## Division of Labor Standards and Statistics

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## § 8-2-113, C.R.S. Unlawful to intimidate worker - agreement not to compete

- (1) It shall be unlawful to use force, threats, or other means of intimidation to prevent any person from engaging in any lawful occupation at any place he sees fit.
- (2) Any covenant not to compete which restricts the right of any person to receive compensation for performance of skilled or unskilled labor for any employer shall be void, but this subsection (2) shall not apply to:
  - (a) Any contract for the purchase and sale of a business or the assets of a business;
  - (b) Any contract for the protection of trade secrets;
  - (c) Any contractual provision providing for recovery of the expense of educating and training an employee who has served an employer for a period of less than two years;
  - (d) Executive and management personnel and officers and employees who constitute professional staff to executive and management personnel.
- (3) Any covenant not to compete provision of an employment, partnership, or corporate agreement between physicians which restricts the right of a physician to practice medicine, as defined in section 12-36-106, C.R.S., upon termination of such agreement, shall be void; except that all other provisions of such an agreement enforceable at law, including provisions which require the payment of damages in an amount that is reasonably related to the injury suffered by reason of termination of the agreement, shall be enforceable. Provisions which require the payment of damages upon termination of the agreement may include, but not be limited to, damages related to competition.

## **History:**

L. 05: p. 161, § 3. R.S. 08: § 400. C.L. § 4164. CSA: C. 97, § 92. CRS 53: § 80-4-13. C.R.S. 1963: § 80-11-13. L. 73: p. 940, § 1. L. 82: (3) added, p. 232, § 1, effective April 6.