JOSH GREEN, M.D. GOVERNOR KE KIA'ÁINA



GOV. MSG. NO. 1404

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

July 3, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

I am transmitting herewith S.B. 31 without my approval and with the statement of objections relating to the measure.

S.B. 31 RELATING TO PROPERTY.

Mahalo,

Inh Dree no

Josh Green, M.D. Governor, State of Hawai'i

EXECUTIVE CHAMBERS HONOLULU July 3, 2025

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 31

Honorable Members Thirty-Third Legislature State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 31, entitled "A Bill for an Act Relating to Property."

The purpose of this bill is to allow any person who discovers a recorded discriminatory restrictive covenant to take certain actions, without liability, to record a statement or notice that the discriminatory restrictive covenant is void and unenforceable.

This bill is objectionable because it enables any person, including a person who may have no interest in the real property in question, to record a statement or notice that the chain of title for the real property contains a discriminatory restrictive covenant that is void and unenforceable. Such a recorded statement or notice could contain false or misleading information, and recordation could affect the marketability of the subject property and cloud title without the recording party facing any liability. Unfortunately, the bill does not provide a mechanism to prevent the recording of frivolous or false statements or notices, nor does it provide a remedy for property owners who might be affected by the recording of frivolous or false statements or notices.

For the foregoing reasons, I am returning Senate Bill No. 31 without my approval.

Respectfully,

JÒSH GREEN, M.D. Governor of Hawaiʻi

A BILL FOR AN ACT

RELATING TO PROPERTY.

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

SECTION 1. Section 515-6, Hawaii Revised Statutes, is
 amended to read as follows:

3 "§515-6 Restrictive covenants and conditions. (a) Every 4 provision in an oral agreement or a written instrument relating 5 to real property that purports to forbid or restrict the 6 conveyance, encumbrance, occupancy, or lease thereof to 7 individuals because of race, sex, including gender identity or 8 expression, sexual orientation, color, religion, marital status, 9 familial status, ancestry, disability, age, or human 10 immunodeficiency virus infection, [is] shall be void. 11 Every condition, restriction, or prohibition, (b) 12 including a right of entry or possibility of reverter, that 13 directly or indirectly limits the use or occupancy of real 14 property on the basis of race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, 15 16 familial status, ancestry, disability, age, or human 17 immunodeficiency virus infection [is] shall be void, except a

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limitation, on the basis of religion, on the use of real
 property held by a religious institution or organization or by a
 religious or charitable organization operated, supervised, or
 controlled by a religious institution or organization, and used
 for religious or charitable purposes.

6 (c) It [is] shall be a discriminatory practice to insert
7 in a written instrument relating to real property a provision
8 that is void under this section or to honor or attempt to honor
9 [such a] the provision in the chain of title.

10 (d) Any person who discovers a recorded discriminatory
11 restrictive covenant may:

12 (1) With the consent of all parties to a real estate

13 transaction, include in any deed, mortgage, or other

14 instrument filed for recording in connection with the

15 transaction a statement that the discriminatory

16 restrictive covenant is void and unenforceable; or

17 (2) Prepare and record a separate notice, cross-referenced

18 to the discriminatory restrictive covenant, stating

19 that the discriminatory restrictive covenant is void

20 <u>and unenforceable.</u>

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1	(e) The statement or notice described under subsection (d)
2	shall be in a form substantially similar with the following:
3	"The chain of title for the real property described
4	herein contains a restrictive covenant that, if
5	enforced, would discriminate against individuals based
6	upon their race, sex, including gender identity or
7	expression, sexual orientation, color, religion,
8	marital status, familial status, ancestry, disability,
9	age, human immunodeficiency virus infection, or
10	national origin. The covenant is void, unenforceable,
11	and antithetical to American values of justice and
12	equal protection under the law."
13	(f) A person who in good faith:
14	(1) Prepares or causes to be prepared; or
15	(2) Records or causes to be recorded,
16	a statement or notice under subsection (d) shall be immune from
17	liability for incorrectly stating that the restrictive covenant
18	is discriminatory.
19	(g) For the purposes of this section, "discriminatory
20	restrictive covenant" means any restrictive covenant on real
21	property that, if enforced, would violate the:

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1	(1)	Equal protection clause of the United States
2		Constitution and article I, section 5, of the Hawaii
3		State Constitution;
4	(2)	Prohibition in the federal Fair Housing Act (42 U.S.C.
5		3601 et seq.) against discrimination on the basis of
6		race, color, sex, religion, familial status,
7		disability, or national origin; or
8	(3)	Prohibition against discrimination on the basis of
9		race, sex, including gender identity or expression,
10		sexual orientation, color, religion, marital status,
11		familial status, ancestry, disability, age, or human
12		immunodeficiency virus infection."
13	SECT	ION 2. Statutory material to be repealed is bracketed
14	and stric	ken. New statutory material is underscored.
15	SECT	ION 3. This Act shall take effect upon its approval.

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S.B. NO. ³¹ S.D. 2 H.D. 2 C.D. 1

APPROVED this

day of

, 2025

GOVERNOR OF THE STATE OF HAWAI'I

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

President of the Senate

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Clerk of the Senate

SB No. 31, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

Madine K. Nahn____

Nadine K. Nakamura Speaker House of Representatives

Wil. The

Brian L. Takeshita Chief Clerk House of Representatives