

HOUSE BILL NO. 4514

May 21, 2025, Introduced by Reps. Woolford, Mentzer, Robinson, Kunse, Kelly, Johnsen, Meerman, Alexander, DeSana, Markkanen, Cavitt and Bruck and referred to Committee on Health Policy.

A bill to amend 1984 PA 274, entitled
"Michigan antitrust reform act,"
by amending section 4a (MCL 445.774a), as added by 1987 PA 243.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4a. (1) ~~An~~ **Except as otherwise provided under subsection**
2 **(3), an** employer may obtain from an employee ~~an~~ **a noncompete**
3 agreement ~~or covenant which~~ **that** protects an employer's reasonable
4 competitive business interests and expressly prohibits an employee
5 from engaging in employment or a line of business after termination
6 of employment if the **noncompete** agreement ~~or covenant~~ is reasonable

1 as to its duration, geographical area, and the type of employment
2 or line of business. To the extent ~~any such~~ **a noncompete** agreement
3 ~~or covenant~~ is found to be unreasonable in any respect, a court may
4 limit the agreement to render it reasonable in light of the
5 circumstances in which it was made and specifically enforce the
6 agreement as limited.

7 (2) ~~This section shall apply~~ **Subsection (1) applies** to
8 covenants and agreements ~~which are~~ entered into after March 29,
9 1985.

10 (3) **An employer shall not obtain from a physician a noncompete**
11 **agreement described in subsection (1). A noncompete agreement**
12 **entered into before the amendatory act that added this subsection**
13 **between an employer and a physician that is contrary to this**
14 **subsection is void. As used in this subsection, "physician" means**
15 **that term as defined in section 17001 of the public health code,**
16 **1978 PA 368, MCL 333.17001.**