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## New Law in New Hampshire Requires Employers to Disclose Non-Compete Agreements at the Time of Hire or Change of Job

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As of July 14, 2012, employers in New Hampshire must provide all "non-compete and non-piracy agreements" to job applicants prior to or concurrent with a job offer or "change in job classification." Failure to comply with the new law will render the agreement null and void. The new law is HB 1270 and was signed by Governor John Lynch on May 15, 2012. By its terms, it became effective 60 days later.

The new law is intended to protect employees from accepting employment or a promotion only to discover after-the-fact that they must sign restrictive covenants. However, the new law contains many ambiguities and does not define key terms. For example, it is unclear exactly what types of agreements are covered by the law. It also is unclear what is considered a "change in job classification."

In light of this new law, employers with operations in New Hampshire should implement procedures to ensure that they disclose their restrictive covenants at the job offer stage, and when an employee makes a change in job classification. Legal counsel should be sought if any questions arise as to whether a specific agreement is covered by the new law, and on what constitutes a change in job classification.

**Note:** This article was published in the <u>August 2012</u> issue of the *Massachusetts* eAuthority.

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