

SENATE BILL NO. 789

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BECK.

4002S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapter 431, RSMo, by adding thereto one new section relating to covenants not to compete.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 431, RSMo, is amended by adding thereto
2 one new section, to be known as section 431.203, to read as
3 follows:

431.203. 1. For purposes of this section, "covenant
2 not to compete" means an agreement, understanding, contract,
3 or contractual term in which an employee or prospective
4 employee agrees not to compete against an employer or
5 prospective employer or agrees not to accept any positions
6 with a competitor of an employer or prospective employer
7 following the termination of a business or employment
8 relationship between the employee or prospective employee
9 and the employer or prospective employer. A covenant not to
10 compete may, but need not, contain time-based or geographic
11 limitations.

12 2. Notwithstanding any provision of section 431.202 or
13 any other provision of law to the contrary, a covenant not
14 to compete shall be void and unenforceable to the extent
15 that it applies to an employment arrangement wherein an
16 employee is or would be paid hourly wages.

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