

**SB 335 -FAV- MML.pdf**

Uploaded by: Angelica Bailey

Position: FAV



## Maryland Municipal League

*The Association of Maryland's Cities and Towns*

# TESTIMONY

February 16, 2023

**Committee:** Judicial Proceedings

**Bill:** SB 335 – Real Property - Unlawfully Restrictive Covenants - Modification by Municipalities

**Position:** \_\_\_ Support

**Reason for Position:**

The Maryland Municipal League supports SB 335, which would enable a municipality to remove racially restrictive covenants from deeds recorded within its jurisdiction, provided sufficient notice has been given to the property owner.

Racially restrictive covenants are unconstitutional and unenforceable (see the 1968 Fair Housing Act and *Shelley v. Kraemer*, 334 U.S. 1 (1948)), but remain in publicly accessible documents, incorrectly implying that valuable members of our communities are unsafe and unwelcome. This offensive messaging is hurtful to our residents, contradicts our members' core values, and dilutes the strength of our communities. Allowing racially restrictive covenants to remain when they could be fairly and expeditiously removed is unconscionable.

For these reasons, the League respectfully requests that this committee provide SB 335 with a favorable report.

**FOR MORE INFORMATION CONTACT:**

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# **Support for Senate Bill 335 jc cc 020723.pdf**

Uploaded by: Charlie Challstrom

Position: FAV



February 7, 2023

Our *testimony* is in of support of Senate Bill 335, concerning “Real Property – Unlawfully Restrictive Covenants – Modification by Municipalities.”

The practice of imposing racially restrictive covenants by private individuals and even public institutions on properties sold in the State of Maryland before the 1950s is well documented. In 1948 the Supreme Court ruled (*Shelley v. Kraemer*) that racially restrictive covenants were unenforceable by States because they violated the equal protection clause of the Constitution. The deed covenants themselves were made illegal by the 1968 Fair Housing Act. However, because deed covenants remain through succeeding property sales, a legal process that can be cumbersome and costly is needed to remove them. More recently, Montgomery County instituted a process that facilitates property owners removing such illegal covenants without cost if appropriately requested with submission of appropriate paperwork. Unfortunately, the covenants remain present on a very large number of deeds including those that have changed hands, partly because property owners are ignorant that they exist and partly because the process requires that each property owner originate action to legally strike them. That they continue to exist is morally abhorrent and intolerable in our community and in a state that professes to promote equality for all.

In 2020 Washington Grove became aware that almost one-half of deeds of private property in town contained racially restrictive covenants stemming from property sales between about 1929 and 1953, many of them included in the deeds of municipal land sold by the Town itself. Washington Grove properties are representative of the widespread inclusion of racially restrictive covenants in many communities in Montgomery County and the State of Maryland.

The Washington Grove Town Council acted in 2021 to declare these covenants morally and constitutionally abhorrent and enacted an ordinance to terminate them and to commit the Town to aid property owners who wish to strike the covenants from their deeds.

In acknowledging the historical municipal participation in placing illegal covenants in property deeds originally sold by the Town, the Town Council of Washington Grove strongly feels the obligation to further *insure* their removal. We have already committed to providing the required deed copies and paperwork for individual property owners to initiate the existing process for removing racially restrictive covenants, and the first few have been successfully recorded. However, the authority granted us by SB 335 will substantially aid in this by enabling *the Town to initiate the legal removal process, rather than individual property owners*, for all identified properties, unless expressly denied by the property owner.



February 7, 2023

We urge Committee members and the Legislature to recognize the inherent moral obligation that drives our interest in removing the racially restrictive covenants, and to provide Washington Grove and other municipalities the authority to do so. This will be a significant action that will contribute to making progress on the broader goals of acknowledging past racial discriminatory policies and their lasting effects and fulfill our aspiration of equity and a more diverse community.

Thank you.

A handwritten signature in black ink, appearing to read "John Compton".

John Compton

Mayor, Town of Washington Grove

A handwritten signature in black ink, appearing to read "Charlie Challstrom".

Charlie Challstrom

Former Mayor and Councilor, Town of Washington  
Grove

# **Takoma Park 2023 - SB 335 FAV - Unlawful Restricti**

Uploaded by: City Councilmember Jason Small

Position: FAV



**CITY OF TAKOMA PARK,  
MARYLAND**

**SB 335  
Support**

**Judicial Proceedings Committee**

**February 16, 2023**

**SB 335: Real Property - Unlawfully Restrictive Covenants -  
Modification by Municipalities  
City Council of the City of Takoma Park**

The City of Takoma Park supports Senate Bill 335, and urges favorable consideration.

Federal law states that it is unlawful to refuse to sell or lease real property to a person because of race, color, religion, gender, national origin, age, familial status, or disability or to include in any instrument a restrictive covenant based on such characteristics. Many deeds continue to contain unlawful restrictive language, and despite it being unenforceable, there is a desire to eliminate this language to the extent possible.

The City of Takoma Park supports this legislation to give the City the ability to review deeds on file, and with the required notice, execute and record a restrictive covenant modification. This activity is consistent with the City's efforts to address racial inequities and makes an affirmative statement to the community that local government can be proactive in being anti-racist.

**We urge a favorable report on Senate Bill 335.**

# **SB335 King Sponsor Testimony.pdf**

Uploaded by: Senator Nancy King

Position: FAV



NANCY J. KING  
*Legislative District 39*  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*  
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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**SPONSOR STATEMENT**

**Senate Bill 335 – Real Property – Unlawfully Restrictive Covenants – Modification  
by Municipalities**

February 16, 2023

Mister Chairman and Members of the Judicial Proceedings Committee:

During the 2004 legislative session, the General Assembly passed legislation which allowed Homeowners Associations to carry out a bulk removal of restrictive covenants. Similar to that 2004 bill, Senate Bill 335 is enabling legislation which will allow municipalities to remove en masse, these unlawful restrictions that are largely based on race, religious belief, and national origin.

The covenants, which are unconstitutional and unenforceable, continue to live indefinitely within the deed of older properties in our state. Under this bill, municipalities who find these restrictive covenants can choose to remove them in bulk once they provide adequate notice to homeowners at least 30 days prior to removal. The bill does allow homeowners the option to decline such action.

As a state and a country, we have declared it unlawful to have such discriminatory restrictions on the ownership of property, and we need to make it as easy as possible to remedy these covenants. And so, I respectfully request a favorable report on Senate Bill 335.

# **SB 335 Real Property - Unlawfully Restrictive Conv**

Uploaded by: Therese Hessler

Position: FAV



**SB335 – Real Property – Unlawfully Restrictive Covenants – Modification by Municipalities**

Senate Judicial Proceedings Committee

February 16, 2023 – 1:00 PM

**Position: Support**

Dear Chair, Vice-Chair, and Members of the Committee:

The City of Gaithersburg writes to support **SB335 – Real Property – Unlawfully Restrictive Covenants – Modification by Municipalities**.

Under current law, an unlawfully restrictive covenant is any recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin. A person holding an ownership interest in property that the person believes is subject to an unlawfully restrictive covenant, or a nonprofit entity required to enforce covenants within a defined residential neighborhood may execute and record a modification to an unlawfully restrictive covenant. If passed, SB 335 would expand authorization to municipalities to execute and record a restrictive covenant modification to an unlawfully restrictive covenant if (1) the property the municipality believes is subject to an unlawfully restrictive covenant is within the boundaries of the municipality and (2) at least 30 days before executing and recording the restrictive covenant modification, the municipality provides written notice of its intent to all persons with an ownership interest in the property.

With over 70,000 residents, Gaithersburg is one of the largest and most diverse cities in Maryland, offering a safe and inclusive place to live and visit. It is important that we have the ability to execute and record a restrictive covenant modification to an unlawfully restrictive covenant if the subject property is within the boundaries of the municipality. Therefore, we respectfully request a favorable report on SB335.

Should you have any questions, please feel free to contact me at 301-466-5350 or our government relations consultant, Therese Hessler, at [therese@ashlargr.com](mailto:therese@ashlargr.com). We appreciate your support.

Respectfully submitted,

Jud Ashman  
Mayor

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