

**1st Sub. S.B. 113**  
**EMPLOYEE NONCOMPETITION CONTRACTS**

HOUSE FLOOR AMENDMENTS

AMENDMENT 1

MARCH 2, 2005 11:30 AM

Representative **Peggy Wallace** proposes the following amendments:

1. *Page 1, Line 22 through Page 2, Line 26*

*Senate 2nd Reading Amendments*

*2-25-2005:*

22 78-27-65. Employment related to noncompetition contracts.

23 ~~{A}~~ (1) Subject to Subsection (2), a ~~§~~→ provision of a ~~←~~§ contract between an employer  
and an employee that restricts or

23a prohibits the

24 employee from competing with the employer after the employee no longer works for the

25 employer may not be enforced if the employee's employment is terminated pursuant to a

26 reduction in force.

(2) This section does not prohibit the enforcement of a provision of a contract that restricts a  
former employee from:

(a) disclosing confidential information or trade secrets; or

(b) soliciting the employer's clients.