



Epstein Becker Green is pleased to provide the following 50-state survey of noncompete law in the United States

In recent years, there has been unprecedented interest and activity regarding noncompetes and other restrictive covenants, as legislative, regulatory, and judicial authorities at both the state and federal levels have weighed in on the enforceability of such restrictive covenants in various forms, and even whether noncompetes are appropriate at all. Noncompete law is now evolving more rapidly than ever, and businesses, human resources professionals, legal practitioners, and others need to stay informed on these issues

Our survey aims to provide a summary of salient points about noncompete law for each state and the District of Columbia, including nuances specific to the health care industry. While we hope the survey is useful in providing a quick understanding to the reader, it does not constitute legal advice and is not a substitute for more in-depth consideration, in consultation with legal counsel, of particular circumstances and their legal ramifications. There are many subtleties with respect to legal concepts in this area and how courts will consider claims under equitable principles. Indeed, as practitioners in this area know well, noncompete law is very fact-intensive, and the same contractual language can receive different treatment depending on the jurisdiction (or even the judge), the circumstances of the employee's departure, as well as economic and political conditions. For example, the survey includes a column entitled "Judicial Modification Permitted?" In this context, the terms "reformation" or "blue penciling" of a noncompete agreement can mean different things to different judges in different states, who may use the term "blue penciling" when referring to reformation and vice versa. While we state in our survey whether some form of modification is allowed in the various states, the applicability of that modification will depend on

case law and the facts presented and should be explored with the assistance of counsel. This is just one example in an area of law that is rarely black and white.

We hope you find this resource to be useful and invite you to contact us for advice as you seek to navigate these interesting and complicated issues.

This publication of our 50-State Noncompete Survey now includes a supplement specific to the health care industry at the end of the document. Providers, practitioners, investors, and other health care industry insiders should review both the main survey and the supplement as they assess and update their noncompete and restrictive covenant strategies. Given continued acquisitions and mergers of provider practices and hospital systems, coupled with overall staffing shortages, the health care industry must grapple with how to protect against unfair competition while also maintaining employee satisfaction and sufficient staffing levels for patient care. Of course, because of the nature of the industry and the practitioner-patient relationship, courts are sometimes more hesitant to issue injunctive relief that would interfere with that relationship, regardless of what the law says.

We also invite you to subscribe to our <u>Trade Secrets & Employee Mobility blog</u> and to our monthly podcast, <u>Spilling Secrets</u>, for legislative and judicial updates, analysis of interesting and cutting-edge cases, and strategies when dealing with trade secrets, noncompetes, and other types of restrictive covenants.

To get in touch with a member of our Trade Secrets and Employee Mobility team, visit us at www.ebglaw.com/services/employment-labor-workforce-management/trade-secrets-employee-mobility/#our-team.

STATE	Employee Noncompetes Permissible?	General Noncompete Statute?	Industry- Specific Statutes or Rules?	Other Excluded Employees?	Continued Employment: Sufficient Consideration?	Notice Requirements	Other Unique Requirements	Customer and Employee Non-Solicits Permissible?	Enforceable Against Terminated Employees?	Judicial Modification Permitted? (Blue Pencil and/or Reformation)	Tolling Permissible?
ALABAMA	Yes	Ala Code § 8-1-190-197 (effective January 1, 2016)	Lawyers (Ala R Prof C 5 6); Mediators (Ala Code of Ethics for Mediators Stnd 11)	N/A	Yes	N/A	Must be reduced to writing and signed by all parties	Yes	Unresolved	Yes	Yes
ALASKA	Yes	No	Lawyers (AK R. Prof. C. 5.6)	N/A	Unresolved	N/A	N/A	Yes	Unresolved	Yes	Unresolved
ARIZONA	Yes	No	Broadcasting industry (Labor § 23-494); Lawyers (AZ R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Unresolved	Yes	Unresolved
ARKANSAS	Yes	AR Code § 4-75-101	Licensed medical professionals (Arkansas Code Title 17, Subtitle 3); Lawyers (AR R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Probably not	Yes	Unresolved
CALIFORNIA	No, with narrow exceptions in the sale of a business context or dissolution or disas- sociation relating to a partnership or LLC	Cal. Bus. & Prof. Code § 16600, et seq.	Entertainment Industry (Cal. Labor Code § 2855); Lawyers (Cal. R. Prof. C. 5.6)	N/A	N/A	N/A	N/A	No, with narrow exceptions in the sale of a business context or dissolution or disas- sociation relating to a partnership or LLC	No	N/A	Probably not
COLORADO	Yes	C.R.S. § 8-2-113 (amendments effective August 10, 2022)	Physicians (C.R.S. § 8-2- 113 (3)); Lawyers (Col. R. Prof. C. 5.6)	Minimum income thresholds for agreements entered into on or after August 10, 2022	Yes	For agreements entered into on or after August 10, 2022, before acceptance of an offer of employment for new or prospective workers; at least 14 days before the effective date of restrictions for existing workers. Must provide separate written notice in either case.	Penalties and potential criminal liability for violations of statute; aggrieved workers may seek injunctive relief and attorneys' fees; out-of-state choice-of-law and venue provisions are unenforceable.	Yes, subject to minimum income thresholds for agreements entered into on or after August 10, 2022	Unresolved	Yes	No
CONNECTICUT	Yes	No	Security Guards (Conn. Gen. Stat. Ann. § 31-50a); Broadcasters (Conn. Gen. Stat. Ann. § 31-50b); Physicians (Conn. Gen. Stat. Ann. § 20-14p); Home Health Care, Companion, or Homemaker Service Workers (Conn. Gen. Stat. Ann. § 20-681); Lawyers (Conn. R. Prof. C. 5.6)	N/A	Generally no, but unsettled as to at-will employees	N/A	N/A	Yes	Yes	Yes, but only if agreement states that terms are severable	No
DELAWARE	Yes	No	Physicians (Del. Code Ann. tit. 6, § 2707); Lawyers (Del. R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes	Yes

50-State Noncompete Surve											
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DISTRICT OF COLUMBIA	Yes	D.C. Official Code § 32-581.01, et seq. (effective October 1, 2022)	Broadcasters (D.C. Act 24-526), Medical Specialists (D.C. Official Code § 32-581.03); Lawyers (D.C. R. Prof. C. 5.6)	Minimum income thresholds for agreements entered into on or after October 1, 2022	Yes	For agreements entered into on or after October 1, 2022, employer must provide any noncompete provision (1) in writing and (2) at least 14 days before the start of employment or the execution of the agreement. Employer must also simultaneously provide specific notice with the proposed non-compete provision. Must provide a written copy of any workplace policy that includes one or more exceptions to the statutory definition of a "non-compete provision" (1) within 30 days after the employee's acceptance of employment; (2) to all current DC-based employees by October 31, 2022; and (3) any time the employer changes the policy containing the non-compete provision.	Anti-moonlighting provisions only permitted if the employer reasonably believes the outside employment could (i) result in the disclosure or use of proprietary information; (ii) cause a conflict of interest; (iii) constitute a "conflict of commitment" for an employee of a higher education institution; or (iv) impair the employer's ability to comply with federal or District laws or another contract.	Yes	Unresolved	Yes	Yes
FLORIDA	Yes	Fla. Stat Ann § 542 335	Physicians (Fla. Stat. Ann. § 542.336); Mediators (Fla. St. Mediator Rule 10.680); Lawyers (Fla. R. Prof. C. 4-5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes (required)	Yes
GEORGIA	Yes	Ga. Code Ann. § 13-8-50, et seq.	Lawyers (Ga. R. Prof. C. 5.6)	Only enforceable against employees who regularly solicit customers, engage in sales, perform the duties of a key employee, or have the duty of managing a department and regularly direct the work of employees and have the authority to hire or fire them		N/A	N/A	Yes (must include explicit geographic limitations in employee non-so- licitation and no-hire covenants)	Yes	Yes	Only with express contractual provisio and even then not always

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HAWAII	Yes	Haw. Rev. Stat. § 480-4	Technology Workers (HRS § 480-4(d)); Lawyers (Hi. R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Employee non- solicitation agreements are allowable except for employees of a technology business. It's unclear whether customer non- solicitation agreements are allowable.	Unresolved	Yes	Unresolved
IDAH0	Yes	Idaho Code § 44-2701-2704	Lawyers (Id. R. Prof. C. 5.6)	Only enforceable against "key employees" or "key independent contractors"	Yes, (but not for noncompetes over 18 months)	N/A	N/A	Yes	Yes	Yes	Unresolved
ILLINOIS	Yes	820 ILCS 90/1, et seq. (effective January 1, 2022)	Broadcasters (820 ILCS 17/10(a)); Government Contractors (30 ILCS 500/50-250; Nurses (225 ILCS 510/1); Lawyers (IL R. Prof. C. 5.6)	Minimum income thresholds for agreements entered into on or after January 1, 2022, and an employer may not enter into a noncompete or non-solicit with an individual terminated or furloughed due to circumstances related to COVID-19 or similar circumstances, unless enforcement includes statutorily specified compensation during the restricted period; employers may not enter into noncompetes with employees covered by collective bargaining agreements under the Illinois Public Labor Relations Act or the Illinois Educational Labor Relations Act, or with rank-and-file employees in the construction industry	1, 2022, adequate consideration for a restrictive covenant means (1) the employee worked for at least two years after the employee signed the agreement or (2) the employer otherwise provided consideration adequate to support a restrictive covenant, such as a period of employment plus additional professional or financial benefits or professional or financial benefits	For agreements entered into on or after January 1, 2022, at least 14 calendar days before employment begins	For agreements entered into on or after January 1, 2022, employers must advise employees in writing to seek advice from counsel prior to signing any noncompete or non-solicitation agreement.	Yes, subject to minimum income thresholds for agreements entered into on or after January 1, 2022	Yes	Yes	Yes
INDIANA	Yes	No	Physicians (Ind. Code § 25-22.5-5.5); Lawyers (Ind. R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Employee non- solicitation agreements are allowable but limited to only employees who have access to or possess any knowledge that would give a competitor an unfair advantage; customer non- solicitation agreements are allowable.	Yes	Yes	Only with express contractual provision

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IOWA	Yes	No	Healthcare Employment Agency Workers (Iowa Code § 1350.2); Mental Health Professionals (Iowa Code ch. 147.164); Lawyers (Ia. R. Prof. C. 32:5.6)	N/A	Yes	N/A	N/A	Yes	Yes, if with cause	Yes	Yes
KANSAS	Yes	No	Lawyers (Kan. R. Rel. Disc. Att. 5.6)	N/A	Yes	N/A	N/A	Yes	Unresolved	Yes	Only with express contractual provision
KENTUCKY	Yes	No	Lawyers (SCR 3.130(5.6)); Healthcare Services Agency Workers (Ky. Rev. Stat. § 216.724)	N/A	No	N/A	N/A	Yes	Yes	Yes	Yes
LOUISIANA	Yes	La. Rev. Stat. Ann. § 23:921	Automobile Salesmen (La. R. S. 23:921(I); Real Estate Brokers (La. R.S. 36:1448.1); Lawyers (La. R. Prof. C. 5.6)	N/A	Yes	N/A	Must designate specific parishes, municipalities, and/ or parts thereof within which the restriction applies; the employer must conduct a similar business within that geographic area; and the duration cannot exceed two years.	Yes	Yes	Yes, but agreement must contain a severability clause	Unresolved
MAINE	Yes	Me. Rev. Stat. tit. 26, c. 7 § 599-A (effective September 18, 2019)	Broadcasters (D23 Me. Rev. Stat. tit. 26, § 599); Veterinarians (Me. Rev. Stat. tit. 26, § 599-A); Lawyers (Me. R. Prof. C. 5.6)	Minimum income thresholds for agreements entered into on or after September 18, 2019	Yes	For agreements entered into on or after September 18, 2019, an employer must disclose prior to an offer of employment that a noncompete agreement will be required for new employees; an employer must provide a copy of the noncompete agreement not less than three business days prior to the date it must be signed for existing or prospective employees.	effect until after one year of employment with the company or a period of six (6) months from the date the agreement was signed, whichever is later.	Yes	Probably	Yes	Unresolved
MARYLAND	Yes	Md. Code Ann., Lab. & Empl. § 3-716(a) (effective October 1, 2019)	Lawyers (Md. R Attorneys Rule 19-305.6)	Minimum income thresholds for agreements entered into on or after October 1, 2019	Yes	N/A	N/A	Yes	Probably not	Yes	

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MASSACHUSETTS	Yes	M.G.L. c. 149, § 24L (effective October 1, 2018)	Physicians (M.G.L. c. 112, § 12X); Nurses (M.G.L. c. 112, § 74D); Psychologists (M.G.L. c. 112, § 129B); Social Workers (M.G.L. c. 112, § 135C); Broadcasters (M.G.L. c. 149, § 186); Lawyers (Mass. R. Prof. C. 5.6)	Noncompetes entered into on or after October 1, 2018 are unenforceable against employees classified as nonexempt under the Fair Labor Standards Act; undergraduate or graduate student working part time; employees who are terminated without cause or laid off; employees who are 18 and under	No for agreements entered into on or after October 1, 2018 (must provide "fair and reasonable consideration independent from the continuation of employment"); Yes for agreements entered into before	For agreements entered into on or after October 1, 2018, the earlier of when an offer of employment is made or 10 business days before the first day of employment for new employees; 10 business days before the effective date for existing employees.	Effective October 1, 2018, (1) noncompetes are limited to 12 months following the employee's departure, unless they have breached a fiduciary duty to the employer or engaged in misappropriation (in which case the duration can be up to two years following separation); (2) noncompetes must be signed by both the employer and employee and must expressly state that the employee has a right to consult counsel before signing the agreement; (3) noncompetes cannot apply another state's law if the employee lived in Massachusetts for the last 30 days before cessation of their employment; (4) actions to enforce noncompete agreements must be initiated in the employee's home county or in Suffolk County; and (5) garden leave or other mutually agreed consideration is required for new employees, and "fair and reasonable" consideration is required for existing employees.	Yes	Yes, for agreements entered into before October 1, 2018; only if for cause or included in severance agreement on or after October 1, 2018	Yes	For agreements entered into before October 1, 2018, only with the express contractual provision; for agreements entered into on or after October 1, 2018, an extension of up to two years is permissible if the employee violated a fiduciary duty or unlawfully took company property.
MICHIGAN	Yes	Mich. Comp. Laws § 445.774a	Lawyers (Mi. R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes	Yes
MINNESOTA	Pre-July 1, 2023 - Yes Post-July 1, 2023 - No, with narrow exception in the sale of a business context or dissolution of a partnership or LLC		Lawyers (Mn. R. Prof. C. 5.6)	N/A	Pre-July 1, 2023 - Yes (if bargained for and the employee receives substantial economic or personal benefits) Post-July 1, 2023 - N/A	N/A	Out-of-state choice- of-law and venue pro- visions are unenforce- able; attorneys' fees available to employees who enforce rights under law	Yes	Yes (non-solicits only post-July 1, 2023)	Yes (non-solicits only post-July 1, 2023)	Infrequently
MISSISSIPPI	Yes	No	Lawyers (Mi. R. Prof. C. 5.6)	N/A	Yes (if for sufficient duration)	N/A	N/A	Yes	Yes	Yes	Only with express contractual provision
MISSOURI	Yes	Mo. Stat. Ann. § 431.202	Secretaries, Clerks (Mo. Rev. Stat. § 431.202); Lawyers (Mo R. Prof. C. Rule 4-5.6)	N/A	Conflicting authorities	N/A	N/A	Yes	Judicial discretion	Yes	No

STATE	Employee Noncompetes Permissible?	General Noncompete Statute?	Industry- Specific Statutes or Rules?	Other Excluded Employees?	Continued Employment: Sufficient Consideration?	Notice Requirements	Other Unique Requirements	Customer and Employee Non-Solicits Permissible?	Enforceable Against Terminated Employees?	Judicial Modification Permitted? (Blue Pencil and/or Reformation)	Tolling Permissible?
MONTANA	Yes	Mont. Code Ann. § 28-2-703, et seq.	Lawyers (Mt. R. Prof. C. 5.6)	N/A	No	N/A	N/A	Yes	No	Probably	Unresolved
NEBRASKA	Yes	No	Lawyers (Neb R. Prof. C. § 3-505.6)	N/A	Yes	N/A	N/A	Yes (however, cannot restrict solicitation of customers with whom employee did not do business or have personal contact)	Unresolved	No	Unresolved
NEVADA	Yes	Nev. Rev. Stat. § 613.195-200 and AB 276, Section 1	Lawyers (Nev. R. Prof. C. 5.6)	Unenforceable against employees paid solely on an hourly wage basis, exclusive of any tips or gratuities	Yes	N/A	Unenforceable against employees paid solely on an hourly wage basis, exclusive of any tips or gratuities	Yes	Unresolved, unless "the termination of the employment of an employee is the result of a reduction of force, reorganization or similat restructuring of the employer," in which case a noncompete "is only enforceable during the period in which the employer is paying the employee's salary, benefits or equivalent compensation, including, without limitation, severance pay."	Yes, and must not impose undue hardship on the employee	Yes
NEW HAMPSHIRE	Yes	N.H. Rev. Stat. § 275:70 and 275:70-a (effective September 8, 2019)		Minimum income thresholds for agreements entered into on or after September 8, 2019	Yes	For new employees, employers must provide a copy of the noncompete agreement to a potential employee before the employee accepts an offer of employment.	N/A	Yes	Yes	Yes	No
NEW JERSEY	Yes	No	Physicians (N.J.A.C. 13:42-10.16); Psychologists (N.J. Admin. Code § 13:42- 10.16); Lawyers (N.J. RPC 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes	No
NEW MEXICO	Yes	No	Health Care Practitioner Agreements (N.M.S.A. 1978, § 24-11-1, et seq.); Lawyers (N.M. R. Prof'l Cond. 5.6)	N/A	Unclear	N/A	N/A	Yes	Unresolved	Probably	No
NEW YORK	Yes	No	Broadcasters (N.Y. Lab. Law § 202-k); Lawyers (N.Y. R. Prof. Conduct 5.6)	N/A	Yes	N/A	N/A	Yes	Yes (split of authority as to whether cause is required)	Yes	Yes

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NORTH CAROLINA	Yes	N.C. Gen. Stat. § 75–1, et seq.	Locksmiths (21 NCAC 29.0502(e)) (governs both non-competes and non-solicits); Health Care Workers (common law "substantial harm" to public health standard); Lawyers (NC R BAR Ch. 2, Rule 5.6)	N/A	No (maybe for a specified duration)	N/A	Must be in writing and signed by the party agreeing to the restraint in trade	Yes	Yes	Yes	Unresolved
NORTH DAKOTA	No, with narrow exceptions in the sale of a business context or dissolution or disassociation relating to a partnership or LLC	N.D. Cent. Code § 9-08-06	Lawyers (N.D.R. Prof. C. 5.6)	N/A	No	N/A	N/A	Employee only	N/A	N/A	N/A
ОНІО	Yes	No	Lawyers (Ohio R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes	Yes
OKLAHOMA	No, with narrow exceptions in the sale of a business context or dissolution or disassociation relating to a partnership or LLC	OK Stat. § 15-219A	Lawyers (Oklahoma Statutes, Title 5, chapter 1, Appendix 3-A- Oklahoma Rules of Professional Conduct, Rule 5.6)	N/A	N/A	N/A	N/A	Yes	Unresolved	Yes, but will not cure underlying defects	Only with express contractual provision
OREGON	Yes	ORS 653.295 (amendments effective January 1, 2022)	Home Health Care Employees (ORS 653.295(1)(e)); Lawyers (Or. R. Prof. C. 5.6)	Minimum income thresholds	No	For agreements entered into on or after January 1, 2022, at least two weeks before the first day of employment; employer must provide a signed, written copy of the terms of the noncompete within 30 days after the date of employee's termination.	Must not exceed 12 months	Yes	Yes	Yes	No
PENNSYLVANIA	Yes	No	Lawyers (Pa. R. Prof. C. 5.6)	N/A	No	N/A	N/A	Yes	Yes, but reason for termination will be taken into account	Yes	No
RHODE ISLAND	Yes	R.I. Gen. Laws § 28-59-1, et seq.	Physicians (R.I. Gen. Laws § 5-37- 33); Lawyers (R.I. R. Prof. C. 5.6)	Minimum income thresholds; unenforceable against nonexempt employees, minors, and students in internships or short- term employment while enrolled at an educational institution	Probably	N/A	N/A	Yes	Unresolved	Yes	Yes

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SOUTH CAROLINA	Yes	No	Lawyers (Rule 5.6, RPC, Rule 407, SCACR)	N/A	No	N/A	N/A	Yes	Yes	Probably	Unresolved
SOUTH DAKOTA	Yes	S.D. Codified Laws § 53-9-8, et seq.	Health Care Providers (S.D. Codified Laws § 53-9-11.1); Independent Contractor Captive Insurance Agents (S.D. Codified Laws § 53-9- 12); Lawyers (S.D. R. of Professional Ethics, Rule 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Yes, but disfavored	Unresolved
TENNESSEE	Yes	No	Health Care Providers (Tenn. Code Ann. § 63- 1-148); Lawyers. (Tenn. Sup. Ct. R. 8, RPC 5.6)	N/A	Yes (if employment continued for sufficient duration)	N/A	N/A	Yes	Yes	Yes	Unresolved
TEXAS	Yes	Tex. Bus. & Com. Code § 15.50-52	Physicians (Tex. Bus. Com. Code § 15.50(b)); Lawyers (Tex. Disciplinary R. Prof. Conduct 5.6)	N/A	No	N/A	N/A	Yes	Yes	Yes; however, when a court modifies an agreement, the employer will be limited to injunctive relief (i e , No damages for breach of the agreement)	Only with express contractual provision
UTAH	Yes	Utah Code § 34-51-101, et seq.	Broadcasting employees (Utah Code § 34-51-201(2)); Lawyers (Utah R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	Unresolved	Unresolved
VERMONT	Yes	No	Beauticians/ Cosmetologists (26 Vt. Stat. § 281(c)); Lawyers (Vt. R. Prof. C. 5.6)	N/A	Yes	N/A	N/A	Yes	Yes	No, but may be possible if contract specifically provides for it	No
VIRGINIA	Yes	Va. Code Ann. § 40.1-28.7:8	Lawyers (VA R S CT PT 6 § 2 RPC Rule 5.6.)	Minimum income thresholds for agreements entered into on or after July 1, 2020	Yes	Employers must post a notice of Va. Code Ann. § 40.1-28.7:8 at all times.	N/A	Yes	Yes	No	Yes

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WASHINGTON	Yes	WA ST 49.62-005-900 (effective January 1, 2020)	Broadcasting (WA ST § 49.44.190); Lawyers (WA R. Prof. C. 5.6)	Minimum income thresholds for agreements entered into on or after January 1, 2020 and unenforceable if employee is terminated because of a layoff unless during its term the employer provides compensation equivalent to the employee's base salary at the time of termination, less any compensation earned through subsequent employment	No	For agreements entered into on or after January 1, 2020, employer must disclose terms before or during offer acceptance, including if enforceable at a later date.	Term more than 18 months post- termination is presumed unreasonable	Yes	Yes, but if there is a layoff, an employer must provide compensation equivalent to the employee's base salary at the time of termination for the entire period of enforcement	Yes	Unresolved
WEST VIRGINIA	Yes	No	Physicians (W. Va. Code 47-11E-1-5); Lawyers (W.Va. R. Prof. C. 5.6)	N/A	No	N/A	N/A	Yes	Yes, for cause	Yes	No
WISCONSIN	Yes	Wis. Stat. Ann. § 103.465	Lawyers (Wisconsin SCR 20:5.6)	N/A	Yes (if conditioned upon executing the agreement)	N/A	N/A	Yes	Unresolved	No	Unresolved
WYOMING	Yes	No	Lawyers (Wyo. R. Prof. C. 5.6)	N/A	No	N/A	N/A	Not yet decided	Probably	No	Unresolved

Health Care Supplement to 50-State Noncompete Survey

EPSTEIN BECKER GREEN

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STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
ALABAMA	Alabama does not have a specific statute governing noncompetes for health care workers but does have a statute (amended in 2016) that voids any contract restraining the exercise of "a lawful profession, trade, or business" unless the contract falls within one of the statute's enumerated exceptions. Alabama case law (analyzing the prior statute) has held that physicians, veterinarians, and physical therapists are "professionals" and that noncompetes with such professionals are void because they do not fall within any of the enumerated exceptions under the prior version of the statute.	Ala. Code §§ 8-1-190 to 8-1-197	Unresolved
ALASKA	N/A	N/A	Yes
ARIZONA	No statute specifically addressing health care noncompetes. However, physician noncompetes, though not per se unenforceable, must be strictly construed for reasonableness due to strong public policy considerations. Liquidated damage provisions in physician noncompetes may be enforceable.	N/A	Yes
ARKANSAS	Arkansas's general noncompete statute explicitly does not apply to employees in the medical field holding a professional license . Noncompetes covering medical employees must be narrower and not drafted in a way that interferes with the public's access to the medical care provider of its choice.	Ark. Code Ann. § 4-75-101(j)(2)	Likely Yes
CALIFORNIA	N/A	N/A	No
COLORADO	Noncompetes that restrict a physician's right to practice medicine are void. Colorado law permits agreements with physicians in which the physician agrees to pay damages for terminating the agreement so long as the damages amount is reasonably related to the injury suffered as a result of the agreement's termination.	C.R.S. § 8-2-113(5) (physicians); 7 Colo. Code Regs. § 1103-14:1(G)	Yes, subject to the same limitations and exceptions for physician noncompetes.
CONNECTICUT	Physician noncompetes entered into, amended, extended, or renewed on or after July 1, 2016, are void and unenforceable if (1) the time restriction exceeds one year; (2) the geographic restriction extends more than 15 miles beyond the primary site where the physician practices; (3) the contract or agreement was not made in anticipation of, or as part of, a partnership or ownership agreement, and it expires and is not renewed, unless prior to expiration, the employer makes a bona fide offer to renew it on the same or similar terms and conditions; or (4) the employment or contractual relationship is terminated by the employer, unless such employment or contractual relationship is terminated for cause. Physician noncompetes entered into, amended, extended, or renewed on or after October 1, 2023, are not enforceable if (1) the physician does not agree to a proposed material change to the compensation terms of the contract or agreement containing the noncompete prior to or at the time of the extension or renewal of said contract or agreement, and (2) the contract or agreement expires and is not renewed by the employer, or the employment or contractual relationship is terminated for cause. These requirements are not applicable to noncompetes between a physician and a group practice of no more than 35 physicians, the majority ownership of which is comprised of physicians. All of the above limitations also apply to noncompetes with physician assistants (PAs) and advanced practice registered nurses (APRNs) entered into, amended, extended, or renewed on or after October 1, 2023. Noncompetes with homemakers, companions, and home health service workers are void and unenforceable. Each physician noncompete entered into, amended, or renewed on or after October 1, 2023, must be separately and individually signed by the PA/APRN. The term "renewed" includes automatic renewals occurring on or after the above effective dates.	Physicians (C.G.S.A § 20-14p); PAs and APRNs (C.G.S.A. P.A. 23-97, §§ 14 & 15 (S.B. 9)); Home Health Care, Companion or Home Health Service Workers (C.G.S.A § 20-681)	Yes
	Noncompetes between or among physicians restricting the physician's right to practice medicine in a particular location or for a defined period of time after termination of the agreement is void.		

DELAWARE

No bar to enforcement of noncompetes between physicians and other third-party entities; only applies to agreements "between and/or among physicians which restricts the right of a physician to practice medicine in a particular locale and/or for a defined period of time"; provisions requiring the payment of damages (e.g., liquidated damages), however, are enforceable if the amount "is reasonably related to the injury suffered...."

Del. Code Ann. tit. 6, § 2707

Yes, subject to the same limitations and exceptions for physician noncompetes.

	50-	State Noncompete S	divey for fleatiff care
STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
DISTRICT OF Columbua	Noncompetes are permissible with a "medical specialist," which is defined as "a highly compensated employee who is engaged primarily in the delivery of medical services and who (A)[h]olds a license to practice medicine; (B)[i]s a physician; (C)[h]as completed a medical residency; and (D)[r]eceives total minimum compensation [as required under the statue]." Noncompetes with medical specialists must identify (1) the functional scope of the competitive restrictions, including what services, roles, industry, or competing entities are prohibited; (2) the geographic limitations; and (3) a duration for the restrictions that lasts no more than 730 calendar days from the date of separation. The employer must also show the noncompete to the medical specialist in writing at least 14 days before their start date or, if the medical specialist is already employed, at least 14 days before the employee signs the noncompete is proposed to them.	D.C. Official Code § 32-581.0105	Yes
FLORIDA	Florida's noncompete statute invalidates restrictive covenants with licensed physicians who practice "a medical specialty in a county wherein one entity employs or contracts with, either directly or through affiliated entities, all physicians who practice such specialty in the county "The law also voids such restrictive covenants for three years after "a second entity that employs or contracts with, either directly or through related or affiliated entities, one or more physicians who practice such specialty begins offering the specialty service in the county."	§ 542.336, Fla. Stat.	Yes
GEORGIA	N/A	N/A	Yes
HAWAII	N/A	N/A	Yes
IDAHO	N/A	N/A	Yes
ILLINOIS	Effective July 1, 2022, the Nurse Agency Licensing Act prohibits nurse staffing agencies from entering into: • noncompetes with nurses or certified nurse aides, or • a contract with any employee or health care facility requiring the payment of liquidated damages, conversion fees, employment fees, buy-out fees, placement fees, or other compensation if the health care facility hires the employee as a permanent employee. Effective February 3, 2023, Illinois amended the Nurse Agency Licensing Act as follows: • Prohibiting noncompetes between nurse staffing agencies and nurses employed or assigned on a temporary basis • Allowing noncompetes through December 31, 2027, between nurse staffing agencies and nurses employed or assigned on a long-term basis, including provisions requiring payment of liquidated damages, conversion fees, employment fees, buy-out fees, placement fees, or other compensation if the facility hires the employee as a permanent employee.	225 ILCS 510/3 and 225 ILCS 510/14(g), (g-5).	Yes, subject to compensation thresholds.
INDIANA	Physican noncompetes entered into between July 1, 2020, and June 30, 2023, may be enforceable if the agreement contains certain mandatory provisions (e.g., copies of notices sent to patients; provision of physician contact information; providing physician access to patient records; option to purchase release from non-compete; maintaining the format of patient records). Physican noncompetes entered into on or after July 1, 2023, are unenforceable if (1) the employer terminates employment without cause; (2) the physican terminates employment for cause; or (3) the employment contract expires, and the parties have both met their contractual obligations. On or after July 1, 2023, noncompetes with "primary care physicians" (i.e., family medicine, general pediatric medicine, and internal medicine) are prohibited. For noncompetes entered into on or after July 1, 2023, if a physician elects to exercise the option to purchase a release from the noncompete agreement, the employer must negotiate in good faith to determine a reasonable purchase price. If the parties are unable to agree on a reasonable purchase price, the parties are subject to a statutory mediation process.	Ind. Code §§ 25-22.5-5.5-1, et seq.	Yes
	Effective July 1, 2022, noncompetes between health care employment agencies and their agency workers or health care entities are generally prohibited and subject to certain statutory requirements.	lowa Code Ann. § 1350.2;	Employers may not prohibit "mental

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Effective June 1, 2023, noncompetes with "mental health professionals" (as defined by Iowa Code Ann. § 228.1(7)) that (1) limits the location at which the licensee may practice, (2) prohibits the licensee from contacting former patients of the licensee for professional services, or (3) imposes a time restriction on the practice of the licensee, are void and unenforceable.

Iowa Code Ann. § 135Q.2; Iowa Code Ann. § 147.164; Iowa Code Ann. § 228.1(7)

Employers may not prohibit "mental health professionals" from contacting for professional services patients previously treated by that professional.

KANSAS

N/A

N/A

Yes

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STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
KENTUCKY	Health care services agencies (as defined in KRS 216.718(6)) shall not: 1. restrict in any manner the employment opportunities of any temporary direct care staff who is contracted with or employed by the agency, including, but not limited to, contract buy-out provisions or contract noncompete clauses; 2. require in any contract with temporary direct care staff, an assisted-living community, a long-term care facility, or a hospital, the payment of liquidated damages, employment fees, or other compensation if the facility later hires the employee as a permanent employee, except (a) where the money is payable solely by the facility and (b) the contract with the facility specifies that the payment amount will be reduced pro-rata based on the length of time the temporary direct care staff performs services for the facility while on payroll of the health care services agency; or 3. solicit or recruit the current staff of an assisted living community, long-term care facility, or hospital, or require, as a condition of employment, assignment, or referral, that their employees recruit new employees for the agency from among the current employees of the facility to which the agency employees are employed, assigned, or referred. Effective June 29, 2023, these provisions only apply to temporary staff, and do not apply to contracts with permanent direct care staff or with an assisted living community, a long-term care facility, or a hospital for the placement of permanent direct care staff. Health care service agency contracts that violate the law are an unfair trade practice and void.	Ky. Rev. Stat. Ann. § 216.724.	Yes
LOUISIANA	N/A	N/A	Yes
MAINE	Allopathic and osteopathic physicians are exempt from the statutory requirement that a noncompete cannot take effect until the later of one year after the employee's start date or six months from signing the agreement. Noncompetes with licensed Maine veterinarians employed in a veterinary facility entered into or renewed on or after October 25, 2023, are void and unenforceable unless the veterinarian has an ownership interest in the facility.	26 M.R.S.A. §599-A	Yes
MARYLAND	N/A	N/A	Yes
MASSACHUSETTS	Noncompetes are impermissible with regard to physicians , nurses , psychologists , and social workers .	Physicians (M.G.L. c. 112, § 12X); Nurses (M.G.L. c. 112, § 74D); Psychologists (M.G.L. c. 112, § 129B); Social Workers (M.G.L. c. 112, § 135C)	Case law suggests likely unenforceable against physicians, registered nurses, and psychologists.
MICHIGAN	N/A	N/A	Yes
MINNESOTA	N/A	N/A	Yes
MISSISSIPPI	N/A	N/A	Yes
MISSOURI	No	N/A	Yes
MONTANA	Effective May 8, 2023, Montana prohibits contracts with certain types of health care providers from restricting the provider from (1) practicing or providing services for which the provider is licensed, in any geographic area and for any period, after the termination of the employment, partnership, or professional relationship; (2) treating, advising, consulting with, or establishing a provider-patient relationship with any current patient of the employer or with a patient affiliated with a partnership or other form of professional relationship; or (3) soliciting or trying to establish a provider-patient relationship with any current patient of the employer or with a patient affiliated with a partnership or other form of professional relationship. Covered health care providers include psychiatrists, addiction medicine physicians, psychologists, social workers, professional counselors, addiction counselors, marriage and family therapists, and behavioral health peer supports.	Mont. Code Ann. § 28-2-724	For covered health care providers under Mont. Code Ann. § 28-2-724, no. For all other types of health care workers, yes.

NEBRASKA N/A N/A

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STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
NEVADA	N/A	N/A	Yes
NEW HAMPSHIRE	Noncompetes with licensed physicians (entered into on or after August 5, 2016), nurses (entered or renewed into on or after June 25, 2018), and podiatrists (entered or renewed into on or after June 25, 2018) are void and unenforceable in New Hampshire. The remaining provisions of an unenforceable physician, nurse, or podiatrist agreement containing a void noncompete provision are valid.	Physicians (N.H. Rev. Stat. § 329:31-a); Nurses (N.H. Rev. Stat. § 326-B:45-a); Podiatrists (N.H. Rev. Stat § 315:18)	Yes
NEW JERSEY	Noncompetes are generally prohibited for licensed psychologists , but are not per se unreasonable or unenforceable for physicians.	N.J.A.C. 13:42-10.16	Yes
NEW MEXICO	New Mexico has a noncompete statute that governs noncompetes with the following types of health care practitioners. A health care practitioner is: a dentist; an osteopathic physician; a physician; a podiatrist; a certified registered nurse anesthetist; a certified nurse practitioner; a certified nurse-midwife; a psychologist, effective April 4, 2023; a physician assistant, effective April 4, 2023; a physician assistant, effective April 4, 2023. For psychologists, physician assistants, and pharmacists, these statutes apply to noncompete agreements, or renewals or extensions of agreements, executed on or after April 4, 2023. A noncompete provision in an agreement executed after July 1, 2015, restricting a health care practitioner's right to provide clinical health care services is unenforceable upon termination of (1) the agreement, (2) a renewal or extension of the agreement, or (3) health care practitioner's employment with the party seeking to enforce the agreement. For agreements entered into on or after April 6, 2017, a provision in an agreement for clinical health care services in New Mexico is void, unenforceable, and against public policy if it either requires (1) application of the laws of another state or (2) litigation arising out of the agreement to be conducted in another state. These requirements and restrictions do not apply to agreements with health care practitioners who are shareholders, owners, partners, or directors of a health care practice.	NMSA 1978, § 24-1i-1 to 24-1i-5	Yes
NEW YORK	N/A	N/A	Yes
NORTH CAROLINA	While North Carolina does not have a health care-specific noncompete statute, the state's courts generally disfavor noncompetes with medical specialists , particularly those involving specialists, on the grounds that limiting public access to health care may result in substantial harm. North Carolina courts will assess the following factors to determine whether noncompetes with medical specialists are enforceable: (1) the shortage of specialists in the field in the restricted area; (2) the impact of establishing a monopoly in the area, including fees and the availability of doctors for emergencies; and (3) the public interest in having a choice in the selection of a physician.	N/A	Yes
NORTH DAKOTA	N/A	N/A	Employee only
ОНІО	While Ohio does not have a health care-specific noncompete statute, restrictive covenants among physicians are generally disfavored by courts due to the heightened public interest in ensuring professional mobility and access to medical care and facilities.	N/A	Yes
OKLAHOMA	N/A	N/A	Yes
OREGON	Effective January 1, 2020, noncompetes entered into in the context of an employment relationship or contract with a home care worker or personal support worker are voidable by the home care worker or personal support worker and may not be enforced by an Oregon court.	Or. Rev. Stat. §0.R.S. § 410.631	Yes

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STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
PENNSYLVANIA	While Pennsylvania courts have ruled the public interest is of "paramount importance" when assessing physician noncompetes, and courts must engage in "close judicial scrutiny" of these agreements.	N/A	Yes
RHODE ISLAND	Physician noncompetes are prohibited, except in connection with the purchase or sale of a physician practice so long as the noncompete's duration is no more than five years.	R.I. Gen. Laws § 5-37-33	No
SOUTH CAROLINA	Physician noncompetes containing remedies of liquidated damages and/or forfeiture of accrued, but unpaid, salary may be enforceable.	N/A	Yes
SOUTH DAKOTA	Agreements entered into between July 1, 2021, and June 30, 2023, with health care providers (as defined in the statute) cannot restrict the right to: • practice or provide services the provider is licensed to perform, regardless of duration or geographic scope, after termination, or • treat, advise, consult, establish, or solicit a patient-provider relationship with any current patient. The prohibition does not apply in connection with the sale and purchase of a practice. For agreements entered into on or after July 1, 2023, a provision of a contract is voidable if it restricts a practitioner (as defined in the statute) from practicing or otherwise providing professional services within their scope of practice after the conclusion of the practitioner's employment or after the dissolution of a partnership or other form of professional relationship. Exceptions apply to a contractual provision that (1) Is effective on the sale of a practice or interest in a practice, or (2) restricts a practitioner from soliciting current patients or clients of the former employer, partnership, or other professional relationship, subject to lawful geographic and temporal limitations in SDCL 53-9-11.	SDCL §§ 53-9-11.1, -11.2	Yes
TENNESSEE	Noncompetes with health care providers are enforceable only if (i) the agreement is in writing and signed by the health care provider and contracting entity; (ii) the duration of the restriction is less than or equal to two years; and (iii) if it contains a geographic restriction, the maximum allowed is the greater of (a) a 10-mile radius from the provider's primary practice site or (b) the county in which the primary practice site is located. If there is no geographic restriction, the provider can only be restricted from practicing her or his profession at any facility where the employing or contracting entity provided services while the provider was employed with that entity. Covered health care providers include podiatrists , chiropractors , dentists , optometrists , physicians , osteopathic physicians , and psychologists . However, these provisions do not apply to physicians specializing in emergency medicine. A noncompete made in conjunction with the purchase or sale of a health care provider's practice may restrict the provider's right to practice. Such noncompetes are only enforceable if their duration and geographic scopes are reasonable. There is a rebuttable presumption that the geographic and time limitations are reasonable. Additional conditions apply to noncompetes with other employing entities, including hospitals, renal dialysis clinics, faculty practice plans, and nursing homes.	Tenn. Code Ann. §§ 63-1-148, 63-6-204, and 68-11-205	Yes
TEXAS	A noncompete with a licensed physician is enforceable in Texas if it (i) does not deny the physician access to a list of patients whom the physician had seen or treated within one year of the end of the employment relationship; (ii) provides access to patients' medical records with authorization of the patient and copies of those medical records for a reasonable fee; (iii) provides that any access to a list of patients or to patients' medical records cannot require the list or records to be in a different format than as maintained, except by mutual consent of the contracting parties; (iv) provides for a buy-out of the covenant by the physician at a reasonable price or at the option of either party, as determined by a mutually agreeable arbitrator; and (v) provides that the physician may continue treatment to a specific patient or patients with an acute illness even after the contract or employment has terminated. If a physician claims a buyout amount is not reasonable at the time of departure, a court may order the parties to arbitrate the amount. See <i>Sadler Clinic Ass'n, P.A. v. Hart</i> , 403 S.W.3d 891, 897 (Tex. App.—Beaumont 2013, pet. denied). Employers can enter into noncompetes with all other types of health care workers, subject to the limitations set forth in Texas' general noncompete statute (i.e., reasonable in duration and geographic scope and necessary to protect the goodwill or other legitimate business interest of the employer). Restrictions on noncompetes with physicians do not apply to a physician's business ownership in a licensed hospital or licensed ambulatory surgical center.	Tex. Bus. & Com. Code Ann. §§ 15.50 to 15.52	Yes
UTAH	N/A	N/A	Yes
VERMONT	N/A	N/A	Yes
VIRGINIA	N/A	N/A	Yes

STATE	Health Care-Specific Exclusions/Restrictions	Applicable Statutes?	Patient/Customer and Employee Non-Solicits Permissible?
WASHINGTON	N/A	N/A	Yes
WEST VIRGINIA	For contracts entered into on or after July 1, 2017, physician noncompetes must be limited to not more than (i) one year in duration, and (ii) 30 road miles from the physician's primary place of practice with the employer. This restriction does not apply to the sale of a business transaction or contracts between physicians who are shareholders, owners, partners, members, or directors of a health care practice. Physician noncompetes are void and unenforceable if the employer terminates the employment relationship.	W. Va. Code §§ 47-11E-1 to 47-11E-5	Yes
WISCONSIN	N/A	N/A	Yes
WYOMING	N/A	N/A	Yes