LC001914

2025 -- Н 5902

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO PROPERTY -- ESTATES IN REAL PROPERTY

Introduced By: Representatives Ajello, Cotter, Tanzi, Alzate, Corvese, Potter, Shallcross Smith, McGaw, and Boylan Date Introduced: February 28, 2025

Referred To: House Judiciary

(Lieutenant Governor)

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Chapter 34-4 of the General Laws entitled "Estates in Real Property" is
- 2 hereby amended by adding thereto the following section:
- 3 <u>34-4-31. Prohibition of restrictive covenants related to grocery stores.</u>
- 4 (a) A covenant or restriction concerning the use of land designated as a retail establishment
- 5 where fresh food is regularly and customarily sold in a bona fide manner for off-premises
- 6 consumption including, but not limited to, grocery stores and supermarkets, shall be void and
- 7 <u>unenforceable, except under circumstances as set forth in subsection (b) of this section.</u>
- 8 (b) The prohibition in this section shall not apply to covenants or restrictions on concerning
- 9 the use of land if all of the following conditions are met:
- 10 (1) The land subject to restriction has been used by the seller within the six (6) months
- 11 prior to the date of the agreement for the operation of a retail establishment for the sale of fresh
- 12 food for off-premises consumption including, but not limited to, a grocery store or supermarket
- 13 (hereafter known as the "discontinued site");
- 14 (2) The seller has identified and purchased land to be used for the operation of a new retail
- 15 <u>establishment for the sale of fresh food for off-premises consumption including, but not limited to,</u>
- 16 <u>a grocery store or supermarket (hereafter known as the "relocated store");</u>
- 17 (3) The relocated store is similar in size and scope of products sold when compared to the
- 18 <u>discontinued site;</u>
- 19 (4) The relocated store is located within one-half (1/2) mile of the discontinued site;

- 1 (5) Relocation and commencement of operations of the relocated store at the new site
- 2 <u>occurs within one year following closure; and</u>
- 3 (6) The restrictive covenant imposed on the discontinued site does not have a term in excess
- 4 <u>of eighteen months from the date of closure.</u>
- 5 (c) The prohibitions set forth in this section do not apply to restrictive covenants or other
- 6 agreements entered into prior to the effective date of this section.
- 7 (d) If any portion of this section is found by a court of competent jurisdiction to be
- 8 <u>unlawful, such finding shall not affect any other portion of this section not specifically so found.</u>

SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

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1 This act would prohibit restrictive covenants related to grocery stores.

2 This act would take effect upon passage.

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