



2025 SENATE BILL

1 **AN ACT** *to renumber and amend* 103.465; *to amend* 103.465 (title), 103.465
2 (2) (a) 1. and 103.465 (2) (a) 2.; *to create* 103.465 (2) and 103.465 (2) (a) 1m. of
3 the statutes; **relating to:** noncompete clauses for medical practitioners.

Analysis by the Legislative Reference Bureau

This bill makes changes regarding covenants not to compete for advanced practice registered nurses, advanced practice nurse prescribers, physicians, physician assistants, and psychologists (“medical practitioners”).

Under current law, a covenant by an assistant, servant, or agent not to compete with his or her employer or principal during the term of the employment or agency, or after the termination of the employment or agency, within a specified territory and during a specified time is lawful and enforceable only if the restrictions imposed are reasonably necessary for the protection of the employer or principal. A covenant not to compete that imposes an unreasonable restraint, however, is illegal, void, and unenforceable even as to any part of the covenant that would be a reasonable restraint.

The bill provides that a covenant by a medical practitioner not to compete with his or her employer after the termination of the employment imposes an unreasonable restraint and is illegal, void, and unenforceable if the covenant includes a restriction that prohibits working as a medical practitioner for more than 24 consecutive months after the first day of the medical practitioner’s employment

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with the employer that is imposing the covenant not to compete. The bill also provides that a covenant not to compete by a medical practitioner is illegal, void, and unenforceable if the medical practitioner's employment is terminated for any reason by the medical practitioner's employer.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 103.465 (title) of the statutes is amended to read:

2 **103.465 (title) ~~Restrictive covenants~~ Covenants not to compete in**
3 **employment contracts.**

4 **SECTION 2.** 103.465 of the statutes is renumbered 103.465 (1) and amended to
5 read:

6 103.465 (1) COVENANTS NOT TO COMPETE; GENERALLY. ~~A- Except as provided~~
7 in sub. (2), a covenant by an employee, assistant, servant, or agent not to compete
8 with his or her employer or principal during the term of the employment or agency,
9 or after the termination of that employment or agency, within a specified territory
10 and during a specified time is lawful and enforceable only if the restrictions
11 imposed are reasonably necessary for the protection of the employer or principal.
12 Any covenant, described in this section, ~~imposing subsection that imposes~~ an
13 unreasonable restraint is illegal, void, and unenforceable even as to any part of the
14 covenant or performance that would be a reasonable restraint.

15 **SECTION 3.** 103.465 (2) of the statutes is created to read:

16 103.465 (2) COVENANTS NOT TO COMPETE; MEDICAL PRACTITIONERS. (a) In
17 this subsection:

18 1. "Advanced practice nurse prescriber" means an advanced practice nurse
19 who is certified under s. 441.16 (2).

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1 2. “Medical practitioner” means an advanced practice nurse prescriber, a
2 physician, a physician assistant, or a psychologist.

3 3. “Physician” has the meaning given in s. 448.01 (5).

4 4. “Physician assistant” has the meaning given in s. 448.971 (2).

5 5. “Psychologist” means an individual licensed under ch. 455.

6 (b) A covenant by a medical practitioner not to compete with his or her
7 employer after the termination of the employment imposes an unreasonable
8 restraint and is illegal, void, and unenforceable, even as to any part of the covenant
9 that would be a reasonable restraint, if the covenant includes a restriction that
10 prohibits working as a medical practitioner for more than 24 consecutive months
11 after the first day of the medical practitioner’s employment with the employer.

12 (c) A covenant by a medical practitioner not to compete with his or her
13 employer after the termination of the employment shall be considered an
14 unreasonable restraint and shall be considered illegal, void, and unenforceable if
15 the medical practitioner’s employment is terminated for any reason by the
16 employer.

17 **SECTION 4.** 103.465 (2) (a) 1. of the statutes, as created by 2025 Wisconsin Act
18 (this act), is amended to read:

19 103.465 (2) (a) 1. “Advanced practice nurse prescriber” means an advanced
20 practice nurse who ~~is~~ was certified under s. 441.16 (2), 2023 stats.

21 **SECTION 5.** 103.465 (2) (a) 1m. of the statutes is created to read:

22 103.465 (2) (a) 1m. “Advanced practice registered nurse” means an individual
23 who is licensed under s. 441.09.

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SECTION 6. 103.465 (2) (a) 2. of the statutes, as created by 2025 Wisconsin Act (this act), is amended to read:

103.465 (2) (a) 2. “Medical practitioner” means an advanced practice registered nurse, an advanced practice nurse prescriber, a physician, a physician assistant, or a psychologist.

SECTION 7. Initial applicability.

(1) COVENANTS NOT TO COMPETE; MEDICAL PRACTITIONERS. This act first applies to a covenant by a medical practitioner, as defined in s. 103.465 (2) (a) 2., not to compete with his or her employer that is entered into, or extended, modified, or renewed, on the effective date of this section.

SECTION 8. Effective dates. This act takes effect on the day after publication, except as follows:

(1) The creation of s. 103.465 (2) (a) 1m. and the amendment of s. 103.465 (2) (a) 1. and 2. take effect on the day after publication, or on the first day of the 13th month beginning after publication of 2025 Wisconsin Act ... (Assembly Bill 257), whichever is later.

(END)