

SENATE BILL No. 649

July 24, 2007, Introduced by Senator GLEASON and referred to the Committee on Commerce and Tourism.

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 reasonable
3 competitive business interests and expressly prohibits an employee
4 from engaging in employment or a line of business after termination
5 of employment if the agreement or covenant is reasonable as to its
6 duration, geographical area, and the type of employment or line of
7 business. To the extent any such agreement or covenant is found to
8 be unreasonable in any respect, a court may limit the agreement to
9 render it reasonable in light of the circumstances in which it was

1 made and specifically enforce the agreement as limited.

2 (2) A BROADCASTING INDUSTRY CONTRACT PROVISION THAT REQUIRES
3 AN EMPLOYEE OR PROSPECTIVE EMPLOYEE TO REFRAIN FROM OBTAINING
4 EMPLOYMENT IN A SPECIFIED GEOGRAPHIC AREA FOR A SPECIFIED TIME
5 FOLLOWING EXPIRATION OF THE CONTRACT OR UPON TERMINATION OF
6 EMPLOYMENT WITHOUT FAULT OF THE EMPLOYEE IS PRESUMED TO BE
7 UNREASONABLE. A PERSON WHO SUFFERS DAMAGES FROM THE ENFORCEMENT OR
8 ATTEMPTED ENFORCEMENT OF AN UNREASONABLE CONTRACT PROVISION IN
9 VIOLATION OF THIS SUBSECTION IS ENTITLED TO DAMAGES, REASONABLE
10 ATTORNEY FEES, AND COSTS AS PROVIDED IN SECTION 8(2).

11 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
12 INDICATES, "BROADCASTING INDUSTRY CONTRACT" MEANS AN EMPLOYMENT
13 CONTRACT BETWEEN AN INDIVIDUAL AND A LEGAL ENTITY, OR AN AFFILIATE
14 OF A LEGAL ENTITY, THAT OWNS 1 OR MORE TELEVISION STATIONS OR
15 NETWORKS OR 1 OR MORE RADIO STATIONS OR NETWORKS.

16 (4) ~~(2)~~ This section ~~shall apply~~ **APPLIES** to covenants and
17 agreements ~~which~~ **THAT** are entered into after March 29, 1985.