

01/14/2019 Authored by Davnie, Lee, Wagenius, Loeffler, Hornstein and others The bill was read for the first time and referred to the Judiciary Finance and Civil Law Division

| 1.1 | A bill for an act |
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| 1.2 1.3 1.4 1.5 | relating to real property; providing a statutory form for making declarations about certain restrictive covenants that are prohibited under state and federal law; amending Minnesota Statutes 2018, section 507.18, subdivision 2, by adding subdivisions. |
| 1.6 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: |
| 1.7 | Section 1. Minnesota Statutes 2018, section 507.18, subdivision 2, is amended to read: |
| 1.8 | Subd. 2. Restriction only is void. Every provision referred to in subdivision 1 shall be |
| 1.9 | void, regardless of the year the written instrument was executed, but the instrument shall |
| 1.10 | have full force in all other respects and shall be construed as if no such provision were |
| 1.11 | contained therein. |
| 1.12 1.13 | Sec. 2. Minnesota Statutes 2018, section 507.18, is amended by adding a subdivision to read: |
| 1.10 | |
| 1.14 | Subd. 5. Discharge of restrictive covenants related to protected classes. The owner |
| 1.15 | of any real property may file the statutory form provided in this section in any county where |
| 1.16 | the property is located to remove a restrictive covenant related to a protected class |
| 1.17 | permanently from the title. This process may be used for properties in the abstract title |
| 1.18 | system. The removal of the restrictive covenant is valid and enforceable under the law of |
| 1.19 | Minnesota when the statutory form, or a substantially similar form, is properly recorded. |
| 1.20 | For the purposes of this subdivision and subdivision 6, a "protected class" means race, color, |
| 1.21 | creed, ethnicity, religion, national origin, sex, marital status, or sexual orientation. |

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| Sec. 3. Minnesota Statutes 2018, section 507.18, is amended by adding a subdivision to | | | | |
|---|--|--|--|--|
| read: | | | | |
| Subd. 6. Filing; recording. (a) The county recorder must accept the statutory form | | | | |
| provided in this subdivision for recording when: | | | | |
| (1) the form has been executed before a notary; and | | | | |
| (2) the form contains the legal description of the property. | | | | |
| (b) The commissioner of commerce must provide electronic copies of the statutory form | | | | |
| in this subdivision to the public free of cost. | | | | |
| (c) The filing of this form does not alter or affect the duration or expiration of covenants, | | | | |
| conditions, or restrictions under section 500.20 and may not be used to extend the effect of | | | | |
| a covenant. | | | | |
| (d) The statutory form that follows may be used to remove restrictive covenants on | | | | |
| property that limit the ownership, occupancy, use, or financing based on protected class: | | | | |
| DISCHARGE OF RESTRICTIVE COVENANT AFFECTING PROTECTED CLASSES Pursuant to Minnesota Statutes, section 507.18, any restrictive covenant affecting a | | | | |
| protected class, including covenants which were placed on the property with the intent of | | | | |
| restricting the use, occupancy, ownership, or financing because of a person's race, ethnicity, | | | | |
| or religious beliefs, is discharged and released from the land described herein. | | | | |
| I/we,, solemnly swear that | | | | |
| the contents of this form are true to the best of my/our knowledge, except as to those matters | | | | |
| stated on information and belief, and that as to those matters I/we believe them to be true. | | | | |
| Name and Address of Owner(s) | | | | |
| The real property owned by owner(s) is located in County, | | | | |
| Minnesota, and is legally described as follows: | | | | |
| OWNER(s),, swears and affirms | | | | |
| that Owner(s) is/are 18 years of age or older and is/are not under any legal incapacity and | | | | |
| that the information provided in this form is true and correct based on the information | | | | |
| available and based on reasonable information and belief: | | | | |
| (1) a restrictive covenant which had the intent to restrict the use, occupancy, ownership, | | | | |
| or financing of this property based on a protected class, including race, ethnicity, or religion, | | | | |
| existed at one time related to the property described in this form; | | | | |

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| 3.1 | (2) restrictive covenants relating to or affecting protected classes are unenforceable and | | | | | | | |
| 3.2 | void pursuant to Minnesota Statutes, sect | void pursuant to Minnesota Statutes, sections 507.18 and 363A.09, the United States | | | | | | |
| 3.3 | Constitution, and the Minnesota Constitution; | | | | | | | |
| 3.4 | (3) Minnesota Statutes, section 507.18, allows for the discharge of a restrictive covenant | | | | | | | |
| 3.5 | of the nature described herein through the use of this statutory form to permanently discharge | | | | | | | |
| 3.6 | such covenants from the land described herein and release the current and future landowner(s) | | | | | | | |
| 3.7 | from any such restrictive covenant related to or affecting protected classes; | | | | | | | |
| 3.8 | (4) any covenant not related to protected classes but related to the real property described | | | | | | | |
| 3.9 | herein shall have full force in all other respects; and | | | | | | | |
| 3.10 | (5) the filing of this form does not alter or change the duration or expiration of covenants, | | | | | | | |
| 3.11 | conditions, or restrictions under Minnesota Statutes, section 500.20. | | | | | | | |
| 3.12 | The affiant(s) know(s) the matters herein stated are true and make(s) this affidavit for | | | | | | | |
| 3.13 | the purpose of documenting the discharg | the purpose of documenting the discharge of the illegal and unenforceable restrictive | | | | | | |
| 3.14 | covenants affecting protected classes. | | | | | | | |
| 3.15 | | <u></u> | | <u></u> | | | | |
| 3.16 | | A | Affiant (Owner(s) Sig | gnature) | | | | |
| 3.17 3.18 | Signed and sworn before me on (Date), by | | | | | | | |
| 3.19 | | <u>)</u> | | | | | | |
| 3.20 | | | | ····· | | | | |
| 3.21 | | | Signature of | f Notary | | | | |
| 3.22 | Stamp | | | | | | | |
| 3.23 | My commission expires | | | | | | | |