



THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

February 19, 2025

**SB 658 – Labor and Employment – Noncompete and Conflict of Interest Provisions Act of 2025**

Chair Beidle, Vice Chair Hayes, and members of the Finance Committee,

Senate Bill 658 would alter the noncompete and conflict of interest provisions in employment contracts or similar documents to clarify when they are dissolved all employees apart from certain workers licensed under the Health and Occupations Article.

Under current law, the noncompete provision was not entirely clear on when it was dissolved. This bill is simply clarifying that immediately upon separation from the employer the noncompete becomes null and void.

For employees with contracts licensed under the Health Occupations Article that provide direct patient care and earn over \$350,000 dollars in annual compensation the noncompete may not exceed one year nor have a geographical restriction exceeding 10 miles from their previous place of employment.

This bill is intended to better explain that non-competes and other conflict of interest provisions only last for the duration of employment, except under the special exception for those specific Health Occupation employees. There have been numerous instances of confusion based on the wording of the current law, which will hopefully be resolved through this minor change in language.

I respectfully request a favorable report on Senate Bill 658.