HOUSE BILL NO. 698

AN ACT TO PROHIBIT THE INCLUSION OF NONCOMPETITION PROVISIONS IN CERTAIN CONTRACTS BETWEEN HEALTH CARE AND OTHER PERSONS OR ENTITIES; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) As used in this section, the following terms shall have the following meanings:

(a) "Health care provider" means an individual or entity that provides health care services in the ordinary course of the practice of a profession.

(b) "Noncompetition provision" means a provision in a contract or other agreement that has the effect of prohibiting or restricting a party to the contract or agreement from being employed by or being an independent contractor for another person or entity that is engaged in the same type of business or provides the same type of services as the other party to the contract or agreement.

(2) A contract or other agreement entered into or renewed on or after July 1, 2003, between a person or entity and a health care provider that is a resident of Mississippi, for the health care provider to provide health care services to or on behalf of the person or entity as an employee or as an independent contractor, shall not contain a noncompetition provision. A noncompetition provision in a contract or other agreement in violation of the provisions of this section shall be void and unenforceable.

SECTION 2. This act shall take effect and be in force from and after July 1, 2003.