

# House File 593 - Introduced

HOUSE FILE \_\_\_\_\_  
BY WINDSCHITL

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act prohibiting agreements not to compete for health care  
2 professionals in the state.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 2485YH 83  
5 pf/nh/14

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1 1 Section 1. NEW SECTION. 147.140 AGREEMENTS NOT TO  
1 2 COMPETE == VOID.  
1 3 Any contract or agreement which creates or establishes the  
1 4 terms of employment, partnership, or any other form of  
1 5 professional relationship with a person licensed under the  
1 6 provisions of this subtitle which includes any restriction of  
1 7 the right of the person to practice the profession for which  
1 8 the person is licensed in any geographic area or for a defined  
1 9 period of time upon the termination of the contract or  
1 10 agreement, is void and unenforceable with respect to the  
1 11 restrictive provision. This limitation shall not render void  
1 12 and unenforceable other provisions of the contract or  
1 13 agreement that are otherwise valid and enforceable.

1 14 EXPLANATION

1 15 This bill relates to agreements not to compete relating to  
1 16 certain health-related professions. The bill provides that a  
1 17 contract or agreement that creates or establishes the terms of  
1 18 a professional relationship with a licensed health care  
1 19 professional that includes any restriction of the right of the  
1 20 person to practice the profession for which the person is  
1 21 licensed in any geographic area or for a defined period of  
1 22 time upon the termination of the contract or agreement is void  
1 23 and unenforceable with respect to the restrictive provision.  
1 24 The bill does provide that the limitation regarding such  
1 25 restrictions does not render void or unenforceable other  
1 26 provisions of the contract or agreement that are otherwise  
1 27 valid and enforceable.  
1 28 LSB 2485YH 83  
1 29 pf/nh/14