

Healthcare Worker Post-employment Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Katy Hall

Senate Sponsor: Brady Brammer

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- defines terms;
- makes void a non-compete agreement entered into between an employer and a healthcare worker;
- makes void a nonsolicitation agreement between a person and a healthcare worker under certain circumstances; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

34-51-102, as last amended by Laws of Utah 2018, Chapter 465

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

34-51-202, as enacted by Laws of Utah 2016, Chapter 153

34-51-301, as enacted by Laws of Utah 2016, Chapter 153

34A-5-114, as last amended by Laws of Utah 2025, Chapters 173, 425

ENACTS:

34-51-203, Utah Code Annotated 1953

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 non-compete agreement" means an agreement between a person and a
51 healthcare worker within which the healthcare worker agrees that, after the day on which
52 the healthcare worker no longer works for or with the person, the healthcare worker will
53 not engage in a service that the healthcare worker may provide under the scope of the
54 healthcare worker's license:

55 (a) for a restricted period of time; or

56 (b) within a specific geographic area.

57 (5)(a) "Healthcare worker" means an individual licensed and practicing as:

58 (i) an advanced practice registered nurse intern under Title 58, Chapter 31b, Nurse
59 Practice Act;

60 (ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
61 Act;

- 62 (iii) an advanced practice registered nurse - CRNA without prescriptive practice
63 under Title 58, Chapter 31b, Nurse Practice Act;
- 64 (iv) an associate marriage and family therapist under Section 58-60-304;
- 65 (v) a behavioral health coach under Section 58-60-603;
- 66 (vi) a behavioral health technician under Section 58-60-603;
- 67 (vii) a certified dietitian as that term is defined in Section 58-49-2;
- 68 (viii) a certified psychology resident under Title 58, Chapter 60, Part 4, Clinical
69 Mental Health Counselor Licensing Act;
- 70 (ix) a certified social worker under Title 58, Chapter 60, Part 2, Social Worker
71 Licensing Act;
- 72 (x) a clinical mental health counselor under Title 58, Chapter 60, Part 4, Clinical
73 Mental Health Counselor Licensing Act;
- 74 (xi) a clinical social worker under Title 58, Chapter 60, Part 2, Social Worker
75 Licensing Act;
- 76 (xii) a dentist as that term is defined in Section 58-69-102;
- 77 (xiii) a genetic counselor as that term is defined in Section 58-75-102;
- 78 (xiv) a licensed assistant behavior analyst under Title 58, Chapter 61, Part 7,
79 Behavior Analyst Licensing Act;
- 80 (xv) a licensed behavior analyst under Title 58, Chapter 61, Part 7, Behavior Analyst
81 Licensing Act;
- 82 (xvi) a licensed massage therapist as that term is defined in Section 58-47b-102;
- 83 (xvii) a licensed practical nurse under Title 58, Chapter 31b, Nurse Practice Act;
- 84 (xviii) a marriage and family therapist under Section 58-60-304;
- 85 (xix) a medication aide certified as that term is defined in Section 58-31b-102;
- 86 (xx) a mental health therapist as that term is defined in Section 58-60-102;
- 87 (xxi) a naturopathic physician as that term is defined in Section 58-71-102;
- 88 (xxii) a nurse midwife as that term is defined in Section 58-44a-102;
- 89 (xxiii) an optometrist as that term is defined in Section 58-16a-102;
- 90 (xxiv) a physical therapist under Section 58-24b-302;
- 91 (xxv) a physician as that term is defined in Section 58-68-102;
- 92 (xxvi) a physician assistant as that term is defined in Section 58-70a-102;
- 93 (xxvii) a psychologist under Section 58-61-301;
- 94 (xxviii) a podiatric physician under Section 58-5a-301;
- 95 (xxix) a radiology practitioner as that term is defined in Section 58-54-102;

96 (xxx) a registered nurse under Title 58, Chapter 31b, Nurse Practice Act;
 97 (xxxii) a respiratory care practitioner as that term is defined in Section 58-57-2;
 98 (xxxiii) a social service worker under Title 58, Chapter 60, Part 2, Social Worker
 99 Licensing Act; or
 100 (xxxiiii) a substance use disorder counselor under Title 58, Chapter 60, Part 5,
 101 Substance Use Disorder Counselor Act.

102 (b) "Healthcare worker" does not include an individual:

103 (i) who holds a license described in Subsection (5)(a)(i) through (xxxiii); and

104 (ii) whose employment or contractual agreement does not require or involve
 105 practicing under the scope of the individual's license.

106 (6) "Nonsolicitation agreement" means an agreement, between a person and an individual
 107 who works for or with the person, in which the individual agrees that on or after the day
 108 on which the individual no longer works for or with the person, the individual will not
 109 solicit the person's clients, customers, or employees.

110 [~~(4)~~] (7)(a) [~~"Post-employment restrictive covenant," also known as a "covenant not to~~

111 ~~compete" or "noncompete agreement,"~~] "Non-compete agreement" means an
 112 agreement, written or oral, between an employer and employee under which the
 113 employee agrees that on or after the day on which the employer no longer employs
 114 the employee, the employee, either alone or as an employee of another person, will
 115 not compete with the employer in providing [products, processes, or services] a
 116 product, process, or service that [are] is similar to the employer's [products, processes,
 117 or services] product, process, or service.

118 (b) [~~"Post-employment restrictive covenant"~~] "Non-compete agreement" does not include[
 119 nonsolicitation agreements or nondisclosure or confidentiality agreements.] :

120 (i) a nonsolicitation agreement;

121 (ii) a nondisclosure agreement; or

122 (iii) a confidentiality agreement.

123 [~~(5)~~] (8) "Sale of a business" means a transfer of the ownership by sale, acquisition, merger,
 124 or other method of the tangible or intangible assets of a business entity, or a division or
 125 segment of the business entity.

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

127 **34-51-201 . Non-compete agreements.**

128 (1)(a) Except as provided in Subsection (2) and in addition to any requirements imposed
 129 under common law, for a [~~post-employment restrictive covenant~~] non-compete

130 agreement entered into on or after May 10, 2016, an employer and an employee may
131 not enter into a [~~post-employment restrictive covenant~~] non-compete agreement for a
132 period of more than one year from the day on which the employee is no longer
133 employed by the employer.

134 (b) On or after May 6, 2026, a person and a healthcare worker may not enter into a
135 healthcare non-compete agreement.

136 (c) [-]A [~~post-employment restrictive covenant~~] non-compete agreement that violates this [
137 ~~subsection~~] Subsection (1) is void.

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

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

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

146 (iii)(A) the broadcasting company terminates the broadcasting employee for
147 cause; or

148 (B) the broadcasting employee breaches the employment contract in a manner that
149 results in the broadcasting employee no longer being employed by the
150 broadcasting company.

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

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

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

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

160 (3) Nothing in this section affects an agreement that is not a:

161 (a) non-compete agreement; or

162 (b) healthcare non-compete agreement.

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

164 **34-51-202 . Exceptions.**

- 165 (1) This chapter does not prohibit[-] :
- 166 (a) a reasonable severance agreement mutually and freely agreed upon in good faith at or
- 167 after the time of termination that includes a [~~post-employment restrictive covenant. A~~
- 168 ~~severance agreement remains subject to any requirements imposed under common~~
- 169 ~~law.] non-compete agreement or a healthcare non-compete agreement; or~~
- 170 [(2)] (b) [~~This chapter does not prohibit a post-employment restrictive covenant] a~~
- 171 ~~non-compete agreement or a healthcare non-compete agreement related to or arising~~
- 172 ~~out of the sale of a business, if the individual subject to the [restrictive covenant]~~
- 173 ~~non-compete agreement or healthcare non-compete agreement receives value related~~
- 174 ~~to the sale of the business.~~

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

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

178 **34-51-203 . Nonsolicitation agreements.**

- 179 (1) On or after May 6, 2026, a person and a healthcare worker may not enter into
- 180 nonsolicitation agreement that prevents a healthcare worker from informing a patient of
- 181 any of the following:

- 182 (a) the healthcare worker's current place of employment; or
- 183 (b) the healthcare worker's future place of employment.

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

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

186 **34-51-301 . Award of arbitration costs, attorney fees and court costs, and**

187 **damages.**

188 If an employer seeks to enforce a [~~post-employment restrictive covenant] non-compete~~

189 agreement or healthcare non-compete agreement through arbitration or by filing a civil action

190 and it is determined that the [~~post-employment restrictive covenant] non-compete agreement or~~

191 healthcare non-compete agreement is unenforceable, the employer is liable for the employee's:

- 192 (1) costs associated with arbitration;
- 193 (2) attorney fees and court costs; and
- 194 (3) actual damages.

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

196 **34A-5-114 . Limitations on enforceability of nondisclosure and**

197 **non-disparagement clauses -- Retaliation prohibited.**

- 198 (1) As used in this section:
- 199 (a) "Confidentiality clause" means a nondisclosure clause or a non-disparagement clause.
- 200 (b) "Employee" means a current or a former employee.
- 201 (c) "Nondisclosure clause" means an agreement between an employee and employer that
- 202 prevents, or has the effect of preventing, an employee from disclosing or discussing:
- 203 (i) sexual assault;
- 204 (ii) allegations of sexual assault;
- 205 (iii) sexual harassment; or
- 206 (iv) allegations of sexual harassment.
- 207 (d) "Non-compete agreement" means the same as that term is defined in Section
- 208 34-51-102.
- 209 [(d)] (e) "Non-disparagement clause" means an agreement between an employee and
- 210 employer that prohibits, or has the effect of prohibiting, an employee from making a
- 211 negative statement that is:
- 212 (i) about the employer; and
- 213 (ii) related to:
- 214 (A) a claim of sexual assault or sexual harassment;
- 215 (B) a sexual assault dispute; or
- 216 (C) a sexual harassment dispute.
- 217 [(e) "Post-employment restrictive covenant" means the same as that term is defined in
- 218 Section 34-51-102.]
- 219 (f) "Proprietary information" means an employer's business plan or customer
- 220 information.
- 221 (g) "Retaliate" means taking an adverse action against an employee because the
- 222 employee made an allegation of sexual harassment or assault, including:
- 223 (i) discharge;
- 224 (ii) suspension;
- 225 (iii) demotion; or
- 226 (iv) discrimination in the terms, conditions, or privileges of employment.
- 227 (h)(i) "Sexual assault" means:
- 228 (A) conduct that would constitute a violation of 18 U.S.C. Secs. 2241 through
- 229 2244; or
- 230 (B) criminal conduct described in Title 76, Chapter 5, Part 4, Sexual Offenses.
- 231 (ii) "Sexual assault" does not include criminal conduct described in:

- 232 (A) Section 76-5-417, enticing a minor;
- 233 (B) Section 76-5-418, sexual battery;
- 234 (C) Section 76-5-419, lewdness; or
- 235 (D) Section 76-5-420, lewdness involving a child.
- 236 (i) "Sexual assault dispute" means a dispute between an employer and the employer's
- 237 employee relating to alleged sexual assault.
- 238 (j) "Sexual harassment" means harassment on the basis of sex, sexual orientation, or
- 239 gender, as prohibited in:
- 240 (i) Title VII of the Civil Rights Act of 1964, 42 U.S.C. Sec. 2000e et seq.; or
- 241 (ii) Subsection 34A-5-106(1)(a)(i).
- 242 (k) "Sexual harassment dispute" means a dispute between an employer and the
- 243 employer's employee relating to alleged sexual harassment.
- 244 (2)(a) A confidentiality clause regarding sexual misconduct, as a condition of
- 245 employment, is against public policy and is void and unenforceable.
- 246 (b) After an employee makes an allegation of sexual harassment or sexual assault, an
- 247 employer of any sized business, regardless of Subsection 34-5-102(1)(i)(D):
- 248 (i) may not retaliate against the employee because the employee made an allegation
- 249 of sexual harassment or assault; or
- 250 (ii) may not retaliate based on an employee's refusal to enter into a confidentiality
- 251 clause or an employment contract that, as a condition of employment, contains a
- 252 confidentiality clause.
- 253 (c) An employee may, within three business days after the day on which the employee
- 254 agrees to a settlement agreement that includes a confidentiality clause regarding
- 255 sexual misconduct, withdraw from the settlement agreement.
- 256 (3) An employer who attempts to enforce a confidentiality clause in violation of this section:
- 257 (a) is liable for all costs, including reasonable attorney fees, resulting from legal action
- 258 to enforce the confidentiality clause; and
- 259 (b) is not entitled to monetary damages resulting from a breach of a confidentiality
- 260 clause.
- 261 (4) This section does not:
- 262 (a) prohibit an agreement between an employee who alleges sexual assault or sexual
- 263 harassment and an employer from containing a nondisclosure clause, a
- 264 non-disparagement clause, or any other clause prohibiting disclosure of:
- 265 (i) the amount of a monetary settlement; or

- 266 (ii) at the request of the employee, facts that could reasonably lead to the
267 identification of the employee;
- 268 (b) prohibit an employer from requiring an employee to:
- 269 (i) sign a [~~post-employment restrictive covenant~~] non-compete agreement; or
- 270 (ii) agree not to disclose an employer's non-public trade secrets, proprietary
271 information, or confidential information that does not involve illegal acts;
- 272 (c) authorize an employee to:
- 273 (i) disclose data otherwise protected by law or legal privilege; or
- 274 (ii) knowingly make statements or disclosures that are false or made with reckless
275 disregard of the truth;
- 276 (d) prohibit an employee from discussing sexual misconduct or allegations of sexual
277 misconduct in a civil or criminal case when subpoenaed if the sexual misconduct or
278 allegations of sexual misconduct are against the individual whom the employee
279 alleged engaged in sexual misconduct;
- 280 (e) permit a disclosure that would violate state or federal law; or
- 281 (f) limit other grounds that may exist at law or in equity for the unenforceability of a
282 confidentiality clause.

283 **Section 7. Repealer.**

284 This bill repeals:

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

286 **Section 8. Effective Date.**

287 This bill takes effect on May 6, 2026.