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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Amanda Trapp.

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DIGEST

SB 165 Engrossed

2024 Regular Session

McMath

Present law provides that every contract or agreement by which anyone is restrained from exercising a lawful profession, trade, or business of any kind shall be null and void.

Present law provides for exceptions from present law provided that any exemption does not exceed a period of two years.

Proposed law retains present law for all physicians except those specified in proposed law.

Proposed law requires that any noncompete provisions for physicians specified in proposed law shall terminate after three years. Proposed law further requires that if the contract is terminated prior to three years, the noncompete provision can only apply to three contiguous parishes, one of which is the parish where the physician's primary practice is located.

Proposed law applies to contracts entered into on or after January 1, 2025.

Effective August 1, 2024.

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

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Removes technical changes.
2. Adds provisions relative to contracts and agreements that restrain certain physicians from practicing medicine.
3. Adds a provision regarding effectiveness.