

CHAPTER 1173**NONCOMPETE CLAUSE PROHIBITION — CERTAIN MEDICAL PROFESSIONS OF
UNIVERSITY OF IOWA HOSPITALS AND CLINICS***H.F. 2254*

AN ACT relating to the prohibition of noncompete clauses in certain employment contracts entered into by the university of Iowa hospitals and clinics, and including effective date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

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

NEW SUBSECTION. 43. *a.* Develop a policy that prohibits the university of Iowa hospitals and clinics from including a noncompete clause in an employment contract with an advanced registered nurse practitioner, a licensed practical nurse, a pharmacist, a physician, a physician assistant, or a registered nurse.

b. This subsection applies to all employment contracts between an advanced registered nurse practitioner, a licensed practical nurse, a pharmacist, a physician, a physician assistant, or a registered nurse and the university of Iowa hospitals and clinics entered into, extended, or renewed on or after the effective date of this Act.

c. For purposes of this subsection:

(1) “*Advanced registered nurse practitioner*” means the same as defined in section 152.1.

(2) “*Licensed practical nurse*” means an individual licensed under chapter 152.

(3) “*Noncompete clause*” means any restriction on the right of an advanced registered nurse practitioner, a licensed practical nurse, a pharmacist, a physician, a physician assistant, or a registered nurse to practice in any geographic area or for a defined period of time upon the termination of an employment contract between the advanced registered nurse practitioner, licensed practical nurse, pharmacist, physician, physician assistant, or registered nurse and the university of Iowa hospitals and clinics.

(4) “*Pharmacist*” means the same as defined in section 155A.3.

(5) “*Physician*” means an individual licensed under chapter 148.

(6) “*Physician assistant*” means the same as defined in section 148C.1.

(7) “*Registered nurse*” means an individual licensed under chapter 152.

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

Approved June 2, 2026