

## HOUSE BILL NO. HB0163

Physician noncompete clause.

Sponsored by: Representative(s) Nicholas, Connolly,  
Harshman and Miller and Senator(s) Baldwin,  
Bebout, Rothfuss, Scott and Wasserburger

A BILL

for

1 AN ACT relating to professions and occupations; prohibiting  
2 a noncompete provision for a physician's employment,  
3 partnership or other business agreement; prescribing  
4 enforcement of other contract provisions; providing  
5 applicability; and providing for an effective date.

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7 *Be It Enacted by the Legislature of the State of Wyoming:*

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9 **Section 1.** W.S. 33-26-104 is created to read:

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11 **33-26-104. Noncompete clauses.**

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13 (a) Any covenant not to compete in an employment,  
14 partnership or other business agreement that restricts the  
15 right of a physician required to be licensed under this

1 chapter to practice medicine, upon termination of the  
2 agreement, is void, except:

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4 (i) All other provisions of an employment,  
5 partnership or other business agreement that are otherwise  
6 enforceable at law shall remain in full force and effect,  
7 including:

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9 (A) Provisions that require the payment of  
10 damages in an amount that is reasonably related to the  
11 injury suffered due to termination of the agreement;

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13 (B) Provisions that require the payment of  
14 reasonable damages upon termination of the agreement.

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16 (ii) All covenants not to compete shall provide  
17 that the physician will not be prohibited from providing  
18 continuing care and treatment to any patient during the  
19 course of an acute illness even after the contract or  
20 employment has been terminated.

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1           (b) Subsection (a) of this section shall not apply to  
2 a physician's business ownership interest in a licensed  
3 hospital or licensed ambulatory surgical center.

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5           **Section 2.** This act shall not apply to any  
6 employment, partnership or other business agreement  
7 originally entered into prior to the effective date of this  
8 act.

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10           **Section 3.** This act is effective immediately upon  
11 completion of all acts necessary for a bill to become law  
12 as provided by Article 4, Section 8 of the Wyoming  
13 Constitution.

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(END)