

2019 Regular Session

SENATE BILL NO. 177

BY SENATORS WHITE AND CLAITOR

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PHYSICIANS. Provides relative to prohibited restraint of certain professions. (8/1/19)

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AN ACT

To enact R.S. 23:921(M), relative to prohibited restraint of certain professions; to provide for prohibited contract provisions; to provide for protected professions; to provide for definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 23:921(M) is hereby enacted to read as follows:

§921. Restraint of business prohibited; restraint on forum prohibited; competing business; contracts against engaging in; provisions for

* * *

M.(1) Notwithstanding any provision herein to the contrary, no contract, agreement or provision thereof shall be enforceable to restrict any physician, advanced practice registered nurse, nurse practitioner, or physician assistant from practicing, upon termination of employment or independent contractor agreement, who has practiced in their field for a five-year continuous period with the same employer or affiliate in the same community while subject to a noncompete or nonsolicitation agreement.

(2) For purposes of this Subsection, the following meanings shall apply:

- 1 **(a) "Physician" is as defined in R.S. 37:1262.**
- 2 **(b) "Advanced practice registered nurse," and "nurse practitioner" is**
- 3 **as defined in R.S. 37:913.**
- 4 **(c) "Physician assistant" is as defined in R.S. 37:1360.22.**
- 5 **(d) "Community" means the same geographical area of prohibition as**
- 6 **contained in that particular physician noncompete or nonsolicitation contract,**
- 7 **agreement or provision thereof.**

The original instrument was prepared by Christine Arbo Peck. The following digest, which does not constitute a part of the legislative instrument, was prepared by Morgan B. Robertson.

DIGEST

SB 177 Engrossed 2019 Regular Session White

Present law prohibits contracts or agreements which restrain anyone from exercising a lawful profession, trade, or business of any kind, unless specifically exempt by present law.

Proposed law retains present law and prohibits noncompete and nonsolicitation contract clauses that restrict any physician, advanced practice registered nurse, nurse practitioner, or physician assistant from practicing, upon termination of employment or independent contractor agreement, for a five-year continuous period with the same employer or affiliate in the same geographical area.

Effective August 1, 2019.

(Adds R.S. 23:921(M))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs

1. Deletes the category "nurse".
2. Revises provisions relative to agreement.
3. Makes technical corrections.