

1 S.268

2 Introduced by Senator Ayer

3 Referred to Committee on

4 Date:

5 Subject: Labor; conditions for employment; noncompete agreements

6 Statement of purpose of bill as introduced: This bill proposes to prohibit
7 noncompete agreements in employment contracts.

8 An act relating to employment contracts

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. 21 V.S.A. § 310 is added to read:

11 § 310. NONCOMPETE AGREEMENTS

12 Any provision in an employment contract for an employee that restricts the
13 right of the employee to obtain employment in a specified geographic area for
14 a specified period of time after the termination of the employment relationship
15 shall be void and unenforceable. This section shall not affect the validity of
16 any contract provisions designed to prevent the disclosure of an employer's
17 trade secrets or client list.

18 Sec. 2. EFFECTIVE DATE

19 This act shall take effect on July 1, 2014 and shall apply to employment
20 contracts entered into after that date.