

HB 2787 -- UNIFORM RESTRICTIVE EMPLOYMENT AGREEMENTS ENACTMENT

SPONSOR: Keathley

This bill enacts the "Uniform Restrictive Employment Agreement Act."

In its main provisions the bill:

- (1) Defines terms;
- (2) Establishes rules of construction and applicability;
- (3) Prohibits restrictive employment agreements, except when a worker waives the 14 day notice or when the worker's pay rate is less than the annual mean wage of employees in Missouri;
- (4) Requires the Department of Labor and Industrial Relations to describe the notice and otherwise make the notice available;
- (5) Outlines conditions under which a restrictive employment agreement other than a confidentiality or training-repayment agreement is unenforceable;
- (6) Requires restrictive employment agreements to be reasonable;
- (7) Prescribes the conditions under which a noncompete agreement is allowable;
- (8) Specifies certain information in a confidentiality agreement that a worker may use and disclose and the conditions under which a no-business agreement, a nonsolicitation agreement, a no-recruit agreement, and a payment-for-competition agreement are allowable;
- (9) Describes remedies available in court; and
- (10) Establishes when a choice of law and a choice of venue are allowable.

The bill does not affect the validity of restrictive employment agreements in effect before August 28, 2024, but Sections 431.306 and 431.308, RSMo, do apply to restrictive employment agreements entered before, on, or after August 28, 2024.