

Existing law prohibits discrimination in housing based on race, color, religion, sex, gender, and other language which consists of restrictive covenants that have been considered discriminatory. These restrictive covenants (or agreements that restrict property owners not to sell or rent to specific groups because of a person's race or other immutable characteristics) have been illegal since at least 1948 but many legal documents (such as deeds) still contain the original language.

AB 1466 now requires all county recorders throughout California to (a) establish a program to identify and redact such restrictive language and (b) ease restrictions on private parties (ie. homeowners) seeking to remove language on their own if the county recorder has not.

Beginning July 1, 2022, title companies, escrow companies, real estate brokers and agents (or other similar associations) who submit documents to the county records office must also now provide a Restrictive Covenant Modification form with specific procedural information. The new law will permit those such companies to record the Restrictive Covenant Modification Form and notify a person who holds or acquires ownership interest of the ability to remove the restrictive covenant.

The law will also exempt the standard \$75-\$225 SB 2 recording fee if such recording is being recorded for the purpose of removing the restrictive covenant language.

However, each county recorder's board of supervisors could impose a \$2 fee on all real estate instruments in order to fund the restrictive covenant modification program (certain exemptions apply). Sunset date of the \$2 fee is expected to be December 31, 2027 unless renewed by the Board of Supervisors.

Information deemed reliable, accuracy is not guaranteed. Source: https://leginfo.legislature.ca.gov/