

General Assembly

Raised Bill No. 5326

February Session, 2020

LCO No. 1799



Referred to Committee on COMMERCE

Introduced by: (CE)

AN ACT CONCERNING NONSOLICITATION AGREEMENTS IN THE HOME HEALTH SERVICES INDUSTRY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 20-681 of the 2020 supplement to the general
- 2 statutes is repealed and the following is substituted in lieu thereof
- 3 (*Effective July 1, 2020*):
- 4 For purposes of this section "covenant not to compete" means any
- 5 contract or agreement that restricts the right of an individual to provide
- 6 homemaker, companion or home health services **[**(1) in any geographic
- 7 area of the state for any period of time, or (2)] to a specific individual or
- 8 for any homemaker-companion agency, as defined in section 20-670.
- 9 "Covenant not to compete" does not include any contract or agreement
- 10 that restricts the right of an individual to solicit from any client,
- 11 employee or vendor of a homemaker-companion agency, provided such
- 12 <u>contract or agreement is limited in duration to one year</u>. Any covenant
- 13 not to compete is against public policy and shall be void and

14 unenforceable.

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This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2020	20-681

Statement of Purpose:

To allow nonsolicitation agreements in the home health services industry.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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