

Almost There - Georgia's Restrictive Covenant Act on Governor's Desk

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The enactment of Georgia's Restrictive Covenant Act is inching closer to a reality. As many have widely observed, the statutory framework that everyone thought was going to be effective after the election in November of 2010 has been clouded with uncertainty because of an effective date issue. In an attempt to "remove any such uncertainty," House Bill 30 was introduced in January of 2011 with the goal of eliminating a constitutional challenge and making the Restrictive Covenant Act effective upon the signature of the Governor.

House Bill 30 cleared its first hurdle on February 22, 2011, receiving approval from Georgia's House of Representative. It then moved to the Senate where it took almost two months to come to a vote. As the legislative session was nearing its close, the Senate passed House Bill 30 on April 12, 2011, but only after inserting an unrelated amendment. Late in the evening on April 14, 2011 – the last night of the session – the House rejected the amendment, sending it again back to the Senate. At 11:21 p.m. that night, the Senate "receded" the amendment. That means that House Bill 30 as originally passed by the House in February had been approved with only minutes to spare.

On April 21, 2011, House Bill 30 was sent to Georgia's Governor, Nathan Deal, to either sign the bill or veto it. Governor Deal has 40 days in which to do so. Stay tuned for the final chapter hopefully to come soon.