

1 **Healthcare Worker Post-employment Amendments**
 2026 GENERAL SESSION
 STATE OF UTAH
Chief Sponsor: Katy Hall
 Senate Sponsor:

2
 3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions relating to a non-compete agreement for a healthcare worker.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines terms;
- 9 ▶ makes void a non-compete agreement entered into between an employer and a healthcare
- 10 worker;
- 11 ▶ makes void a nonsolicitation agreement between a person and a healthcare worker under
- 12 certain circumstances; and
- 13 ▶ makes technical changes.

14 **Money Appropriated in this Bill:**

15 None

16 **Other Special Clauses:**

17 None

18 **Utah Code Sections Affected:**

19 **AMENDS:**

- 20 **34-51-102**, as last amended by Laws of Utah 2018, Chapter 465
- 21 **34-51-201**, as last amended by Laws of Utah 2019, Chapter 132
- 22 **34-51-202**, as enacted by Laws of Utah 2016, Chapter 153
- 23 **34-51-301**, as enacted by Laws of Utah 2016, Chapter 153
- 24 **34A-5-114**, as last amended by Laws of Utah 2025, Chapters 173, 425

25 **ENACTS:**

- 26 **34-51-203**, Utah Code Annotated 1953

27 **REPEALS:**

- 28 **34-51-101**, as enacted by Laws of Utah 2016, Chapter 153

29
 30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **34-51-102** is amended to read:

32 **34-51-102 . Definitions.**

33 As used in this chapter:

34 (1) "Broadcasting employee" means an employee of a broadcasting company.

35 (2) "Broadcasting company" means a person engaged in the business of:

36 (a) distributing or transmitting electronic or electromagnetic signals to the general public
37 using one or more of the following:

38 (i) television;

39 (ii) cable; or

40 (iii) radio; or

41 (b) preparing, developing, or creating one or more programs or messages for distribution
42 or transmission by means described in Subsection (2)(a).

43 (3) "Exempt broadcasting employee" means a broadcasting employee who is compensated
44 on a salary basis, as defined in 29 C.F.R. Sec. 541.602, at a rate equal to or greater than
45 the greater of:

46 (a) \$913 per week, or an equivalent amount if calculated for a period longer than one
47 week; or

48 (b) the rate at which an employee qualifies as exempt under the Fair Labor Standards
49 Act, 29 U.S.C. Sec. 213(a) on a salary basis as defined in 29 C.F.R. Part 541.

50 (4) "Healthcare worker" means an individual licensed and practicing as:

51 (a) an advanced practice registered nurse intern under Title 58, Chapter 31b, Nurse
52 Practice Act;

53 (b) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
54 Act;

55 (c) an advanced practice registered nurse - CRNA without prescriptive practice under
56 Title 58, Chapter 31b, Nurse Practice Act;

57 (d) an associate marriage and family therapist under Section 58-60-304;

58 (e) a behavioral health coach under Section 58-60-603;

59 (f) a behavioral health technician under Section 58-60-603;

60 (g) a certified dietitian as that term is defined in Section 58-49-2;

61 (h) a certified social worker under Title 58, Chapter 60, Part 2, Social Worker Licensing
62 Act;

63 (i) a clinical social worker under Title 58, Chapter 60, Part 2, Social Worker Licensing
64 Act;

- 65 (j) a dentist as that term is defined in Section 58-69-102;
 66 (k) a genetic counselor as that term is defined in Section 58-75-102;
 67 (l) a licensed practical nurse under Title 58, Chapter 31b, Nurse Practice Act;
 68 (m) a marriage and family therapist under Section 58-60-304;
 69 (n) a medication aide certified as that term is defined in Section 58-31b-102;
 70 (o) a mental health provider as that term is defined in Section 31A-22-658;
 71 (p) a naturopathic physician as that term is defined in Section 58-71-102;
 72 (q) a nurse midwife as that term is defined in Section 58-44a-102;
 73 (r) an optometrist as that term is defined in Section 58-16a-102;
 74 (s) a physical therapist under Section 58-24b-302;
 75 (t) a physician as that term is defined in Section 58-68-102;
 76 (u) a physician assistant as that term is defined in Section 58-70a-102;
 77 (v) a psychologist under Section 58-61-301;
 78 (w) a podiatric physician under Section 58-5a-301;
 79 (x) a radiologist as that term is defined in Section 58-54-102;
 80 (y) a registered nurse under Title 58, Chapter 31b, Nurse Practice Act;
 81 (z) a respiratory care practitioner as that term is defined in Section 58-57-2; or
 82 (aa) a social service worker under Title 58, Chapter 60, Part 2, Social Worker Licensing
 83 Act.

84 (5) "Nonsolicitation agreement" means an agreement, between a person and an individual
 85 who works for or with the person, in which the individual agrees that on or after the day
 86 on which the individual no longer works for or with the person, the individual will not
 87 solicit the person's clients, customers, or employees.

88 [~~(4)~~] (6)(a) [~~"Post-employment restrictive covenant," also known as a "covenant not to~~

89 ~~compete" or "noncompete agreement,"~~] "Non-compete agreement" means an
 90 agreement, written or oral, between an employer and employee under which the
 91 employee agrees that on or after the day on which the employer no longer employs
 92 the employee, the employee, either alone or as an employee of another person, will
 93 not compete with the employer in providing [products, processes, or services] a
 94 product, process, or service that [are] is similar to the employer's [products, processes,
 95 or services] product, process, or service.

96 (b) [~~"Post-employment restrictive covenant"~~] "Non-compete agreement" does not include[
 97 nonsolicitation agreements or nondisclosure or confidentiality agreements.] :
 98 (i) a nonsolicitation agreement;

- 99 (ii) a nondisclosure agreement; or
 100 (iii) a confidentiality agreement.

101 ~~[(5)]~~ (7) "Sale of a business" means a transfer of the ownership by sale, acquisition, merger,
 102 or other method of the tangible or intangible assets of a business entity, or a division or
 103 segment of the business entity.

104 Section 2. Section **34-51-201** is amended to read:

105 **34-51-201 . Non-compete agreements.**

106 (1)(a) Except as provided in Subsection (2) and in addition to any requirements imposed
 107 under common law, for a ~~[post-employment restrictive covenant]~~ non-compete
 108 agreement entered into on or after May 10, 2016, an employer and an employee may
 109 not enter into a ~~[post-employment restrictive covenant]~~ non-compete agreement for a
 110 period of more than one year from the day on which the employee is no longer
 111 employed by the employer.

112 (b) An employer may not enter into a non-compete agreement with a healthcare worker
 113 on or after May 6, 2026.

114 (c) ~~[-]A~~ ~~[post-employment restrictive covenant]~~ non-compete agreement that violates this [
 115 subsubsection] Subsection (1) is void.

116 (2)(a) Subject to Subsection (2)(b), a ~~[post-employment restrictive covenant]~~
 117 non-compete agreement between a broadcasting company and a broadcasting
 118 employee is valid only if:

119 (i) the broadcasting employee is an exempt broadcasting employee;

120 (ii) the ~~[post-employment restrictive covenant]~~ non-compete agreement is part of a
 121 written employment contract of reasonable duration, based on industry standards,
 122 the position, the broadcasting employee's experience, geography, and the parties'
 123 unique circumstances; and

124 (iii)(A) the broadcasting company terminates the broadcasting employee for
 125 cause; or

126 (B) the broadcasting employee breaches the employment contract in a manner that
 127 results in the broadcasting employee no longer being employed by the
 128 broadcasting company.

129 (b) A ~~[post-employment restrictive covenant]~~ non-compete agreement described in
 130 Subsection (2)(a) is enforceable for no longer than the earlier of:

131 (i) one year after the day on which the broadcasting employee is no longer employed
 132 by the broadcasting company; or

133 (ii) the day on which the original term of the employment contract containing the [
134 ~~post-employment restrictive covenant~~] non-compete agreement ends.

135 (c) A [~~post-employment restrictive covenant~~] non-compete agreement between a
136 broadcasting company and a broadcasting employee that does not comply with this [
137 ~~subsection~~] Subsection (2) is void.

138 Section 3. Section **34-51-202** is amended to read:

139 **34-51-202 . Exceptions.**

140 (1) This chapter does not prohibit: [-]

141 (a) a reasonable severance agreement mutually and freely agreed upon in good faith at or
142 after the time of termination that includes a [~~post-employment restrictive covenant. A~~
143 ~~severance agreement remains subject to any requirements imposed under common~~
144 ~~law.~~] non-compete agreement; or

145 [(2)] (b) [~~This chapter does not prohibit a post-employment restrictive covenant~~] a
146 non-compete agreement related to or arising out of the sale of a business, if the
147 individual subject to the [~~restrictive covenant~~] non-compete agreement receives value
148 related to the sale of the business.

149 (2) Notwithstanding Subsection (1)(a), a severance agreement remains subject to any
150 requirements imposed under common law.

151 Section 4. Section **34-51-203** is enacted to read:

152 **34-51-203 . Nonsolicitation agreements.**

153 (1) On or after May 6, 2026, a person and a healthcare worker may not enter into
154 nonsolicitation agreement that prevents a healthcare worker from informing a former
155 patient of any of the following:

156 (a) the healthcare worker's current place of employment; or

157 (b) the healthcare worker's future place of employment.

158 (2) A nonsolicitation agreement that violates Subsection (1) is void.

159 Section 5. Section **34-51-301** is amended to read:

160 **34-51-301 . Award of arbitration costs, attorney fees and court costs, and**
161 **damages.**

162 If an employer seeks to enforce a [~~post-employment restrictive covenant~~] non-compete
163 agreement through arbitration or by filing a civil action and it is determined that the [
- 164 ~~post-employment restrictive covenant~~] non-compete agreement is unenforceable, the employer
165 is liable for the employee's:

166 (1) costs associated with arbitration;

- 167 (2) attorney fees and court costs; and
 168 (3) actual damages.

169 Section 6. Section **34A-5-114** is amended to read:

170 **34A-5-114 . Limitations on enforceability of nondisclosure and**
 171 **non-disparagement clauses -- Retaliation prohibited.**

172 (1) As used in this section:

173 (a) "Confidentiality clause" means a nondisclosure clause or a non-disparagement clause.

174 (b) "Employee" means a current or a former employee.

175 (c) "Nondisclosure clause" means an agreement between an employee and employer that
 176 prevents, or has the effect of preventing, an employee from disclosing or discussing:

177 (i) sexual assault;

178 (ii) allegations of sexual assault;

179 (iii) sexual harassment; or

180 (iv) allegations of sexual harassment.

181 (d) "Non-compete agreement" means the same as that term is defined in Section
 182 34-51-102.

183 [~~(d)~~] (e) "Non-disparagement clause" means an agreement between an employee and
 184 employer that prohibits, or has the effect of prohibiting, an employee from making a
 185 negative statement that is:

186 (i) about the employer; and

187 (ii) related to:

188 (A) a claim of sexual assault or sexual harassment;

189 (B) a sexual assault dispute; or

190 (C) a sexual harassment dispute.

191 [~~(e)~~] (f) "Post-employment restrictive covenant" means the same as that term is defined in
 192 Section 34-51-102.

193 (f) "Proprietary information" means an employer's business plan or customer
 194 information.

195 (g) "Retaliate" means taking an adverse action against an employee because the
 196 employee made an allegation of sexual harassment or assault, including:

197 (i) discharge;

198 (ii) suspension;

199 (iii) demotion; or

200 (iv) discrimination in the terms, conditions, or privileges of employment.

- 201 (h)(i) "Sexual assault" means:
- 202 (A) conduct that would constitute a violation of 18 U.S.C. Secs. 2241 through
- 203 2244; or
- 204 (B) criminal conduct described in Title 76, Chapter 5, Part 4, Sexual Offenses.
- 205 (ii) "Sexual assault" does not include criminal conduct described in:
- 206 (A) Section 76-5-417, enticing a minor;
- 207 (B) Section 76-5-418, sexual battery;
- 208 (C) Section 76-5-419, lewdness; or
- 209 (D) Section 76-5-420, lewdness involving a child.
- 210 (i) "Sexual assault dispute" means a dispute between an employer and the employer's
- 211 employee relating to alleged sexual assault.
- 212 (j) "Sexual harassment" means harassment on the basis of sex, sexual orientation, or
- 213 gender, as prohibited in:
- 214 (i) Title VII of the Civil Rights Act of 1964, 42 U.S.C. Sec. 2000e et seq.; or
- 215 (ii) Subsection 34A-5-106(1)(a)(i).
- 216 (k) "Sexual harassment dispute" means a dispute between an employer and the
- 217 employer's employee relating to alleged sexual harassment.
- 218 (2)(a) A confidentiality clause regarding sexual misconduct, as a condition of
- 219 employment, is against public policy and is void and unenforceable.
- 220 (b) After an employee makes an allegation of sexual harassment or sexual assault, an
- 221 employer of any sized business, regardless of Subsection 34-5-102(1)(i)(D):
- 222 (i) may not retaliate against the employee because the employee made an allegation
- 223 of sexual harassment or assault; or
- 224 (ii) may not retaliate based on an employee's refusal to enter into a confidentiality
- 225 clause or an employment contract that, as a condition of employment, contains a
- 226 confidentiality clause.
- 227 (c) An employee may, within three business days after the day on which the employee
- 228 agrees to a settlement agreement that includes a confidentiality clause regarding
- 229 sexual misconduct, withdraw from the settlement agreement.
- 230 (3) An employer who attempts to enforce a confidentiality clause in violation of this section:
- 231 (a) is liable for all costs, including reasonable attorney fees, resulting from legal action
- 232 to enforce the confidentiality clause; and
- 233 (b) is not entitled to monetary damages resulting from a breach of a confidentiality
- 234 clause.

- 235 (4) This section does not:
- 236 (a) prohibit an agreement between an employee who alleges sexual assault or sexual
- 237 harassment and an employer from containing a nondisclosure clause, a
- 238 non-disparagement clause, or any other clause prohibiting disclosure of:
- 239 (i) the amount of a monetary settlement; or
- 240 (ii) at the request of the employee, facts that could reasonably lead to the
- 241 identification of the employee;
- 242 (b) prohibit an employer from requiring an employee to:
- 243 (i) sign a [~~post-employment restrictive covenant~~] non-compete agreement; or
- 244 (ii) agree not to disclose an employer's non-public trade secrets, proprietary
- 245 information, or confidential information that does not involve illegal acts;
- 246 (c) authorize an employee to:
- 247 (i) disclose data otherwise protected by law or legal privilege; or
- 248 (ii) knowingly make statements or disclosures that are false or made with reckless
- 249 disregard of the truth;
- 250 (d) prohibit an employee from discussing sexual misconduct or allegations of sexual
- 251 misconduct in a civil or criminal case when subpoenaed if the sexual misconduct or
- 252 allegations of sexual misconduct are against the individual whom the employee
- 253 alleged engaged in sexual misconduct;
- 254 (e) permit a disclosure that would violate state or federal law; or
- 255 (f) limit other grounds that may exist at law or in equity for the unenforceability of a
- 256 confidentiality clause.

257 **Section 7. Repealer.**

258 This bill repeals:

259 **Section 34-51-101, Title.**

260 **Section 8. Effective Date.**

261 This bill takes effect on May 6, 2026.