

HOUSE BILL NO. HB0091

Removal of unenforceable property covenants.

Sponsored by: Representative(s) Duncan, Baker, Banks,
Blackburn, Connolly, Kinner, Newsome, Olsen
and Zwonitzer and Senator(s) Driskill,
Nethercott and Pappas

A BILL

for

1 AN ACT relating to real property and conveyances;
2 establishing procedures for removing unenforceable
3 restrictive covenants for real property; specifying what
4 restrictive covenants are unenforceable; providing immunity
5 from civil liability as specified; and providing for an
6 effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 34-1-154 and 34-1-155 are created to
11 read:

12

13 **34-1-154. Removal of restrictive covenants in**
14 **violation of law.**

1

2 (a) Any person who holds an ownership interest of
3 record in real property in this state, or any attorney,
4 title insurance company or title insurance agent authorized
5 to do business in this state and acting on behalf of a
6 person with an ownership interest in real property in this
7 state, may record a new instrument to remove any
8 restrictive covenant contained in any conveyance
9 encumbering or otherwise affecting the transfer or sale of,
10 or any interest in, real property that:

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12 (i) Is held to be void and unenforceable by a
13 final determination of the supreme court of Wyoming or the
14 supreme court of the United States of America; or

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16 (ii) Is in violation of the acts prohibited by
17 W.S. 40-26-103 through 40-26-109.

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19 (b) Notwithstanding any other provision of law to the
20 contrary, any person who, in good faith, delivers or
21 records any instrument pursuant to subsection (a) of this
22 section shall be immune from civil liability. The immunity

1 provided in this subsection shall not be available to any
2 person who:

3

4 (i) Represents or attempts to represent that the
5 restrictive covenants pertaining to paragraphs (a)(i) or
6 (ii) of this section, which are void and unenforceable or
7 prohibited by law, are valid and enforceable; or

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9 (ii) Honors or exercises or attempts to honor or
10 exercise restrictive covenants pertaining to paragraphs
11 (a)(i) or (ii) of this section, which are void and
12 unenforceable or prohibited by law.

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14 (c) Any title insurance company, escrow company, real
15 estate broker, real estate agent or association that
16 provides a copy of any conveyance affecting any interest in
17 real property to any person shall place a cover page or
18 stamp on the first page of the copy stating, in not smaller
19 than 12-point type, the following: "If this instrument
20 contains any restriction based on race, color, religion,
21 sex, disability, familial status or national origin, that
22 restriction violates state and federal fair housing laws

1 and is void and may be removed pursuant to W.S. 34-1-154(a)
2 by filing a new instrument as provided by W.S. 34-1-155."

3

4 **34-1-155. Process for removing restrictive covenants**
5 **in violation of law.**

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7 (a) In accordance with W.S. 34-1-154, a new
8 instrument removing a restrictive covenant that is in
9 violation of law may be recorded by filing the new
10 instrument with the county clerk for the county in which
11 the real property is located.

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13 (b) A new instrument filed and recorded under this
14 section shall contain all of the following:

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16 (i) The title of the filed and recorded prior
17 instrument to which the new instrument pertains;

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19 (ii) The name and mailing address of the person
20 filing and recording the new instrument;

21

1 (iii) The name and mailing address of any owner
2 of record of the real property on whose behalf the new
3 instrument is being filed;

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5 (iv) The legal description of the real property
6 subject to the provisions in violation of law as specified
7 in W.S. 34-1-154(a);

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9 (v) A clear reference to the provisions in the
10 prior instrument that are in violation of law as specified
11 in W.S. 34-1-154(a) and have been stricken from the new
12 instrument.

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14 (c) Upon receiving a new instrument that complies
15 with the requirements of subsection (b) of this section,
16 the county clerk for the county in which the real property
17 is located shall file and record the new instrument.

18

19 **Section 2.** This act is effective July 1, 2021.

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(END)