

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 812**

(SENATE AUTHORS: LITTLE)

DATE  
02/04/2019

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Jobs and Economic Growth Finance and Policy

1.1 A bill for an act  
1.2 relating to employment; prohibiting enforcement of certain covenants not to solicit  
1.3 or compete affecting accounts of close relatives of investment adviser  
1.4 representatives and brokers; proposing coding for new law in Minnesota Statutes,  
1.5 chapter 80A.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. **[80A.675] COVENANTS NOT TO SOLICIT OR COMPETE;**  
1.8 **INVESTMENT ADVISER REPRESENTATIVES AND BROKERS.**

1.9 Subdivision 1. **Prohibition.** No investment adviser or broker-dealer shall enforce or  
1.10 threaten to enforce a covenant not to solicit or compete against any investment adviser  
1.11 representative or broker with respect to accounts of close relatives with whom that investment  
1.12 adviser representative or broker had a direct advisory or sales relationship.

1.13 Subd. 2. **Definition.** For purposes of this section, "close relative" means a spouse, child,  
1.14 parent, grandparent, aunt, uncle, grandchild, parent-in-law, sibling-in-law, or step-relative  
1.15 of the investment adviser representative or broker.