

HOUSE BILL No. 6008

September 15, 1998, Introduced by Rep. Middleton and referred to the Committee on Commerce.

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 employer may obtain from an employee an
2 agreement or covenant ~~which~~ THAT protects an employer's
3 ~~reasonable~~ competitive business interests and expressly prohib-
4 its an employee from engaging in employment or a line of business
5 after termination of employment if the agreement or covenant is
6 ~~reasonable as to its duration, geographical area, and the type~~
7 ~~of employment or line of business. To the extent any such agree-~~
8 ~~ment or covenant is found to be unreasonable in any respect, a~~
9 ~~court may limit the agreement to render it reasonable in light of~~
10 ~~the circumstances in which it was made and specifically enforce~~

1 ~~the agreement as limited.~~ LIMITED TO 1 OR MORE OF THE
2 FOLLOWING:

3 (A) THE AGREEMENT OR COVENANT PROHIBITS THE DISCLOSURE OF
4 TRADE SECRETS.

5 (B) THE AGREEMENT OR COVENANT PROHIBITS THE EMPLOYEE FROM
6 SOLICITING THE CLIENTS OR CUSTOMERS OF THE EMPLOYER FOR NOT MORE
7 THAN 90 DAYS AFTER TERMINATION OF THE EMPLOYMENT RELATIONSHIP.

8 (C) THE AGREEMENT OR COVENANT PERTAINS TO SPECIAL, UNIQUE,
9 OR EXTRAORDINARY EMPLOYEE SERVICES.

10 (2) This section ~~shall apply~~ APPLIES to covenants and
11 agreements ~~which~~ THAT are entered into after March 29, 1985.

12 (3) AS USED IN THIS SECTION, "SPECIAL, UNIQUE, OR EXTRAORDI-
13 NARY EMPLOYEE SERVICES" MEANS EMPLOYEE PARTICIPATION IN
14 POLICY-MAKING DECISIONS OR EMPLOYEE ACCESS TO CORPORATE PLANNING
15 MATERIALS OR CONFIDENTIAL EMPLOYMENT MATERIALS.

16 Enacting section 1. This amendatory act takes effect April
17 1, 1999.