

House File 2254 - Introduced

HOUSE FILE 2254
BY COMMITTEE ON HEALTH AND
HUMAN SERVICES

(SUCCESSOR TO HF 2072)

A BILL FOR

1 An Act relating to the prohibition of noncompete clauses in
2 certain employment contracts entered into by the university
3 of Iowa hospitals and clinics, and including effective date
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 262.9, Code 2026, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 43. *a.* Develop a policy that prohibits
4 the university of Iowa hospitals and clinics from including a
5 noncompete clause in an employment contract with a physician.

6 *b.* For purposes of this subsection:

7 (1) "*Noncompete clause*" means any restriction on the right
8 of a physician to practice in any geographic area or for a
9 defined period of time upon the termination of an employment
10 contract between the physician and the university of Iowa
11 hospitals and clinics.

12 (2) "*Physician*" means an individual licensed under chapter
13 148.

14 *c.* This subsection applies to all employment contracts
15 between a physician and the university of Iowa hospitals and
16 clinics entered into, extended, or renewed on or after the
17 effective date of this Act.

18 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
19 importance, takes effect upon enactment.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.

23 This bill relates to noncompete clauses in certain
24 employment contracts entered into by the university of Iowa
25 hospitals and clinics (UIHC).

26 The bill directs the board of regents (board) to develop
27 a policy prohibiting UIHC from including a noncompete clause
28 in any contract with a physician. The bill provides that the
29 prohibition applies to contracts entered into, extended, or
30 renewed on or after the effective date of the bill.

31 The bill defines "noncompete clause" and "physician".

32 The bill takes effect upon enactment.