

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

William N. Brownsberger

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the judicial enforcement of noncompetition agreements.

PETITION OF:

NAME:

William N. Brownsberger

DISTRICT/ADDRESS:

Second Suffolk and Middlesex

SENATE No.

[Pin Slip]

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act relative to the judicial enforcement of noncompetition agreements.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 149 of the General Laws of Massachusetts shall be amended by inserting the
2 following as Section 19D:-

3 Section 19D. Noncompetition Agreements

4 Any written or oral agreement arising out of an employment or independent contractor
5 relationship that prohibits, impairs, restrains, restricts, or places any condition on a person's
6 ability to seek, engage in, or accept any type of employment or independent contractor work, for
7 any period of time after an employment or independent contractor relationship has ended, shall,
8 to that extent, be void and unenforceable. This section does not render void or unenforceable the
9 remainder of the agreement containing the unenforceable noncompetition agreement, nor does it
10 affect (i) covenants not to solicit or hire employees or independent contractors of the employer;
11 (ii) covenants not to solicit or transact business with actual or prospective customers, clients, or
12 vendors of the employer; (iii) nondisclosure agreements; (iv) noncompetition agreements made

13 in connection with the sale of a business or partnership or substantially all of the assets of a
14 business or partnership, when the party restricted by the noncompetition agreement is an owner
15 of, or partner with, at least a ten percent interest of the business who received significant
16 consideration for the sale; (v) noncompetition agreements outside of an employment or
17 independent contractor relationship; (vi) forfeiture agreements; or (vii) agreements by which an
18 employee agrees to not reapply for employment to the same employer after termination of the
19 employee.

20 This section shall apply to all contracts and agreements executed after the effective date
21 of this act.