

**POST-EMPLOYMENT RESTRICTIONS AMENDMENTS**

2019 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Mike Schultz**

Senate Sponsor: \_\_\_\_\_

---

---

**LONG TITLE**

**General Description:**

This bill modifies provisions of the Post-employment Restrictions Act relating to broadcasting employees and broadcasting companies.

**Highlighted Provisions:**

This bill:

► modifies the permissible duration of an employment contract that contains a post-employment restrictive covenant for a broadcasting employee.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**34-51-201**, as last amended by Laws of Utah 2018, Chapter 465

---

---

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **34-51-201** is amended to read:

**34-51-201. Post-employment restrictive covenants.**

(1) Except as provided in Subsection (2) and in addition to any requirements imposed under common law, for a post-employment restrictive covenant entered into on or after May



28 10, 2016, an employer and an employee may not enter into a post-employment restrictive  
29 covenant for a period of more than one year from the day on which the employee is no longer  
30 employed by the employer. A post-employment restrictive covenant that violates this  
31 subsection is void.

32 (2) (a) Subject to Subsection (2)(b), a post-employment restrictive covenant between a  
33 broadcasting company and a broadcasting employee is valid only if:

34 (i) the broadcasting employee is an exempt broadcasting employee;

35 (ii) the post-employment restrictive covenant is part of a written employment contract  
36 [~~with a term of no more than four years~~] of reasonable duration, based on industry standards,  
37 the position, the broadcasting employee's experience, geography, and the parties' unique  
38 circumstances; and

39 (iii) (A) the broadcasting company terminates the broadcasting employee for cause; or

40 (B) the broadcasting employee breaches the employment contract in a manner that  
41 results in the broadcasting employee no longer being employed by the broadcasting company.

42 (b) A post-employment restrictive covenant described in Subsection (2)(a) is  
43 enforceable for no longer than the earlier of:

44 (i) one year after the day on which the broadcasting employee is no longer employed by  
45 the broadcasting company; or

46 (ii) the day on which the original term of the employment contract containing the  
47 post-employment restrictive covenant ends.

48 (c) A post-employment restrictive covenant between a broadcasting company and a  
49 broadcasting employee that does not comply with this subsection is void.