

# One Down, Two to Go – Georgia's Restrictive Covenant Act Moves Closer to Certainty

Insights

2.28.11



As we have written previously, the enactment of Georgia's Restrictive Covenant Act has been stained with uncertainty as to its effective date. While Georgia voters overwhelmingly passed a constitutional amendment in November of 2010 which was intended to pave the way for the Act to become effective the day after the election, glitches in the framework of the amendment caused doubt to set in as to whether the Act would be effective on January 1, 2011 – or ever.

House Bill 30 was introduced at the beginning of the legislative session in January 2011 with the goal of eliminating a constitutional challenge and making the Restrictive Covenant Act effective upon the signature of the Governor. Last Tuesday, February 22, 2011, House Bill 30 cleared its first hurdle, receiving approval from Georgia's House of Representatives by a vote of 104 to 58. While some opponents took the opportunity to criticize the Act as a whole, the dissent was not enough. House Bill 30 (which is available in pdf format below) now moves to Georgia's Senate. Assuming it is approved there, the Bill will go before Governor Deal for a vote. It is presumed that the path is clear for approval at the next two stages as well, but the timing of how quickly it will move is uncertain. Stay tuned.

[HB30.pdf \(38.91 kb\)](#)

## ***Related People***

---





**Joseph P. Shelton**  
Regional Managing Partner  
615.488.2901  
[Email](#)