

Effective 5/6/2026

34-51-201 Non-compete agreements.

- (1)
 - (a) Except as provided in Subsection (2) and in addition to any requirements imposed under common law, for a non-compete agreement entered into on or after May 10, 2016, an employer and an employee may not enter into a non-compete agreement for a period of more than one year from the day on which the employee is no longer employed by the employer.
 - (b) On or after May 6, 2026, a person and a healthcare worker may not enter into a healthcare non-compete agreement.
 - (c) A non-compete agreement that violates this Subsection (1) is void.
- (2)
 - (a) Subject to Subsection (2)(b), a non-compete agreement between a broadcasting company and a broadcasting employee is valid only if:
 - (i) the broadcasting employee is an exempt broadcasting employee;
 - (ii) the non-compete agreement is part of a written employment contract of reasonable duration, based on industry standards, the position, the broadcasting employee's experience, geography, and the parties' unique circumstances; and
 - (iii)
 - (A) the broadcasting company terminates the broadcasting employee for cause; or
 - (B) the broadcasting employee breaches the employment contract in a manner that results in the broadcasting employee no longer being employed by the broadcasting company.
 - (b) A non-compete agreement described in Subsection (2)(a) is enforceable for no longer than the earlier of:
 - (i) one year after the day on which the broadcasting employee is no longer employed by the broadcasting company; or
 - (ii) the day on which the original term of the employment contract containing the non-compete agreement ends.
 - (c) A non-compete agreement between a broadcasting company and a broadcasting employee that does not comply with this Subsection (2) is void.
- (3)
 - (a) Subject to Subsection (3)(b), on or after May 6, 2026, a person and a veterinarian may not enter into a veterinarian non-compete agreement.
 - (b) Subsection (3)(a) does not apply if the veterinarian has at least a 5% ownership interest in the person's business.
 - (c) A veterinarian non-compete agreement that violates this Subsection (3) is void.
- (4) If a provision in a veterinarian non-compete agreement entered into on or after May 6, 2026, requires that the parties to a dispute arising under the veterinarian non-compete agreement resolve the dispute in a forum outside of this state, the provision:
 - (a) is void and unenforceable; and
 - (b) is considered against the public policy of this state.
- (5) Nothing in this section affects an agreement that is not a:
 - (a) non-compete agreement;
 - (b) healthcare non-compete agreement; or
 - (c) veterinarian non-compete agreement.

Amended by Chapter 341, 2026 General Session