

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 961**

Introduced by Dungan, 26; Hunt, 8.

Read first time January 04, 2024

Committee: Business and Labor

- 1 A BILL FOR AN ACT relating to labor; to prohibit noncompete agreements
- 2 for lower-wage employees as prescribed; to define terms; and to
- 3 provide for applicability.
- 4 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) For purposes of this section:

2           (a) Employer means any individual, partnership, limited liability  
3 company, association, corporation, business trust, legal representative,  
4 or organized group of persons employing one or more employees at any one  
5 time, except that the term does not include the United States, the state,  
6 or any political subdivision thereof;

7           (b) Lower-wage employee means an employee who earns no more than one  
8 hundred thousand dollars per year; and

9           (c)(i) Noncompete agreement means an agreement between an employer  
10 and an employee that restricts such employee from performing (A) any work  
11 for another employer for a specified period of time, (B) any work for  
12 another employer within a specified geographical area, or (C) any work  
13 for another employer that is similar to such employee's work for the  
14 employer included as a party to the agreement.

15           (ii) Noncompete agreement includes any stand-alone agreement or any  
16 provision within an employment contract or similar agreement.

17           (2) No employer shall enter into a noncompete agreement with a  
18 lower-wage employee.

19           (3) A noncompete agreement entered into between an employer and a  
20 lower-wage employee is against the public policy of this state and is  
21 void and unenforceable.

22           (4) This section applies to noncompete agreements entered into on or  
23 after the effective date of this act.