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HOUSE BILL 262

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Joanne J. Ferrary

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO VETERINARY MEDICINE; MAKING NON-COMPETE PROVISIONS
IN VETERINARIAN AND VETERINARY TECHNICIAN AGREEMENTS
UNENFORCEABLE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] DEFINITIONS.--As used in this
act:

A. "agreement" means a written contract to which a
veterinarian or veterinary technician is a party;

B. "non-compete provision" means a provision in an
agreement that restricts the right of a veterinarian or
veterinary technician to provide veterinary care in this state;

C. "veterinarian" means a person licensed to
practice veterinary medicine pursuant to the Veterinary
Practice Act;

.226754.1

underscoring material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 D. "veterinary care" means health care services
2 provided to an animal by a veterinarian or veterinary
3 technician; and

4 E. "veterinary technician" means a person certified
5 as a veterinary technician pursuant to the Veterinary Practice
6 Act.

7 SECTION 2. [NEW MATERIAL] ENFORCEABILITY OF A NON-COMPETE
8 PROVISION--OTHER PROVISIONS VOID.--

9 A. A non-compete provision in an agreement shall be
10 unenforceable upon the termination of:

- 11 (1) the agreement;
- 12 (2) a renewal or extension of the agreement;
- 13 or

14 (3) a veterinarian or veterinary technician's
15 employment with a party seeking to enforce the agreement.

16 B. A provision in an agreement for veterinary care
17 to be rendered in this state is void, unenforceable and against
18 public policy if the provision:

- 19 (1) makes the agreement subject to the laws of
20 another state; or
- 21 (2) requires any litigation arising out of the
22 agreement to be conducted in another state.

23 SECTION 3. [NEW MATERIAL] ENFORCEABILITY OF OTHER
24 PROVISION.--Nothing in this act shall be construed to limit the
25 enforceability of:

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underscored material = new
[bracketed material] = delete

1 A. a provision in an agreement requiring a
2 veterinarian or a veterinary technician who has worked for an
3 employer for an initial period of less than two years to repay
4 all or a portion of:

5 (1) a loan;

6 (2) relocation expenses;

7 (3) a signing bonus or other remuneration to
8 induce the veterinarian or veterinary technician to relocate or
9 establish a veterinary care practice in a specified geographic
10 area; or

11 (4) recruiting, education and training
12 expenses;

13 B. a nondisclosure provision relating to
14 confidential information and trade secrets; and

15 C. any other provision of an agreement that is not
16 in violation of law.

17 SECTION 4. APPLICABILITY.--The provisions of this act
18 apply to agreements, or renewals or extensions of agreements,
19 executed on or after July 1, 2024.