

SB 197 - AS INTRODUCED

2019 SESSION

19-0486

04/06

SENATE BILL **197**

AN ACT relative to noncompete agreements for low-wage employees.

SPONSORS: Sen. Watters, Dist 4; Sen. Cavanaugh, Dist 16; Sen. Feltes, Dist 15; Sen. Hennessey, Dist 5; Sen. Dietsch, Dist 9; Sen. Levesque, Dist 12; Sen. Sherman, Dist 24; Sen. Morgan, Dist 23; Sen. Gray, Dist 6; Sen. Kahn, Dist 10; Rep. Conley, Straf. 13; Rep. Cahill, Rock. 17

COMMITTEE: Commerce

ANALYSIS

This bill prohibits an employer from requiring a low-wage employee to enter into a noncompete agreement.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT relative to noncompete agreements for low-wage employees.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Protective Legislation; Noncompete Agreements for Low-Wage Employees.
2 Amend RSA 275 by inserting after section 70 the following new section:

3 275:70-a Noncompete Agreements for Low-Wage Employees Prohibited.

4 I. In this section:

5 (a) "Employer" shall have the same meaning as in RSA 279:1, XI.

6 (b) "Low-wage employee" means an employee who earns:

7 (1) An hourly rate less than or equal to 200 percent of the federal minimum wage;

8 or

9 (2) An hourly rate less than or equal to 200 percent of the tipped minimum wage
10 pursuant to RSA 279:21.

11 (c) "Noncompete agreement" means an agreement between an employer and a low-wage
12 employee that restricts such low-wage employee from performing:

13 (1) Work for another employer for a specified period of time;

14 (2) Work in a specified geographical area; or

15 (3) Work for another employer that is similar to such low-wage employee's work for
16 the employer who is a party to the agreement; and that is entered into after the effective date of this
17 section.

18 II.(a) No employer shall require a low-wage employee to enter into a noncompete
19 agreement.

20 (b) A noncompete agreement entered into between an employer and a low-wage
21 employee shall be void and unenforceable.

22 2 Effective Date. This act shall take effect 60 days after its passage.