

97.1 adopted pursuant to law, and the employee informs the employer that the order is being
97.2 refused for that reason;

97.3 (4) the employee, in good faith, reports a situation in which the quality of health care
97.4 services provided by a health care facility, organization, or health care provider violates a
97.5 standard established by federal or state law or a professionally recognized national clinical
97.6 or ethical standard and potentially places the public at risk of harm;

97.7 (5) a public employee communicates the findings of a scientific or technical study that
97.8 the employee, in good faith, believes to be truthful and accurate, including reports to a
97.9 governmental body or law enforcement official; or

97.10 (6) ~~an employee in the classified service of state government~~ a state employee
97.11 communicates information that the employee, in good faith, believes to be truthful and
97.12 accurate, and that relates to state ~~services, including the financing of state services~~ programs,
97.13 services, or financing, including but not limited to fraud or misuse within state programs,
97.14 services, or financing, to:

97.15 (i) a legislator or the legislative auditor; ~~or~~

97.16 (ii) a constitutional officer;

97.17 (iii) an employer;

97.18 (iv) any governmental body; or

97.19 (v) a law enforcement official.

97.20 The disclosures protected pursuant to this section do not authorize the disclosure of data
97.21 otherwise protected by law.

97.22 Sec. 8. Minnesota Statutes 2024, section 181.988, subdivision 2, is amended to read:

97.23 Subd. 2. **Covenants not to compete void and unenforceable.** (a) Any covenant not to
97.24 compete contained in a contract or agreement is void and unenforceable.

97.25 (b) Notwithstanding paragraph (a), a covenant not to compete is valid and enforceable
97.26 if:

97.27 (1) the covenant not to compete restricts an employee from engaging in competition for
97.28 no more than one year and the employee received a clear, written explanation of the covenant
97.29 not to compete prior to entering into the contract or agreement, and either:

97.30 (i) the employee has an annual budgeted salary and bonus of \$200,000 or more and
97.31 whose primary duties include:

98.1 (A) the creation, analysis, or modification of trade secret information; or

98.2 (B) management of a project, team, or department with primary responsibility over the
98.3 creation, analysis, or modification of trade secret information; or

98.4 (ii) the employee has an annual budgeted salary and bonus of \$500,000 or more regardless
98.5 of the employee's primary job duties;

98.6 ~~(1)~~ (2) the covenant not to compete is agreed upon during the sale of a business. The
98.7 person selling the business and the partners, members, or shareholders, and the buyer of the
98.8 business may agree on a temporary and geographically restricted covenant not to compete
98.9 that will prohibit the seller of the business from carrying on a similar business within a
98.10 reasonable geographic area and for a reasonable length of time; or

98.11 ~~(2)~~ (3) the covenant not to compete is agreed upon in anticipation of the dissolution of
98.12 a business. The partners, members, or shareholders, upon or in anticipation of a dissolution
98.13 of a partnership, limited liability company, or corporation may agree that all or any number
98.14 of the parties will not carry on a similar business within a reasonable geographic area where
98.15 the business has been transacted.

98.16 (c) Nothing in this subdivision shall be construed to render void or unenforceable any
98.17 other provisions in a contract or agreement containing a void or unenforceable covenant
98.18 not to compete.

98.19 (d) In addition to injunctive relief and any other remedies available, a court may award
98.20 an employee who is enforcing rights under this section reasonable attorney fees.

98.21 (e) For the purposes of this subdivision, the term "trade secret" means all forms and
98.22 types of scientific, technical, or engineering information, including patterns, plans,
98.23 compilations, program devices, formulas, designs, prototypes, methods, techniques, processes,
98.24 procedures, programs, or codes; whether tangible or intangible, and whether or how stored,
98.25 compiled, or memorialized physically, electronically, graphically, photographically, or in
98.26 writing, if:

98.27 (1) the owner thereof has taken reasonable measures to keep such information secret;
98.28 and

98.29 (2) the information derives independent economic value, actual or potential, from not
98.30 being generally known to, and not being readily ascertainable through proper means by,
98.31 another person who can obtain economic value from the disclosure or use of the information.

98.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.