

ADOPTED

Senators Hufstetler of the 52nd, Brass of the 28th, Orrock of the 36th, Dolezal of the 27th, Halpern of the 39th and others offered the following amendment #1:

1 *Amend the Senate Committee on Regulated Industries and Utilities substitute to HB 557 (LC*
2 *33 9505S) by inserting before "to provide for related matters;" on line 10 the following:*
3 *to amend Chapter 1 of Title 43 of the Official Code of Georgia Annotated, relating to general*
4 *provisions relative to professions and businesses, so as to prohibit enforcement of restrictive*
5 *covenants under certain circumstances; to provide a definition; to provide for an effective*
6 *date;*

7 *By striking lines 293 and 294 and inserting in lieu thereof the following:*

8 **SECTION 5.**

9 Chapter 1 of Title 43 of the Official Code of Georgia Annotated, relating to general
10 provisions relative to professions and businesses, is amended by adding a new Code section
11 to read as follows:

12 "43-1-36.

13 (a) As used in this Code section, the term 'hospital' means a hospital licensed pursuant to
14 Chapter 7 of Title 31.

15 (b) Notwithstanding Article 4 of Chapter 8 of Title 13, no restrictive covenant may be
16 imposed or enforced by a hospital or hospital system against any physician, nurse, or other
17 healthcare staff or contractor providing healthcare services at such hospital or for such
18 hospital system if the hospital at which any such physician, nurse, or other healthcare staff
19 on contractor is primarily providing healthcare services is permanently closed. In any
20 action concerning enforcement of any such restrictive covenant, a court shall not enforce

21 the restrictions contained in such restrictive covenant and such restrictive covenant shall
22 be deemed void and unenforceable.

23 (c) Notwithstanding Article 4 of Chapter 8 of Title 13, no restrictive covenant may be
24 imposed or enforced by a hospital, hospital system, or physician practice which is
25 purchased by, merged with, or otherwise acquired by a third-party entity against any
26 physician, nurse, or other healthcare staff or contractor providing healthcare services if
27 such third-party entity reduces the compensation of any such physician, nurse, or other
28 healthcare staff or contractor providing healthcare services upon such purchase, merger,
29 or other acquisition."

30 **SECTION 6.**

31 This Act shall become effective upon its approval by the Governor or upon its becoming law
32 without such approval.

33 **SECTION 7.**

34 All laws and parts of laws in conflict with this Act are repealed.