

1 **Post-employment Restrictions Revisions**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kristen Chevrier

Senate Sponsor:

3 **LONG TITLE**

4 **General Description:**

5 This bill amends the Post-employment Restrictions Act.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines "mental health provider";
- 9 ▶ provides that a post-employment restrictive covenant between an employer and a mental
- 10 health provider is void under certain conditions; and
- 11 ▶ makes technical and conforming changes.

12 **Money Appropriated in this Bill:**

13 None

14 **Other Special Clauses:**

15 None

16 **Utah Code Sections Affected:**

17 AMENDS:

18 **34-51-201**, as last amended by Laws of Utah 2019, Chapter 132

20 *Be it enacted by the Legislature of the state of Utah:*

21 Section 1. Section **34-51-201** is amended to read:

22 **34-51-201 . Post-employment restrictive covenants.**

23 (1) As used in this section, "mental health provider" means the same as that term is defined
 24 in Section 31A-22-658.

25 [(+)] (2)(a) Except as provided in [~~Subsection (2)~~] Subsections (3) and (4) and in addition
 26 to any requirements imposed under common law, for a post-employment restrictive
 27 covenant entered into on or after May 10, 2016, an employer and an employee may
 28 not enter into a post-employment restrictive covenant for a period of more than one
 29 year from the day on which the employee is no longer employed by the employer.[-]

30 (b) A post-employment restrictive covenant that violates this [~~subsection~~] Subsection (2)

31 is void.

32 [~~(2)~~] (3)(a) Subject to Subsection [~~(2)(b)~~] (3)(b), a post-employment restrictive covenant
33 between a broadcasting company and a broadcasting employee is valid only if:

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

35 (ii) the post-employment restrictive covenant is part of a written employment contract
36 of reasonable duration, based on industry standards, the position, the broadcasting
37 employee's experience, geography, and the parties' unique circumstances; and

38 (iii)(A) the broadcasting company terminates the broadcasting employee for
39 cause; or

40 (B) the broadcasting employee breaches the employment contract in a manner that
41 results in the broadcasting employee no longer being employed by the
42 broadcasting company.

43 (b) A post-employment restrictive covenant described in Subsection [~~(2)(a)~~] (3)(a) is
44 enforceable for no longer than the earlier of:

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

47 (ii) the day on which the original term of the employment contract containing the
48 post-employment restrictive covenant ends.

49 (c) A post-employment restrictive covenant between a broadcasting company and a
50 broadcasting employee that does not comply with this [subsection] Subsection (3) is
51 void.

52 (4) A post-employment restrictive covenant entered into on or after May 7, 2025, between
53 an employer and a mental health provider is void if the employer has a waitlist for
54 mental health services that is longer than two months at the time:

55 (a) the employer and mental health provider enter into the post-employment restrictive
56 covenant; or

57 (b) the mental health provider or the employer terminates the mental health provider's
58 employment with the employer.

59 Section 2. **Effective Date.**

60 This bill takes effect on May 7, 2025.