AN ACT CONCERNING NONCOMPETE AGREEMENTS IN THE BLOCKCHAIN TECHNOLOGY INDUSTRY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective from passage) (a) As used in this section:

(1) "Blockchain technology" means distributed ledger technology that uses a distributed, decentralized, shared and replicated ledger that may be public or private, permissioned or permissionless and that may include the use of electronic currencies or electronic tokens as a medium of electronic exchange;

(2) "Blockchain technology industry employer" means an entity engaged in blockchain technology business who has employees;

(3) "Blockchain technology employee" means any employee of a blockchain technology industry employer; and

(4) "Distributed ledger technology" means any database that is consensually shared and synchronized across multiple sites, institutions or geographies allowing for public witnesses to such
transactions and may include supporting infrastructure, including blockchain technology, that uses a distributed, decentralized, shared and replicated ledger, whether public or private, permissioned or permissionless, and that may include the use of electronic currencies or electronic tokens as a medium of electronic storage.

(b) No blockchain technology industry employment contract for the services of a blockchain technology employee may contain a provision requiring that such blockchain technology employee:

(1) Refrain from obtaining employment in a specified geographical area for a specified period of time after termination of employment with such blockchain technology industry employer;

(2) Disclose the terms or conditions of an offer of employment, or the existence of any such offer, from any other blockchain technology industry employer following the expiration of the term of the employment contract; or

(3) Agree to enter into a subsequent employment contract with the blockchain technology industry employer, or extend or renew the existing employment contract, upon the same terms and conditions offered by a prospective employer.

(c) Any person who is aggrieved by a violation of this section may bring a civil action in the Superior Court to recover damages, together with court costs and reasonable attorney's fees.

(d) The provisions of this section shall apply to blockchain industry employment contracts entered into, renewed or extended on or after July 1, 2019.
Statement of Purpose:
To prohibit the use of noncompete agreements in the blockchain technology industry.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]