2026 South Dakota Legislature

Senate Bill 153

ENROLLED

AN ACT

ENTITLED An Act to prohibit certain restrictions in employment contracts for community services providers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 53-9-11.2 be AMENDED:

53-9-11.2. Notwithstanding § 53-9-11, a provision of a contract, entered into on or after July 1, 2023, is voidable if it restricts a practitioner, as defined in § 53-9-11.1, from practicing or otherwise providing professional services in accordance with the applicable scope of practice, after the conclusion of the practitioner's employment or after the dissolution of a partnership or other form of professional relationship.

Notwithstanding § 53-9-11, a provision of a contract, entered into on or after July 1, 2026, is voidable if it restricts a community services provider, as defined in § 27B-1-17, from employment in or otherwise providing services to individuals with developmental disabilities, after the conclusion of the provider's employment or after the dissolution of a partnership or other form of contractual relationship.

This section does not apply to any contractual provision that:

(1) Is effective upon the sale of a practice or interest in a practice; or

(2) Restricts a practitioner or community services provider from soliciting current patients or clients of the former employer, partnership, or other professional relationship, provided the solicitation complies with the geographic and temporal limitations as referenced in § 53-9-11.

The term, soliciting, as used in this section, means a targeted affirmative act, directed toward any patient or client of the practitioner's or community services provider's former employer, partnership, or other professional relationship, for the purpose of convincing the patient or client to transfer the patient or client's care or business to the practitioner or community services provider, or to the practitioner's or community services provider's new employer, partner, or professional relationship.

An Act to prohibit certain restrictions in employment contracts for community services providers.

I certify that the attached Act originated in the:

Senate as Bill No. 153

_____
Secretary of the Senate

_____
President of the Senate

Attest:

_____
Secretary of the Senate

_____
Speaker of the House

Attest:

_____
Chief Clerk of the House

Received at this Executive Office
this _____ day of _____,

2026 at _____M.

By _____
for the Governor

The attached Act is hereby
approved this _____ day of
_____, A.D., 2026

_____
Governor

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 2026
at _____ o'clock __M.

_____
Secretary of State

By _____
Asst. Secretary of State

Senate Bill No. 153
File No. _____
Chapter No. _____