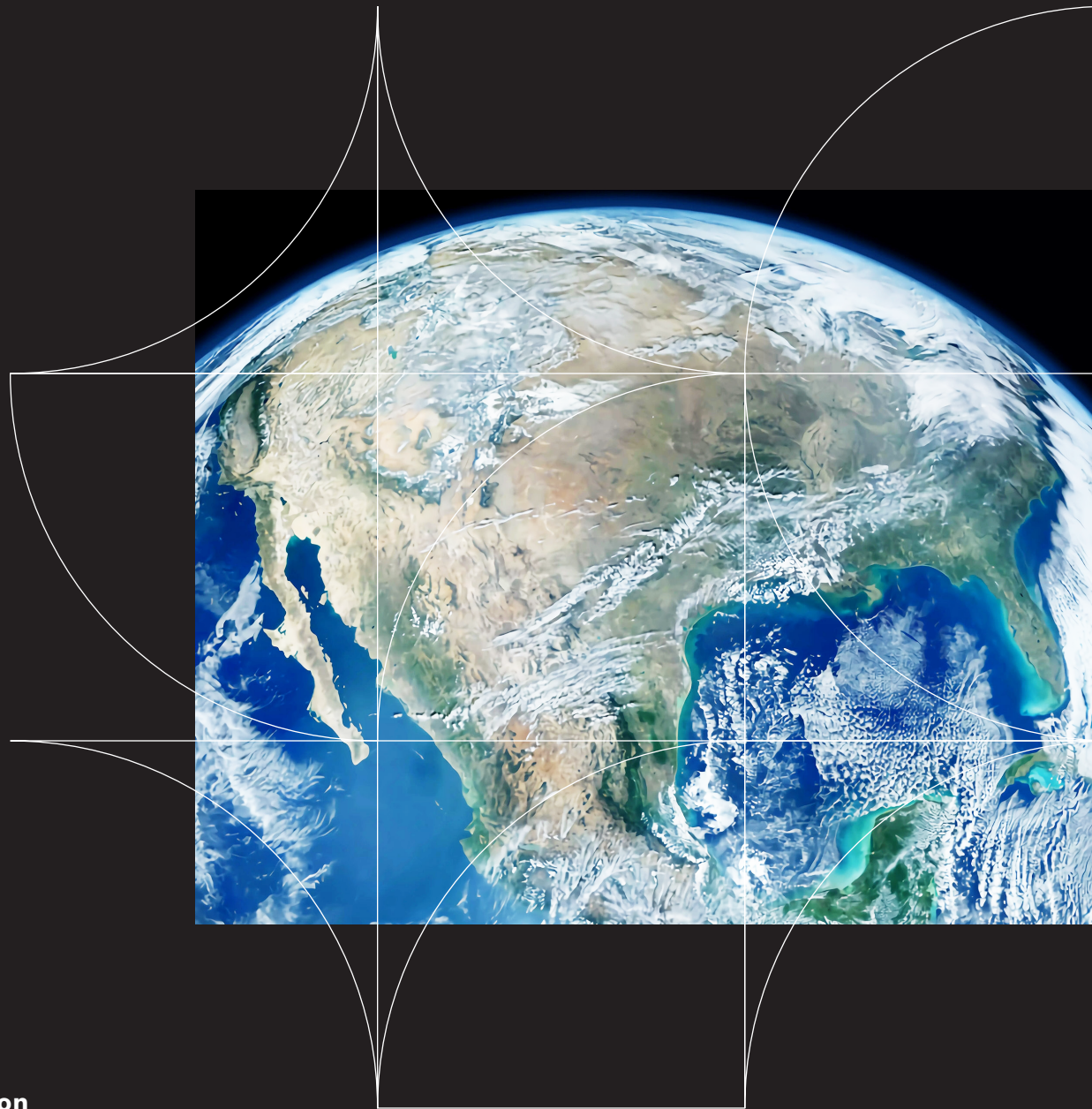


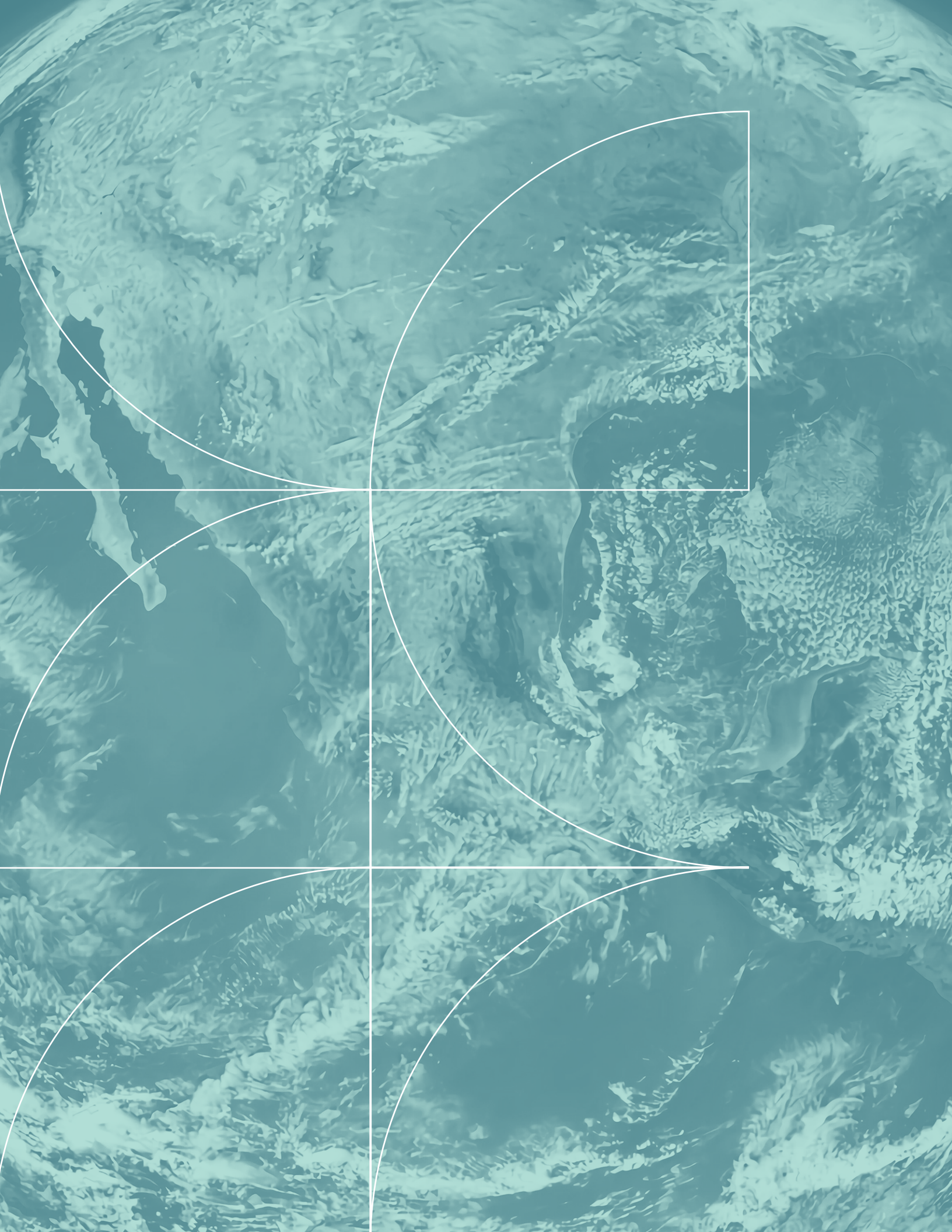


50 State Desktop Reference

What Businesses Need to Know about Non-Competes and Trade Secrets Law



2023-2024 Edition



Introduction

A Message from the Chairs of Our Practice Group: Michael Wexler, Robert Milligan and Kate Perrelli

As we enter a new era of business landscape dynamics, Seyfarth Shaw is pleased to present the latest edition of our annual cornerstone publication. This comprehensive 50-State Non-Compete Desktop Reference, meticulously crafted by our nationally recognized Trade Secrets, Computer Fraud, and Non-Competes practice group, serves as an indispensable resource for navigating the intricate landscape of non-compete and trade secrets law across the United States.

The past few years have been marked by remarkable shifts in how we work and conduct business. The convergence of remote and hybrid work models, combined with advancements in technology, has ushered in novel challenges and opportunities for employers and enterprises alike. As the legal framework continuously evolves to reflect these changes, our team remains steadfastly committed to keeping you well-informed and empowered to make strategic decisions.

Our dedication to excellence is not only demonstrated through our ongoing recognition as a leading practice in *The Legal 500* United States, but also by our unwavering commitment to providing tailored, innovative, and pragmatic solutions that address the unique demands of your business.

The 50-State Non-Compete Desktop Reference has undergone meticulous enhancements this year, encompassing the latest legal developments and precedents.

We proudly provide comprehensive updates from key jurisdictions, including Arkansas, Arizona, California, Colorado, Georgia, Iowa, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, and Washington, D.C.

Beyond these crucial updates, we delve into pressing topics such as penalty frameworks for violations, wage thresholds, notice requisites, and the prohibition of foreign venue and choice-of-law provisions.

With each passing day, the importance of safeguarding intellectual capital, trade secrets, and client relationships becomes increasingly evident. Our practice group is devoted to your success, offering a spectrum of services ranging from insightful counsel and transactional expertise to strategic trade secret audits and effective litigation strategies.

Staying at the forefront of legal trends is crucial. Explore our renowned blog at www.tradesecretslaw.com for insightful commentary on emerging issues in trade secrets, non-competes, unfair competition, computer fraud, and social media. Plus, our webinars showcase our dedication to education and knowledge sharing.

In an ever-changing legal landscape, collaboration is key. We extend an open invitation to join our upcoming webinars, where you can actively participate and learn from our seasoned practitioners. Please feel free to reach out to our Seyfarth Trade Secrets, Computer Fraud & Non-Competes attorneys with any inquiries or concerns; we are here to provide guidance and support.

As we embark on this journey of continued growth and adaptation, rest assured that Seyfarth's Trade Secrets, Computer Fraud, and Non-Competes practice group remains your dedicated partner in navigating the complexities of modern business law. We thank you for your trust and collaboration, and we eagerly anticipate the successes we will achieve together.

ACKNOWLEDGEMENT AND GRATITUDE

We extend our gratitude to Eric Barton, Scott Bays, Justin Beyer, Travis Cashbaugh, Jesse Coleman, Jeremy Cohen, Mariame Dangnokho, Grace Dodig, Reeves Gillis, Kevin Green, Dan Hart, Kevin Mahoney, Dawn Mertineit, Robert Milligan, Marcus Mintz, and James Yu for their crucial contributions in updating the 50-State Desktop Reference. Your dedication has made this publication invaluable. Thank you!

Introducing the lead counsel of Seyfarth's 50-State Non-Compete Desktop Reference. Note that non-compete laws are subject to change; this reference is for informational purposes only. For personalized legal advice, consult a member of Seyfarth's Trade Secrets, Computer Fraud, and Non-Competes practice group.

EASTERN REGION



Jeremy Cohen
+1 (212) 218-5274
jacohen@seyfarth.com



Dawn Mertineit
+1 (617) 946-4917
dmertineit@seyfarth.com



Kate Perrelli
+1 (617) 946-4817
kperrelli@seyfarth.com



James Yu
+1 (212) 218-5524
jyu@seyfarth.com

MIDWESTERN REGION



Justin Beyer
+1 (312) 460-5957
jbeyer@seyfarth.com



Kevin Mahoney
+1 (312) 460-5737
kmahoneyt@seyfarth.com



Marcus Mintz
+1 (312) 460-5585
mmintz@seyfarth.com



Michael Wexler
+1 (312) 460-5559
mwexler@seyfarth.com

SOUTHERN REGION



Eric Barton
+1 (404) 885-6772
ebarton@seyfarth.com



Jesse Coleman
+1 (713) 238-1805
jcoleman@seyfarth.com



Dan Hart
+1 (404) 881-5433
dhart@seyfarth.com

WESTERN REGION



Robert Milligan
+1 (310) 201-1579
rmilligan@seyfarth.com

AL | Alabama

Are employee non-competes allowable?	Yes, but certain exceptions for professionals
State statutes governing employee non-competes	Ala. Code § 8-1-190 et seq.
Are employee non-solicitation agreements allowable?	Yes, but only when the restriction prohibits the solicitation or hiring of employees who hold positions that are “uniquely essential” to the management, organization, or service of the business
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes, but the employment relationship must exist at the time of execution; non-competes signed before the employment relationship begins are unenforceable
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Not specifically decided, but likely yes
Adopted the UTSA?	Ala. Code. § 8-27-1 et seq.
Applicable statute of limitations (UTSA and breach of contract)	2 years (ATSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

AK | Alaska

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Not yet decided, but likely yes
Are customer non-solicitation agreements allowable?	Not yet decided, but likely yes
Continued employment sufficient consideration?	Not yet decided
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Ala. Stat. § 45.50.910-945
Applicable statute of limitations (UTSA and breach of contract)	3 years (ATSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

AZ | Arizona

Are employee non-competes allowable?	Yes, but certain exceptions for broadcasting employees
State statutes governing employee non-competes	Ariz. Rev. Stat. § 23-494 (governing non-competes for broadcast employees)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Ariz. Rev. Stat. Ann. §§ 44-401 to 44-407
Applicable statute of limitations (UTSA and breach of contract)	3 years (AUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, but maybe
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

AR | Arkansas

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	Ark. Code Ann. § 4-75-101
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Varies based on when the agreement was signed (pre-7/22/15 or an agreement with a person holding a professional license under Arkansas Code Title 17, Subtitle 3, blue-pencil only; on or after 7/22/15, reformation)
Enforceable against discharged employees?	Not addressed since enactment of the statute; prior cases suggest restrictive covenants are not enforceable if an employer terminates an employee without cause
Adopted the UTSA?	Ark. Code Ann. § 4-75-601 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (ATSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes, with limitations
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

CA | California

Are employee non-competes allowable?	No, with some very limited exceptions
State statutes governing employee non-competes	Cal. Bus. and Prof. Code §§ 16600-16607 Cal. Bus. and Prof. Code § 16600.5 (voiding any contract, regardless of where or when it was signed, that restrains a person from engaging in a lawful profession, trade, or business (effective 1/1/24))
Are employee non-solicitation agreements allowable?	Generally no, with some exceptions, but a seller of a business can agree with the purchaser not to solicit employees of the business, but only if the agreement is limited to employees of the business at the time it was sold
Are customer non-solicitation agreements allowable?	Generally no, but there may be a trade secret exception
Continued employment sufficient consideration?	Likely no
Blue penciling or reformation permissible?	Typically no in employment context; blue pencil with respect to sale of a business exception
Enforceable against discharged employees?	No
Adopted the UTSA?	Cal. Civ. Code §§ 3426.1-3426.11
Applicable statute of limitations (UTSA and breach of contract)	3 years (CUTSA) 4 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Likely no
Penalties for violation of restrictive covenant statute?	Yes, effective 1/1/24, remedies for including a non-compete in an employment contract include: injunctive relief and/or actual damages, plus attorney's fees and costs; other forms of restrictive covenants may violate the state's unfair competition law and fees may be recoverable for violation of Labor Code § 925
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	Yes, employers have until 2/14/24 to notify current and former CA employees that signed a non-compete after 1/1/22 that the agreement is void, unless it falls into a narrow exception
Prohibitions on foreign venue / choice-of-law provision?	Yes, contained in Labor Code § 925

CO | Colorado

Are employee non-competes allowable?	No, except for highly compensated workers and some physicians
State statutes governing employee non-competes	Colo. Rev. Stat. § 8-2-113
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil (discretionary)
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Col. Rev. Stat. §7-74-101
Applicable statute of limitations (UTSA and breach of contract)	3 years (CUTSA) 3 years (breach of contract) (but 6 years for debts/rent; 2 years for tortious breach)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	Class 2 misdemeanor punishable by up to 120 days in jail and/or a fine of up to \$750, plus civil damages of \$5,000 per worker harmed by a violation
Wage thresholds for restrictive covenants?	Employees: \$112,500 (adjusted annually for inflation)
Notice requirements for use of restrictive covenant?	For prospective workers, employers must provide notice before the worker accepts an offer of employment For current workers, employers must provide notice at least two weeks before the earlier of (1) the effective date of the restrictive covenant or (2) the effective date of the additional consideration to be provided
Prohibitions on foreign venue / choice-of-law provision?	Yes

CT | Connecticut

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	<p>Conn. Gen. Stat. Ann. § 20-14p (governs non-competes for physicians)</p> <p>Conn. Gen. Stat. § 31-50a (governs non-competes for security guards)</p> <p>Conn. Gen. Stat. § 31-50b (governs non-competes in broadcast industry)</p> <p>Conn. Gen. Stat. § 31-50b (governs non-competes with homemakers, companions, and home health service workers)</p> <p>S.B. 7 <i>to be codified at</i> Conn. Gen. Stat. Ann. § 20-NEW (governs non-competes for advanced practice registered nurses)</p> <p>S.B. 7 <i>to be codified at</i> Conn. Gen. Stat. Ann. § 20-NEW (governs non-competes for physician assistants)</p>
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Likely, no, except for at-will employees; continued employment is likely adequate consideration to support non-compete covenants with at-will employees
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Conn. Genl. Stat. § 35-50
Applicable statute of limitations (UTSA and breach of contract)	<p>3 years (CTSA)</p> <p>6 years (breach of contract)</p>
Adopted inevitable disclosure doctrine?	Yes
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

DE | Delaware

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	Del. Code Ann. tit. 6, § 2707 (governs non-competes with physicians)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Del. Code Ann. tit. 6 § 2001
Applicable statute of limitations (UTSA and breach of contract)	3 years (DTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

DC | District of Columbia

Are employee non-competes allowable?	No, except for highly compensated employees
State statutes governing employee non-competes	D.C. Code §§ 32-581.01 to 32-581.03
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Likely, yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	No
Adopted the UTSA?	D.C. Code § 36-401
Applicable statute of limitations (UTSA and breach of contract)	3 years (DCUTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	Yes
Wage thresholds for restrictive covenants?	Yes, non-competes only permitted for individuals making over \$150,000 annually or \$250,000 for medical specialists; threshold to increase starting in 2024 based on Consumer Price Index
Notice requirements for use of restrictive covenant?	Yes, at least 14 days before the start of employment or the required date for execution of the agreement, and must provide the employee with specific notice language advising the employee of the new law and its limitations
Prohibitions on foreign venue / choice-of-law provision?	No

FL | Florida

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	Fla. Stat. Ann. § 542.335 Fla. Stat. Ann. § 542.336 (governs non-competes with physicians)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Courts are required to reform overbroad covenants
Enforceable against discharged employees?	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract
Adopted the UTSA?	Fla. Stat Ann. § 688.001 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (FUTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

GA | Georgia

Are employee non-competes allowable?	Yes, but ability to enforce restriction varies based on when the agreement was signed; on or after 5/11/11 is much easier to enforce
State statutes governing employee non-competes	Ga. Code Ann. § 13- 8-50 et seq.
Are employee non-solicitation agreements allowable?	Yes, and a 2023 decision by the Georgia Court of Appeals holds that employee non-compete/no-hire provisions are subject to the requirements of Ga. Code Ann. § 13- 8-50
Are customer non-solicitation agreements allowable?	Yes, but ability to enforce restriction varies based on when the agreement was signed; on or after 5/11/11 is much easier to enforce
Continued employment sufficient consideration?	Yes (for all periods)
Blue penciling or reformation permissible?	Varies based on when the agreement was signed (pre-11/3/10, no blue pencil or reformation; on or after 5/11/11, blue-pencil)
Enforceable against discharged employees?	Yes, but for agreements entered into prior to 5/11/11, the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract
Adopted the UTSA?	Ga. Code Ann. § 10- 1-760 et seq.
Applicable statute of limitations (UTSA and breach of contract)	5 years (GUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	No, absent an express tolling provision (and only in limited circumstances with an expressed tolling provision)
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Georgia will invalidate choice of law provisions if the selected law contravenes Georgia restrictive covenants law

HI | Hawaii

Are employee non-competes allowable?	Yes, but certain exceptions
State statutes governing employee non-competes	Haw. Rev. Stat. § 480-4 (governs non-competes with information technology businesses)
Are employee non-solicitation agreements allowable?	Yes, except for employees in the information technology sector
Are customer non-solicitation agreements allowable?	Likely yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Unclear
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Haw. Rev. Stat. §§ 482B-1 to 482B-9
Applicable statute of limitations (UTSA and breach of contract)	3 years (HUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

ID | Idaho

Are employee non-competes allowable?	Yes, as to "key employees"
State statutes governing employee non-competes	Idaho Code §§ 44-2701 to 2704
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes (but if there is no additional consideration, the noncompete is limited to 18 months)
Blue penciling or reformation permissible?	Reformation (but there are no reported cases of courts making these modifications)
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Idaho Code §§ 48-801 to 807
Applicable statute of limitations (UTSA and breach of contract)	3 years (ITSA) 5 years (breach of contract) (but 4 years for breach of sale)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Not yet decided, but likely no

IL | Illinois

Are employee non-competes allowable?	Yes, subject to income-based restrictions (offer of employment alone is no longer adequate consideration) and certain professionals
State statutes governing employee non-competes	820 ILCS 90 prohibits non-compete and non-solicits below certain income levels, requires certain notice language, and requires 2 years of continued employment for enforceability absent additional consideration 820 ILCS 90/10 (governing non-competes with construction workers) 820 ILCS 17/10(a) (governing non-competes in the broadcast industry) 225 ILCS 510/14(g) (governing non-competes with nurses and certified nurse aides)
Are employee non-solicitation agreements allowable?	Yes, subject to income-based restrictions, and offer of employment alone is no longer adequate consideration
Are customer non-solicitation agreements allowable?	Yes, subject to income-based restrictions, and offer of employment alone is no longer adequate consideration
Continued employment sufficient consideration?	No, neither continued nor initial offer of employment alone is sufficient consideration for restriction
Blue penciling or reformation permissible?	Reformation permitted but statute cautions against "extensive" modification of restrictions
Enforceable against discharged employees?	No, if without cause; yes, with cause (with some exceptions for COVID-related furlough)
Adopted the UTSA?	765 ILCS 1065
Applicable statute of limitations (UTSA and breach of contract)	5 years (ITSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes
Restrictive covenants extended for violation?	Generally, no
Penalties for violation of restrictive covenant statute?	Automatic fee-shifting if employee prevails in suit to enforce restrictive covenants, attorney general enforcement for "pattern and practice" of unenforceable agreements
Wage thresholds for restrictive covenants?	Currently \$75k for non-competes and \$45k for non-solicits, set to increase every 5 years

Notice requirements for use of restrictive covenant?	14 days prior to start of employment or effective date, and employee must be advised in writing to consult with an attorney regarding restrictions
Prohibitions on foreign venue / choice-of-law provision?	No

IN | Indiana

Are employee non-competes allowable?	Yes, with limitations on non-competes with physicians
State statutes governing employee non-competes	Ind. Code Ann. § 25-22.5-5.5 (governing non-competes with physicians (amendments effective 7/1/23))
Are employee non-solicitation agreements allowable?	Yes, but limited to employees with competitively-valuable information or other protectable interest
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil, but only to be used to excise overbroad language—cannot be used to insert new terms
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Ind. Code. Ann. §24-2-3-1
Applicable statute of limitations (UTSA and breach of contract)	3 years (IUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	Generally, no
Restrictive covenants extended for violation?	Yes, where contract permits extension
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

IA | Iowa

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	Iowa Code §§ 135Q.1-2 (governing non-competes with health care employment agency workers) Iowa Code § 147.164 (governing non-competes with mental health professionals (effective 6/1/23))
Are employee non-solicitation agreements allowable?	Undecided but likely, yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	No, if without cause; yes, with cause
Adopted the UTSA?	Iowa Code Ann. §§ 550.1 to 550.8
Applicable statute of limitations (UTSA and breach of contract)	3 years (IUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not expressly adopted, but likely yes
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

KS | Kansas

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Undecided but likely, yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	No reported Kansas case or statute but likely, yes
Adopted the UTSA?	Kan. Stat. Ann. § 60-3320
Applicable statute of limitations (UTSA and breach of contract)	3 years (KUTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided but likely, yes
Restrictive covenants extended for violation?	Yes, where contract permits extension
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

KY | Kentucky

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	Ky. Rev. Stat. § 216.724 (governing non-competes with healthcare employment agency workers)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but the circumstances surrounding discharge may be a factor in deciding whether restrictive covenants are enforceable
Adopted the UTSA?	Ky. Rev. Stat. Ann. § 365.880 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (KTSA) 10 years (breach of contract executed after July 15, 2014) 15 years (breach of contract executed on or before July 15, 2014)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Generally no, as long as the provision is reasonable and does not violate Kentucky public policy

LA | Louisiana

Are employee non-competes allowable?	Yes, if limited to specified parishes or municipalities and with certain professionals
State statutes governing employee non-competes	La. Rev. Stat. Ann. § 23:921 (general statute; governs non-competes with automobile salespeople) La. Rev. Stat. Ann. § 37:1488.1 (governing non-competes with real estate brokers)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes, if limited to specified parishes or municipalities
Continued employment sufficient consideration?	For agreements entered into on or after September 3, 1989, yes; for agreements entered into prior to September 3, 1989, generally no
Blue penciling or reformation permissible?	Blue pencil only; agreement must contain a severability clause
Enforceable against discharged employees?	Yes
Adopted the UTSA?	La. Rev. Stat. Ann. § 51:1431 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (LUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, though federal district court interpreting LA law concluded it would violate LA public policy
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Yes, choice of law and forum selection clauses are void unless expressly, knowingly, and voluntarily agreed to and ratified by the employee after the occurrence of the incident which is the subject of a civil or administrative action

ME | Maine

Are employee non-competes allowable?	Yes, subject to certain income-based restrictions and exceptions for certain professionals
State statutes governing employee non-competes	For agreements entered into or renewed on after September 18, 2019: Me. Stat. tit. 26, § 599-A (general statute) Me. Stat. tit. 26, § 599-A(3)(B) (governs non-competes with veterinarians (effective 10/25/23)) Me. Stat. tit. 26, § 599 (governs non-competes in the broadcast industry)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes, if within income guidelines
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Likely yes, if within income guidelines and if employee was employed at least one year or six months after signing the agreement, whichever is longer
Adopted the UTSA?	Me. Stat. tit. 10, § 1541 et seq
Applicable statute of limitations (UTSA and breach of contract)	4 years (MUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	Yes
Wage thresholds for restrictive covenants?	Yes, employer may not require or permit an employee earning wages at or below 400% of the federal poverty level to enter into a non-compete agreement
Notice requirements for use of restrictive covenant?	Yes, an employer must provide a prospective employee notice of noncompete at least 3 business days before the deadline to sign the agreement
Prohibitions on foreign venue / choice-of-law provision?	No

MD | Maryland

Are employee non-competes allowable?	Yes, with income-based restrictions
State statutes governing employee non-competes	Md. Code Ann., Lab. & Empl. § 3-716 (governing non-competes against workers earning less than or equal to the relevant wage threshold)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Generally, no
Adopted the UTSA?	Md. Code Ann., Com. Law §11- 1201
Applicable statute of limitations (UTSA and breach of contract)	3 years (MUTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Non-competes are not permitted for employees earning less than \$15.00 per hour or \$31,200 annually for agreements entered into between October 1, 2019 and September 30, 2023; effective October 1, 2023, the non-compete threshold is 150% of the state minimum wage rate under § 3-413 (\$41,350 through the end of the year and \$46,800 starting January 1, 2024).
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

MA | Massachusetts

Are employee non-competes allowable?	Yes, except for certain professionals, non-exempt employees, students, employees terminated without cause, and minors
State statutes governing employee non-competes	<p>Mass. Gen. Laws ch. 149, § 24L (governs non-compete agreements dated on or after 10/1/18). No statute of general applicability for agreements dated prior to October 1, 2018.</p> <p>Mass. Gen. Laws ch. 112, § 74D (governs non-competes for nurses)</p> <p>Mass. Gen. Laws ch. 112, § 12X (governs non-competes for physicians)</p> <p>Mass. Gen. Laws ch. 112, § 129B (governs non-competes for psychologists)</p> <p>Mass. Gen. Laws ch. 112, § 135C (governs non-competes for social workers)</p> <p>Mass. Gen. Laws ch. 149, § 186 (governs non-competes in broadcast industry)</p>
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	<p>For agreements dated before October 1, 2018: Yes</p> <p>For agreements dated on or after October 1, 2018: No</p>
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	<p>For agreements dated before October 1, 2018: Yes</p> <p>For agreements dated on or after October 1, 2018: only enforceable against employees terminated "for cause"; may be included in severance agreements if employee is provided 7 business day revocation period</p>
Adopted the UTSA?	Mass. Gen. Laws ch. 93, §§ 42-42G
Applicable statute of limitations (UTSA and breach of contract)	<p>3 years (Mass. Gen. Laws ch. 260 § 2A and ch. 93, § 42E)</p> <p>6 years (breach of contract)</p>
Adopted inevitable disclosure doctrine?	Mixed case law
Restrictive covenants extended for violation?	For agreements dated before October 1, 2018: Generally, no, absent contractual tolling provision; yes with contractual provision

	For agreements dated on or after October 1, 2018: Extension of up to 2 years if employee violated fiduciary duty to employer or unlawfully took company property; currently unknown whether contractual tolling provisions will be effective, but unlikely if restricted period would exceed one year
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Yes; non-competes only permitted for employees who are exempt under the FLSA
Notice requirements for use of restrictive covenant?	For agreements dated before October 1, 2018: No. For agreements dated on or after October 1, 2018: Yes. New employees must receive a copy of a non-compete by the earlier of a formal offer of employment or 10 business days before the commencement of the employment. Existing employees must receive notice of the agreement at least 10 business days before the non-compete's effective date.
Prohibitions on foreign venue / choice-of-law provision?	For agreements dated before October 1, 2018: No. For agreements dated on or after October 1, 2018: Yes. Non-competes for employees who live or work in Massachusetts for at least 30 days immediately before their employment ends cannot be governed by a choice of law that would avoid the protections of Massachusetts law. Likewise, the forum for suits under the Massachusetts statute must be brought in the county where the employee resides, or in Suffolk county if both parties agree (although a recent federal case from E.D. Va. suggests that other federal courts may not enforce the forum selection clause requirement).

MI | Michigan

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	Mich. Comp. Laws § 445.774a (governs agreements executed after 3/29/1985); Mich. Comp. Laws § 445.761, et seq. (repealed; governed agreements executed on or before 3/29/85))
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Mich. Comp. Laws §§ 445.1901 to 445.1910
Applicable statute of limitations (UTSA and breach of contract)	3 years (MUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	Not currently. However, H.B. 4399 / S.B. 143, introduced on 4/12/23 and 3/7/23 respectfully, proposes amendments to § 445.774a, including a penalty of \$5,000 to the employer for each candidate or employee who is a subject of the violation (as of September 2023, the bills are still pending)
Wage thresholds for restrictive covenants?	Not currently. However, H.B. 4399 / S.B. 143, introduced on 4/12/23 and 3/7/23 respectfully, proposes amendments to § 445.774a, including a prohibition of noncompetes for low-wage employees (those earning \$15/hr, 150% of the min. hrly. wage, or earn \$31,200 or less annually) (as of September 2023, the bills are still pending)
Notice requirements for use of restrictive covenant?	Not currently. However, H.B. 4399 / S.B. 143, introduced on 4/12/23 and 3/7/23 respectfully, proposes amendments to § 445.774a, including a requirement that employers provide notice of noncompetes to

	candidates prior to employment (as of September 2023, the bills are still pending)
Prohibitions on foreign venue / choice-of-law provision?	No

MN | Minnesota

Are employee non-competes allowable?	No, except in sale or dissolution of business context (effective 7/1/23)
State statutes governing employee non-competes	Minn. Stat. § 181.988
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Only if bargained for and provides employee real advantages
Blue penciling or reformation permissible?	Reformation (though referred to as "blue-pencil doctrine")
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Minn. Stat. §§ 325C.01 to 325C.08
Applicable statute of limitations (UTSA and breach of contract)	3 years (MUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not explicitly adopted but likely yes
Restrictive covenants extended for violation?	Very rarely
Penalties for violation of restrictive covenant statute?	Yes, employee may be awarded reasonable attorneys' fees for enforcing rights under the statute
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Yes

MS | Mississippi

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes (though questioned if employee terminated shortly after)
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but the circumstances surrounding discharge may be a factor in deciding whether restrictive covenants are enforceable
Adopted the UTSA?	Miss. Code Ann. § 75- 26-1 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (MUTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	No, absent an express tolling provision
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

MO | Missouri

Are employee non-competes allowable?	Yes, with exceptions for employees who provide only secretarial or clerical services
State statutes governing employee non-competes	Mo. Rev. Stat. § 431.202 (governing non-competes with secretarial or clerical services employees) Mo. Rev. Stat. § 431.204 (governing restrictive covenants between business entities and former owners (effective 8/28/24))
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes, if combined with something else (such as access to confidential information)
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but the circumstances surrounding the discharge may be a factor in deciding whether the restrictive covenants are enforceable
Adopted the UTSA?	Mo. Rev. Stat. §§ 417.450 to 417.467
Applicable statute of limitations (UTSA and breach of contract)	5 years (MUTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, but likely yes
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No, only unenforceable if "unfair or unreasonable"

MT | Montana

Are employee non-competes allowable?	Yes, unless it fully restrains an employee from exercising a lawful profession, trade, or business of any kind
State statutes governing employee non-competes	Mont. Code Ann. §§ 28-2-703 to 705
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Blue pencil, likely
Enforceable against discharged employees?	No
Adopted the UTSA?	Mont. Code Ann. §§ 30-14- 401 to 409
Applicable statute of limitations (UTSA and breach of contract)	3 years (MUTSA) 8 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Not yet decided, but likely no

NE | Nebraska

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	No
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Neb. Rev. Stat. §§ 87-501 to 87-507
Applicable statute of limitations (UTSA and breach of contract)	4 years (NTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided at the state level, but recognized by federal courts applying Nebraska law
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

NV | Nevada

Are employee non-competes allowable?	Yes, except as to hourly employees
State statutes governing employee non-competes	Nev. Rev. Stat. §§ 613.195-200
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes, with some exceptions for customer choice
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Likely yes, but if an employee is terminated due to a reduction of force, reorganization, or similar restructuring, a non-competition agreement is only enforceable during the time when the employer is paying the salary, benefits, compensation, or severance to the employee
Adopted the UTSA?	Nev. Rev. Stat. §§ 600A.010-600A.100
Applicable statute of limitations (UTSA and breach of contract)	3 years (NUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	Yes, attorneys' fees if violated statutory limitations
Wage thresholds for restrictive covenants?	Yes, non-competes prohibited for employees paid solely on hourly wage basis
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

NH | New Hampshire

Are employee non-competes allowable?	Yes, subject to income-based restrictions and exceptions for certain professionals
State statutes governing employee non-competes	N.H. Rev. Stat. § 275:70 (notice requirement) N.H. Rev. Stat. § 275:70-a (governs non-competes for low-wage employees- N.H. Rev. Stat. § 329:31-a (governs non-competes for physicians) N.H. Rev. Stat. § 326-B:45-a (governs non-competes for nurses) N.H. Rev. Stat. § 315:18 (governs non-competes for podiatrists)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes
Adopted the UTSA?	N.H. Rev. Stat. § 350-B:1
Applicable statute of limitations (UTSA and breach of contract)	3 years (NHUTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Yes; not permitted for employees who earn less than 200% of the federal minimum wage (or who earn less than the tipped minimum wage, if applicable)
Notice requirements for use of restrictive covenant?	Yes; non-competes are unenforceable against newly hired employees unless the employer provides a copy of the agreement prior to the employee's acceptance of an offer of employment
Prohibitions on foreign venue / choice-of-law provision?	No

NJ | New Jersey

Are employee non-competes allowable?	Yes, except for certain professionals
State statutes governing employee non-competes	N.J. Stat. § 13:42-10.16 (governs non-competes for psychologist)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Yes
Adopted the UTSA?	N.J. Stat. § 56:15-1, et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (NJUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

NM | New Mexico

Are employee non-competes allowable?	Yes, but attorney and health care practitioner exceptions
State statutes governing employee non-competes	N.M.Stat. Ann. §§ 24-11-1 to 5 (governing non-competes for health care practitioners)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Likely yes
Blue penciling or reformation permissible?	Generally no, but with exceptions (such as if contract terms specifically allow for reformation)
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	N.M. Stat. Ann. §§ 57-3A-1 to 7
Applicable statute of limitations (UTSA and breach of contract)	3 years (NMUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No, but certain exception for health care practitioners

NY | New York

Are employee non-competes allowable?	Yes, except certain professionals A N.Y. bill that would prohibit all non-competes and void current non-competes and restrictive covenants has passed the legislature, but it has not been signed by the governor. If signed, the bill would go into effect 30 days later.
State statutes governing employee non-competes	N.Y. Lab. Law § 202-k (governing non-competes for broadcast employees) FINRA Rs. 2140 and 11870 (governing non-competes for financial industry employees)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Yes, only with cause
Adopted the UTSA?	No
Applicable statute of limitations (UTSA and breach of contract)	3 years (tort) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	More likely to be accepted in federal than state court
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

NC | North Carolina

Are employee non-competes allowable?	Yes, except certain professions
State statutes governing employee non-competes	N.C. Gen. Stat. § 75-1 et seq. 21 N.C. Admin. Code 29.0502 (governing non-competes with locksmiths)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No, if continued at-will employment; continued employment for a term may be sufficient
Blue penciling or reformation permissible?	Blue pencil only
Enforceable against discharged employees?	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract. Also, courts will not enforce non-competes that restrict a health care professional that if enforced, would create the risk of substantial harm to the public.
Adopted the UTSA?	N.C. Gen. Stat. § 66-152 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (NCTSPA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, though some decisions suggest it may be available
Restrictive covenants extended for violation?	No, unless the agreement contains a tolling provision
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

ND | North Dakota

Are employee non-competes allowable?	Only in connection with the sale or dissolution of a business
State statutes governing employee non-competes	N.D. Cent. Code § 9-08-06
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Only in connection with the sale or dissolution of a business
Continued employment sufficient consideration?	No for non-compete and non-solicit, but yes with respect to non-disclosure agreements
Blue penciling or reformation permissible?	Not applicable
Enforceable against discharged employees?	Not applicable
Adopted the UTSA?	N.D. Cent. Code § 47-25.1-01
Applicable statute of limitations (UTSA and breach of contract)	3 years (NDUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Not generally
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Not by statute, but N.D. Supreme Court authority suggests laws of other states permitting non-compete enforcement is against fundamental policy of North Dakota

OH | Ohio

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	Ohio Rev. Code § 1331
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but weighs against injunctive relief
Adopted the UTSA?	Ohio Rev. Code § 1333.61
Applicable statute of limitations (UTSA and breach of contract)	4 years (OUTSA) 8 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes, although generally only applied if non-compete agreement also present
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

OK | Oklahoma

Are employee non-competes allowable?	No
State statutes governing employee non-competes	Okla. Stat. tit. 15, §§ 217 to 219B
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes, if limited to direct solicitation of established customers. See Okla. Stat. tit. 15, §§ 219A and 219B.
Continued employment sufficient consideration?	Not yet decided
Blue penciling or reformation permissible?	Reformation, but court cannot supply material contract terms or add terms not already in the agreement
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Okla. Stat. tit. 78, § 85 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (OUTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided, but likely no, absent an express tolling provision
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Generally no, as long as the provision does not violate Oklahoma public policy

OR | Oregon

Are employee non-competes allowable?	Yes, subject to income-based restrictions and certain professionals
State statutes governing employee non-competes	Or. Rev. Stat. § 653.295 Or. Rev. Stat. § 653.295 (governing non-competes for on-air talent/broadcasting employees)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Or. Rev. Stat. §§ 646.461-646.475
Applicable statute of limitations (UTSA and breach of contract)	3 years (OUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, but likely no
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Employees: \$108,576 (adjusted annually for inflation)
Notice requirements for use of restrictive covenant?	Employers must either (1) provide subsequent bona fide advancement to the employee or (2) provide notice of the noncompetition agreement at least two weeks before the first day of the employee's employment
Prohibitions on foreign venue / choice-of-law provision?	No

PA | Pennsylvania

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	No
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No, but a non-compete agreement signed after the first day of employment is valid and binding if the parties intended to be bound from the start of employment
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but reason for termination must be considered (i.e., unenforceable where employee fired for poor performance)
Adopted the UTSA?	12 Pa. Cons. Stat. § 5301
Applicable statute of limitations (UTSA and breach of contract)	3 years (PUTSA) 4 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided, but superior courts have treated the idea favorably and the Third Circuit appears to have applied it
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

RI | Rhode Island

Are employee non-competes allowable?	Yes, subject to income-based restrictions and exceptions for certain professionals, non-exempt employees, students, and minors
State statutes governing employee non-competes	5 R.I. Gen. Laws § 5-37-33 (governing non-competes for physicians) 28 R.I. Gen. Laws. § 28-59-3 (General)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes per superior court; undecided by the R.I. Supreme Court
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	6 R.I. Gen. Laws § 6-41-1
Applicable statute of limitations (UTSA and breach of contract)	3 years (RIUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Yes, low-wage employees defined as “an employee whose average annual earnings ... are not more than two hundred fifty percent (250%) of the federal poverty level for individuals as established by the United States Department of Health and Human Services federal poverty guidelines” [\$36,450 per year based on most currently-available data]
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

SC | South Carolina

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Blue pencil only; limited reformation of overly broad territorial restrictions may be allowed, but agreements with unreasonable restrictions generally invalidated
Enforceable against discharged employees?	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract
Adopted the UTSA?	S.C. Code Ann. § 39- 8-10 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (SCUTSA) 3 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided; however some decisions suggest it may be recognized
Restrictive covenants extended for violation?	Not yet decided, but likely no
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Generally no, as long as the provision does not violate South Carolina public policy

SD | South Dakota

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	S.D. Codified Laws § 53-9-11 S.D. Codified Laws § 53-9-11.2 (governing non-competes for health care professionals entered into on or after 7/1/23)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Blue pencil, though disfavored
Enforceable against discharged employees?	Yes, but if an employer fires an employee without cause, then the court will consider whether the non-compete is reasonable, regardless of its compliance with S.D. Codified Laws 53-9-11
Adopted the UTSA?	S.D. Codified Laws § 37-29-1
Applicable statute of limitations (UTSA and breach of contract)	3 years (SDUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

TN | Tennessee

Are employee non-competes allowable?	Yes, with exceptions for some professionals that sell their practice
State statutes governing employee non-competes	Tenn. Code §§ 63-1-148 to 204
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes, as long as the employee remains employed for a sufficiently long period
Blue penciling or reformation permissible?	Reformation (termed the "Rule of Reasonableness")
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Tenn. Code § 47-25-1701 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (TUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Generally no, as long as the provision is reasonable and does not violate the public policy of a state with a materially greater interest

TX | Texas

Are employee non-competes allowable?	Yes, with some limitations for physicians
State statutes governing employee non-competes	Tex. Bus. & Com. Code §§ 15.50-.52
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Courts "shall reform" overbroad covenants. Tex. Bus. & Com. Code § 15.51(c)
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Tex. Civ. Prac. & Rem. Code § 134A.001 et seq.
Applicable statute of limitations (UTSA and breach of contract)	3 years (TUTSA) 4 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet expressly decided by the Texas Supreme Court, but many appellate courts have applied some form of it
Restrictive covenants extended for violation?	No, absent an express tolling provision
Penalties for violation of restrictive covenant statute?	Fees may be awarded against party seeking to enforce unreasonable covenant under certain circumstances. Tex. Bus. & Com. Code § 15.51(c)
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No, but Texas will invalidate choice-of-law provisions if contrary to Texas non-compete law

UT | Utah

Are employee non-competes allowable?	Yes, but certain exceptions for broadcasting employees
State statutes governing employee non-competes	Utah Code Ann. §§ 34-51-101 to 301 Utah Code Ann. § 34-51-201 (governing non-competes with broadcast employees)
Are employee non-solicitation agreements allowable?	Likely yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Not yet decided
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Utah Code Ann. §§ 13-24-1 to 9
Applicable statute of limitations (UTSA and breach of contract)	3 years (UUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Yes in trial courts (not yet decided by appellate courts)
Restrictive covenants extended for violation?	Not yet decided
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	Employees within broadcasting industry: \$47,476
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	Not yet decided

VT | Vermont

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	Vt. Stat. Ann. tit. 26, § 281(c) (governing non-competes with barbering and cosmetology students)
Are employee non-solicitation agreements allowable?	Not yet decided
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	Unclear
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Vt. Stat. Ann. tit. 9, § 4601
Applicable statute of limitations (UTSA and breach of contract)	3 years (VTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	No
Penalties for violation of restrictive covenant statute?	Yes. Remedies include: injunction relief and damages
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No, applies the most significant interest test

VA | Virginia

Are employee non-competes allowable?	Yes, subject to income-based restrictions
State statutes governing employee non-competes	Va. Code Ann. § 40.1-28.7:8 (governing non-competes with low wage workers)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes
Blue penciling or reformation permissible?	No
Enforceable against discharged employees?	Yes
Adopted the UTSA?	Va. Code. Ann. § 59.1-336
Applicable statute of limitations (UTSA and breach of contract)	3 years (VUTSA) 5 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Yes
Penalties for violation of restrictive covenant statute?	Yes. Remedies for violation of statute include: civil penalty, lost compensation, liquidated and other damages, and attorneys' fees and costs
Wage thresholds for restrictive covenants?	Yes, threshold is less than the average annual weekly wage of the Commonwealth (2023 rate is \$1,343 per week; re-calculated each January)
Notice requirements for use of restrictive covenant?	Yes, pursuant to Va. Code. Ann. § 40.1-28.7:8(G)
Prohibitions on foreign venue / choice-of-law provision?	No

WA | Washington

Are employee non-competes allowable?	Yes, subject to income-based restrictions and exceptions for certain professionals
State statutes governing employee non-competes	Wash. Rev. Code §§ 49.62.005-900 Wash. Rev. Code § 49.62.190 (governing non-competes in the broadcasting industry)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Reformation
Enforceable against discharged employees?	Yes, but for laid off employees, employer must provide compensation equivalent to employee's base salary at time of termination for entire period of enforcement
Adopted the UTSA?	Wash. Rev. Code §§ 19.108.010-19.108.930
Applicable statute of limitations (UTSA and breach of contract)	3 years (WUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Unclear
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	Actual damages or \$5,000 statutory penalty, plus reasonable attorneys' fees, expenses, and costs
Wage thresholds for restrictive covenants?	Employees: \$107,301.04 as of 2022; \$116,593.18 as of 2023 Cannot prohibit moonlighting for low-wage workers, i.e. those making less than two times the minimum wage Independent contractors: \$268,252.59 as of 2022; \$291,482.95 as of 2023 (adjusted annually for inflation) For 2024, please check for update at https://lni.wa.gov/workers-rights/workplace-policies/non-compete-agreements
Notice requirements for use of restrictive covenant?	Employer must provide notice of the noncompetition agreement to the prospective employee no later than the time of the acceptance of the

	offer of employment
Prohibitions on foreign venue / choice-of-law provision?	Yes

WV | West Virginia

Are employee non-competes allowable?	Yes, except certain professionals
State statutes governing employee non-competes	W. Va. Code §§ 47-11E-1 to 5 (governing non-competes with physicians)
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	Blue pencil
Enforceable against discharged employees?	Yes, but potentially may not be enforceable against a terminated at-will employee without cause
Adopted the UTSA?	W. Va. Code § 47-22-1
Applicable statute of limitations (UTSA and breach of contract)	3 years (WVUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No.
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No

WI | Wisconsin

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	Wis. Stat. Ann. § 103.465
Are employee non-solicitation agreements allowable?	Yes
Are customer non-solicitation agreements allowable?	Yes
Continued employment sufficient consideration?	Yes, if continued employment is conditioned on signing the agreement
Blue penciling or reformation permissible?	Not likely
Enforceable against discharged employees?	Not yet decided
Adopted the UTSA?	Wis. Stat. § 134.90
Applicable statute of limitations (UTSA and breach of contract)	3 years (WUTSA) 6 years (breach of contract)
Adopted inevitable disclosure doctrine?	Not yet decided
Restrictive covenants extended for violation?	Unclear/Undecided; Wisconsin Supreme Court declined certification of this issue, but the Wisconsin Court Appeals held that the "employer is by no means entitled to an extension simply because there has been a breach" <i>H & R Block E. Enterprises, Inc. v. Swenson</i> , 307 Wis. 2d 390 (2008)
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No, but disfavored under Wisconsin law for application for restrictive covenants

WY | Wyoming

Are employee non-competes allowable?	Yes
State statutes governing employee non-competes	None
Are employee non-solicitation agreements allowable?	Not yet decided, but likely yes
Are customer non-solicitation agreements allowable?	Not yet decided, but likely yes
Continued employment sufficient consideration?	No
Blue penciling or reformation permissible?	No
Enforceable against discharged employees?	Likely yes
Adopted the UTSA?	Wyo. Stat. Ann. §§ 40-24-101 to 110
Applicable statute of limitations (UTSA and breach of contract)	4 years (WUTSA) 10 years (breach of contract)
Adopted inevitable disclosure doctrine?	No
Restrictive covenants extended for violation?	Unclear
Penalties for violation of restrictive covenant statute?	No
Wage thresholds for restrictive covenants?	No
Notice requirements for use of restrictive covenant?	No
Prohibitions on foreign venue / choice-of-law provision?	No



“Seyfarth” and “Seyfarth Shaw” refer to Seyfarth Shaw LLP, an Illinois limited liability partnership. Our London office operates as Seyfarth Shaw (UK) LLP, an affiliate of Seyfarth Shaw LLP. Seyfarth Shaw (UK) LLP is a limited liability partnership established under the laws of the State of Delaware, USA, and is authorized and regulated by the Solicitors Regulation Authority with registered number 556927. Legal services provided by our Australian practice are provided by the Australian legal practitioner partners and employees of Seyfarth Shaw Australia, an Australian partnership. Seyfarth Shaw (賽法思律師事務所) is a separate partnership operating from Hong Kong as a firm of solicitors.