

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- RHODE ISLAND
NONCOMPETITION AGREEMENT ACT

Introduced By: Representatives Cotter, Casimiro, Potter, Morales, Shanley, Carson,
Fogarty, Cortvriend, McGaw, and Bennett

Date Introduced: February 03, 2023

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-59-3 of the General Laws in Chapter 28-59 entitled "Rhode Island
2 Noncompetition Agreement Act" is hereby amended to read as follows:

3 **28-59-3. Enforceability.**

4 (a) A noncompetition agreement shall not be enforceable against the following types of
5 workers:

6 (1) An employee who is classified as nonexempt under the Fair Labor Standards Act, 29
7 U.S.C. §§ 201-219;

8 (2) Undergraduate or graduate students who participate in an internship or otherwise enter
9 a short-term employment relationship with an employer, whether paid or unpaid, while enrolled at
10 an educational institution;

11 (3) Employees age eighteen (18) or younger; or

12 (4) A low-wage employee.

13 (b) This section does not render void or unenforceable the remainder of a contract or
14 agreement containing the unenforceable noncompetition agreement, nor does it preclude the
15 imposition of a noncompetition restriction by a court, whether through preliminary or permanent
16 injunctive relief or otherwise, as a remedy for a breach of another agreement or of a statutory or
17 common law duty.

18 (c) Nothing in this section shall preclude an employer from entering into an agreement with

1 an employee not to share any information, including after the employee is no longer employed by
2 the employer, regarding the employer or the employment that is a trade secret.

3 [\(d\) Except as provided in this chapter, every contract or contractual provision by which an](#)
4 [employee is restrained from engaging in a lawful profession, trade, or business of any kind is to](#)
5 [that extent void.](#)

6 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- RHODE ISLAND
NONCOMPETITION AGREEMENT ACT

- 1 This act would void all portions of noncompetition agreements in this state, which restrain
- 2 an employee from engaging in a lawful profession, trade or business of any kind.
- 3 This act would take effect upon passage.

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