

## **50 State Desktop Reference**

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



2021-2022 Edition



Dear Clients and Friends,

We are pleased to provide you with the 2021–2022 edition of our 50 State Desktop Reference: What Businesses Need to Know about Non-Competes and Trade Secrets Law. 2020 and 2021 were certainly unprecedented years that will have a lasting impact on the world and the law. The sudden move to a remote work environment changed aspects of how and where employees work and how companies conduct business. With these changes, companies have had to adapt to ensure they are using restrictive covenant agreements appropriately and that they are adequately protecting their trade secrets. Despite the pandemic's impact on our government and court systems, we continued to see significant new cases, legislation, and regulatory efforts regarding trade secrets and non-compete agreements.

With the change in administrations in 2021, we saw a push for a narrowing of the use of non-competition agreements with employees and scrutiny of restrictive covenants in general by the Biden administration and sympathetic state legislators and regulators. We expect to see continued scrutiny in 2022 as the government pushes for further regulation of restrictive covenants. Additionally, litigants continue to file increasing cases in federal court asserting claims under the Defend Trade Secrets Act ("DTSA"). We also continue to see high profile trade secret and non-compete cases involving the world's largest companies, including government prosecutions. These cases include complex issues relating to emerging technologies and significant disputes concerning the extraterritoriality of US trade secret law abroad. Our updated 50 State Desktop Reference is a useful guide to see at a glance how the law is currently applied in each state.

Any company that seeks to use non-competition and non-solicitation agreements to protect its trade secrets, confidential information, client relationships, or goodwill needs to stay informed of the varied and ever-evolving standards in each state. This one-stop desktop reference surveying many of the questions related to the use of employee covenants and intellectual capital protection in all 50 states provides a starting point for the HR professional, in-house counsel, or company executive in answering questions about protecting your company's most valuable and confidential assets. Of course, the information contained in this desktop reference is condensed and simplified, and thus, while it provides a convenient point of reference, always consult with an attorney before making any decisions, as the law is constantly changing and the application of the law will be driven by the unique facts of each case.

The breadth of information included in this booklet complements our attorneys' impressive knowledge when it comes to non-competition, non-solicitation, computer fraud, and trade secret issues across the United States and abroad. As leaders in this field, demonstrated by the team's recent sixth consecutive "Top Tier" ranking in the 2021 edition of *The Legal 500 United States*, the attorneys of Seyfarth's Trade Secrets, Computer Fraud & Non-Competes practice group provide a variety of client-focused services in this space, ranging from counseling and transactional deal advice to trade secret audits to cost-effective injunctions and litigation.

Remaining up to date on current developments is also one of our top priorities. We invite you to visit our award-winning blog at **www.tradesecretslaw.com** for commentary and analysis on hot new topics in the world of trade secrets, non-competes, unfair competition, computer fraud, privacy, and social media, including significant legislative and case updates. Our practice group's extensive webinar series serves as another source for up-to-date information on a variety of interesting topics. Visit our blog to view our upcoming webinar schedule and recordings of previous webinars. We invite you to join in on these webinars. Seyfarth is able to offer CLE credit in certain states. We hope this booklet proves a useful and informative tool. Please do not hesitate to contact a Seyfarth Trade Secrets, Computer Fraud & Non-Competes attorney if you have any questions.



**Michael Wexler** 

Chicago Partner and Practice Group Chair mwexler@seyfarth.com (312) 460-5559 Legal 500 Leading Lawyer



**Robert Milligan** 

Los Angeles Partner and Practice Co-Chair

rmilligan@seyfarth.com (310) 201-1579 Legal 500 Leading Lawyer **e** 

Kate Perrelli

Vathin S. Rule

Boston Partner and Practice Co-Chair kperrelli@seyfarth.com (617) 946-4817 Legal 500 Leading Lawyer

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
AL Alabama	Yes	Ala. Code § 8-1-190 et seq.	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	Yes	Yes, but the employment relationship must exist at the time of execution; non-competes signed before the employment relationship begins are unenforceable
<b>AK</b> Alaska	Yes	None	Not yet decided, but likely	Not yet decided, but likely	Not yet decided
AZ Arizona	Yes	None	Yes	Yes	Yes
AR Arkansas	Yes	Ark. Code Ann. §4-75-101	Yes	Yes	Yes
CA California	No, with narrow exceptions	Cal. Bus. and Prof. Code §§ 16600-16607	Split in case law, but a seller of a business can agree with 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	Generally no, but there may be a trade secret exception	No
<b>CO</b> Colorado	Yes	Colo. Rev. Stat. §8-2-113	Yes	Yes	Yes
Connecticut	Yes	Conn. Gen. Stat. Ann. §20-14p (governs non-competes for physicians) Conn. Gen. Stat. §31-50a (governs non-competes in security industry) Conn. Gen. Stat. §31-50b (governs non-competes in broadcast industry)	Yes	Yes	Likely no, except for at-will employees; continued employment is likely adequate consideration to support non-compete covenants with at-will employees

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
AL Alabama	Reformation	Not specifically decided, but likely yes	Ala. Code.§8-27-1 et seq.	2 years (ATSA) 6 years (breach of contract)	Not yet decided	Yes
AK Alaska	Reformation	Not yet decided	Ala. Stat. § 45.50.910-945	3 years (ATSA) 3 years (breach of contract)	Not yet decided	Not yet decided
AZ Arizona	Blue pencil	Not yet decided	Ariz. Rev. Stat. Ann. §§ 44-401 to 44-407	3 years (AUTSA) 6 years (breach of contract)	Not yet decided, but possibly	Unclear
AR Arkansas	Varies based on when the agreement was signed (pre-7/22/15, blue pencil only; on or after 7/22/15, reformation)	Not addressed since enactment of the statute; prior cases suggest restrictive covenants are not enforceable if an employer terminates an employee without cause	Ark. Stat. Ann. §4-75-601 et seq.	3 years (ATSA) 5 years (breach of contract)	Yes	Not yet decided
CA California	No, in employment context; blue pencil with respect to sale of a business exception	No	Cal. Civ. Code § 3426.1-3426.11	3 years (CUTSA) 4 years (breach of contract)	No	Likely no
COlorado	Blue pencil (discretionary)	Not yet decided	Col. Rev. Stat. § 7-74-101	3 years (CUTSA) 3 years (breach of contract)	Νο	No
Connecticut	Blue pencil	Yes	Conn. Genl. Stat. §35-50	3 years (CTSA) 6 years (breach of contract)	Yes	No

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
DE Delaware	Yes	Del. Code Ann. tit. 6, § 2707 (governs non-competes for physicians)	Yes	Yes	Yes
DC District of Columbia	Yes, but pending legislation would outlaw most employee non-competes entered into after the legislation is implemented	The Ban on Non-Compete Agreements Amendment Act of 2020 is currently scheduled to be implemented in April 2022	Yes, the pending legislation does not ban employee non-solicitation agreements	Yes, the pending legislation does not ban customer non-solicitation agreements	Likely, yes for agreements entered into before the new legislation's implementation
FL Florida	Yes	Fla. Stat. Ann. §542.335	Yes	Yes	Yes
GA Georgia	Yes, but ability to enforce restriction varies based on when the agreement was signed; on or after 5/11/11 much easier to enforce	Ga. Code Ann. §13-8-50 et seq.	Yes, and a 2020 decision by the Georgia Court of Appeals suggests that employee non-compete/no-hire provisions are subject to the requirements of Ga. Code Ann. §13-8-50	Yes, but ability to enforce restriction varies based on when the agreement was signed; on or after 5/11/11 much easier to enforce	Yes (for all periods)
HII Hawaii	Yes, but certain exceptions	Haw. Rev. Stat. §480-4	Yes, except for employees in the information technology sector	Likely yes	Yes
<b>ID</b> Idaho	Yes, as to "key employees"	Idaho Code §§ 44-2701 to 2704	Yes	Yes	Yes (but if no additional consideration, non-compete is limited to 18 months)
<b>IL</b> Illinois	Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22)	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 (effective 1/1/22)	Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22)	Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22)	No, per new statute, neither continued nor initial offer of employment alone is sufficient consideration for restriction

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
DE Delaware	Reformation	Yes	Del. Code Ann. Title 6 § 2001a	3 years (DTSA) 3 years (breach of contract)	Yes	Yes
DC District of Columbia	Reformation	No	D.C. Code §§ 36-401	3 years (DCUTSA) 3 years (breach of contract)	No	Yes
FL Florida	Reformation	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract	Fla. Stat Ann. §688.001 et seq.	3 years (FUTSA) 5 years (breach of contract)	Not yet decided	Yes
GA Georgia	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 and possible reformation)	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	Ga. Code Ann. §10-1-760 et seq.	5 years (GUTSA) 6 years (breach of contract)	No	No, absent an express tolling provision (and only in limited circumstances with an express tolling provision)
Hawaii	Unclear	Not yet decided	Haw. Rev. Stat. §§ 482B-1 to 482B-9	3 years (trade secret act) 6 years (breach of contract)	Not yet decided	Unclear
ID Idaho	Reformation, but there are no reported cases of courts making these modifications	Yes	Idaho Code §§ 48-801-807	3 years (ITSA) 5 years (breach of contract) (but 4 years for breach of sale)	Not yet decided	Unclear
Illinois	Reformation in case of mutual mistake; blue pencil allowed but disfavored	No, if without cause; yes, with cause (with some exceptions for COVID-related furlough)	765 ILCS 1065	5 years (ITSA) 10 years (breach of contract)	Yes	Generally, no

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
IN Indiana	Yes	Only addressing requirements for physician non-competition agreements. Ind. Code Ann. §25-22.5	Yes, but limited to employees with competitively-valuable information or other protectable interest	Yes	Yes
IA Iowa	Yes	None	Undecided, but likely yes	Yes	Yes
KS Kansas	Yes	None	Undecided, but likely yes	Yes	Yes
KY Kentucky	Yes	None	Yes	Yes	No
LA Louisiana	Yes, if limited to specified parishes or municipalities	La. Rev. Stat. Ann. §23:921	Yes	Yes, if limited to specified parishes or municipalities	For agreements entered into on or after 9/3/89, yes; for agreements entered into prior to 9/3/89, generally no
ME Maine	Yes	For agreements entered into or renewed on after 9/18/19: 26 MRSA §§ 599-A (general statute); 26 MRSA § 599 (governs non-competes in the broadcast industry)	Yes	Yes	Yes, if within income guidelines
MD Maryland	Yes	MD Code Ann., Lab. & Empl. § 3-716 (prohibiting employers from enforcing non-competes against workings earning less than or equal to \$15 per hour or \$31,200 per annum) (effective 10/1/19, with retroactive application)	Yes	Yes	Yes

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
<b>IN</b> Indiana	Blue pencil, but only to be used to excise overbroad language—cannot be used to insert new terms	Yes	Ind. Code. Ann. § 24-2-3-1	3 years (IUTSA) 10 years (breach of contract)	Generally, no	Yes, where contract permits extension
IA Iowa	Reformation	No, if without cause; yes, with cause	lowa Code Ann. §§ 550.1 to 550.8	3 years (IUTSA) 10 years (breach of contract)	Not expressly adopted, but likely yes	Yes
KS Kansas	Reformation	No reported Kansas case or statute, but likely yes	Kan. Stat. Ann. §60-3320	3 years (KUTSA) 5 years (breach of contract)	Not yet decided, but likely yes	Yes, where contract permits extension
KY Kentucky	Reformation	Yes, but the circumstances surrounding discharge may be a factor in deciding whether restrictive covenants are enforceable	Ky. Rev. Stat. Ann. §365.880 et seq.	3 years (KTSA) 10 years (breach of contract executed after 7/15/14) 15 years (breach of contract executed on or before 7/15/14)	Not yet decided, but likely no	Yes
LA Louisiana	Blue pencil only; agreement must contain a severability clause	Yes	La. Rev. Stat. Ann. § 51:1431 et seq.	3 years (LUTSA) 10 years (breach of contract)	Not yet decided	Not yet decided
ME Maine	Reformation	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	M.R.S.A. Title 10 §1541 et seq	4 years (trade secret act) 6 years (breach of contract)	Not yet decided	Not yet decided
MD Maryland	Blue pencil	Generally, no	Md. Com. L. Code § 11-1201	3 years (MUTSA) 3 years (breach of contract)	No	No

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
Massachusetts	Yes	For agreements dated on or after 10/1/18: Mass. Gen. Laws ch. 149, § 24L (general statute). No statute of general applicability for agreements dated prior to 10/1/18 Mass. Gen. Laws ch. 112, § 74D (governs non-competes for nurses) Mass. Gen. Laws ch. 112, § 135C (governs non-competes for social workers) Mass. Gen. Laws ch. 149, § 186 (governs non-competes in broadcast industry)	Yes	Yes	For agreements dated before 10/1/18: Yes For agreements dated on or after 10/1/18: No
MI Michigan	Yes	For agreements executed after 3/29/85, Mich. Comp. Laws § 445.774a; For agreements executed on or before 3/29/85, Mich. Comp. Laws § 445.761, et seq. (repealed)	Yes	Yes	Yes
MN Minnesota	Yes	None	Yes	Yes	Only if bargained for and provides employee real advantages
MS Mississippi	Yes	None	Yes	Yes	Yes
MO Missouri	Yes, unless it fully restrains an employee from exercising a lawful profession, trade, or business of any kind	Mo. Stat. Ann. §431.202	Yes	Yes	Yes, if combined with something else (such as access to confidential information)

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
Massachusetts	Reformation	For agreements dated before 10/1/18: Yes For agreements dated on or after 10/1/18: only enforceable against employees terminated "for cause"; may be included in severance agreements if employee is provided 7-day revocation period	Mass. Gen. Laws ch. 93, §§ 42-42G.	3 years (Mass. Gen. Laws ch. 260 §2A and M.G.L. ch. 93, §42E) 6 years (breach of contract)	Historically, no in state court (and undecided in federal court). Currently unclear but given recent adoption of UTSA, inevitable disclosure doctrine may be accepted by courts	For agreements dated before 10/1/18: Generally, no, absent contractual tolling provision; yes with contractual provision For agreements dated on or after 10/1/18: 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
MI Michigan	Reformation	Yes	M.C.L.A. §445.1901 to 445.1910	3 years (MUTSA) 6 years (breach of contract)	No	Yes
MN Minnesota	Blue pencil	Yes	Minn. Stat Ann. § 325C.01	3 years (MUTSA) 6 years (breach of contract)	Not explicitly accepted, but likely yes	Very rarely
MS Mississippi	Reformation	Yes, but the circumstances surrounding discharge may be a factor in deciding whether restrictive covenants are enforceable	Miss. Code Ann. § 75-26-1 et seq.	3 years (MUTSA) 3 years (breach of contract)	Not yet decided	No, absent an express tolling provision
MO Missouri	Reformation	Judicial discretion	Mo. Stat. § 417.450 to 417.467	5 years (MUTSA) 5 years (breach of contract)	Not yet decided, but likely yes	No

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
MT Montana	Yes	Mont. Code Ann. §§ 28-2-703-705	Yes	Yes	No
NE Nebraska	Yes	None	Not yet decided	Yes	Yes
NV Nevada	Yes, except as to hourly employees	Nev. Rev. Stat. §613.195-200 and AB 276, Section 1	Yes	Yes	Yes
NH New Hampshire	Yes	NH RSA 275:70 (notice requirement); NH RSA 275:70-a (non-compete agreements for low-wage employees prohibited) (effective 9/8/19); NH RSA 329:31-a (limitations on physician non-competes)	Yes	Yes	Yes
NJ New Jersey	Yes	N.J.A.C. 13:42-10.16 (limitations on psychologist non-competes)	Yes	Yes	Yes
NM New Mexico	Yes, but attorney and health care practitioner exceptions	NMRA 16-506 (legal industry); N.M.S.A. 1978, §§ 24-11-1-5 (health care practitioners)	Yes	Yes	Yes, likely
New York	Yes	N.Y. Lab. Law §202-k (limitations on broadcast non-competes)	Yes	Yes	Yes

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
MT Montana	Blue pencil, likely	No	Mont. Code Ann. §§ 30-14-401-409	3 years (MUTSA) 8 years (breach of contract)	Not yet decided	Not yet decided
NE Nebraska	No	Not yet decided	Neb. Rev. Stat. §87-501	4 years (NTSA) 5 years (breach of contract)	Not yet decided at state level, but recognized by federal courts applying NE law	Unclear
NV Nevada	Blue pencil	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	Nev. Rev. Stat. §§ 600A.010- 600A.100	3 years (trade secret act) 6 years (breach of contract)	Not yet decided	Yes
NH New Hampshire	Reformation	Yes	N.H. R.S.A. § 350-B:1	3 years (NHUTSA) 3 years (breach of contract)	Νο	No
NJ New Jersey	Reformation	Yes	N.J.S.A. 56:15-1, et seq.	3 years (NJUTSA) 6 years (breach of contract)	Yes	No
NM New Mexico	Generally no, but with exceptions (such as if contract terms specifically allow for reformation)	Not yet decided	N.M. Stat. Ann. §§ 57-3A-1-7	3 years (NMUTSA) 6 years (breach of contract)	No	No
NY New York	Reformation	Yes, only with cause	No	3 years (tort) 6 years (breach of contract)	More likely to be accepted in federal than state court	Yes

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
NC North Carolina	Yes	N.C. Gen. Stat. §75-1 et seq.	Yes	Yes	Generally no, but continued employment may be sufficient if offered for a specified duration
ND North Dakota	No, but exceptions exist for sale of business and between business owners	N.D. Cent. Code §9-08-06	Yes	No	No for non-compete and non-solicit, but yes with respect to non-disclosure agreements
Ohio	Yes	None	Yes	Yes	Yes
OK Oklahoma	No	Okla. Stat. tit. 15, § 217 to 219B	Yes	Yes, if limited to direct solicitation of established customers	Not yet decided
OR Oregon	Yes, but exception for low wage workers	Or. Rev. Stat. §653.295	Yes	Yes	No
PA Pennsylvania	Yes	No	Yes	Yes	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)
RI Rhode Island	Yes, for some employees	R.I. Gen. Laws 5-37-33 (limitations on physician non-competes) The Rhode Island Noncompetition Agreement Act §28-59-3 (places limitations on which employees can be subject to a non-compete agreement)	Yes	Yes	Yes per Superior Court; undecided by RI Supreme Court

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
NC North Carolina	Blue pencil only	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract	N.C. Gen. Stat. §66-152 et seq.	3 years (NCTSPA) 3 years (breach of contract)	Not yet decided	Not yet decided, but likely no
ND North Dakota	Not applicable	Not applicable	N.D. Cent. Code § 47-25.1-01	3 years (NDUTSA) 6 years (breach of contract)	Not yet decided	Not applicable
Ohio	Reformation	Yes	R.C.Secs. 1333.61	4 years (OUTSA) 8 years (breach of contract)	Considered but not adopted	Yes
OK Oklahoma	Reformation, but court cannot supply material contract terms or add terms not already in the agreement	Not yet decided	Okla. Stat. tit. 78, §85 et seq.	3 years (OUTSA) 5 years (breach of contract)	Not yet decided	Not yet decided, but likely no, absent an express tolling provision
OR Oregon	Reformation	Yes	Or. Rev. Stat. §646.461-646.475	3 years (OUTSA) 6 years (breach of contract)	Not yet decided, but likely no	No
PA Pennsylvania	Reformation	Yes, but reason for termination must be considered (i.e., unenforceable where employee fired for poor performance)	13 Pa. Cons. Stats § 5301	3 years (PUTSA) 4 years (breach of contract)	Not yet decided, but superior courts have treated the idea favorably and Third Circuit appears to have applied it	No
RI Rhode Island	Reformation	Not yet decided	R.I. Gen. Laws §6-41-1	3 years (RIUTSA) 10 years (breach of contract)	Νο	Yes

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
SOUTH Carolina	Yes	None	Yes	Yes	No
<b>SD</b> South Dakota	Yes	S.D. Codified Laws §53-9-8	No	Yes	Yes
TN Tennessee	Yes	None	Yes	Yes	Yes, so long as the employee remains employed for a sufficiently long period
TX Texas	Yes	Tex. Bus. & Com. Code §§ 15.5052	Yes	Yes	No
UT <sup>Utah</sup>	Yes, but certain exceptions for attorneys and broadcasting employees	UT Code Ann. §§ 34-51-101-301	Likely yes	Yes	Yes
VT Vermont	Yes	26 V.S.A. §281(c) (barbering and cosmetology students cannot be restrained by their school)	Not yet decided	Yes	Yes
VA Virginia	Yes	Yes, Va. Code Ann. § 40.1-28.7:8 (places limits on which employees can be subject to a non-compete agreement)	Yes	Yes	Yes
WA Washington	Yes, but there are income restrictions	Wash. Rev. Code §§ 49.62.005-900	Yes	Yes	No

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
South Carolina	Blue pencil only; limited reformation of overly broad territorial restrictions may be allowed, but agreements with unreasonable restrictions generally invalidated	Yes, but the employer may not be able to enforce restrictive covenants where the discharge constitutes a material breach of an employment contract	S.C. Code Ann. §39-8-10 et seq.	3 years (SCUTSA) 3 years (breach of contract)	Not yet decided	Not yet decided, but likely no
SOUTH Dakota	Blue pencil, though disfavored	Yes	S.D. Cod. Laws § 37-29-1	3 years (SDUTSA) 6 years (breach of contract)	Not yet decided	Not yet decided
TN Tennessee	Reformation (termed the "Rule of Reasonableness")	Yes	Tenn. Code § 47-25-1701 et seq.	3 years (trade secret act) 6 years (breach of contract)	Not yet decided	Not yet decided
TX Texas	Reformation	Yes	Tex. Civ. Prac. & Rem. Code Ann. §§ 134A.001 et seq.	3 years (TUTSA) 4 years (breach of contract)	Not yet decided by Texas Supreme Court, but many appellate courts have applied some form of it	No, absent an express tolling provision
UT <sup>Utah</sup>	Not yet decided	Yes	Utah Code Ann. §§ 13-24-1-9	3 years (UUTSA) 6 years (breach of contract)	Yes in trial courts (not yet decided by appellate courts)	Not yet decided
VT Vermont	Unclear	Yes	9 V.S.A. §4601	3 years (VTSA) 6 years (breach of contract)	Not yet decided	No
VA Virginia	No	Yes	Va. Code. Ann. § 59.1-336	3 years (VUTSA) 5 years (breach of contract)	No	Yes
WA Washington	Reformation	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)	Wash. Rev. Code §§ 19.108.010 - 19.108.930	3 years (WUTSA) 6 years (breach of contract)	Unclear	Unclear

State	Are employee non-competes allowable?	State statutes governing employee non-competes	Are employee non-solicitation agreements allowable?	Are customer non-solicitation agreements allowable?	Continued employment sufficient consideration?
WV West Virginia	Yes	W. Va. Code § 47-11E-1-5 (limitations on physician non-competes)	Yes	Yes	No
Wisconsin	Yes	Wis. Stat. Ann. §103.465	Yes	Yes	Yes, if continued employment is conditioned on signing the agreement
WY <sup>Wyoming</sup>	Yes	None	Not yet decided, but likely yes	Not yet decided, but likely yes	No

State	Blue penciling or reformation permissible?	Enforceable against discharged employees?	Adopted the UTSA?	Applicable statute of limitations (UTSA and breach of contract)	Adopted inevitable disclosure doctrine?	Restrictive covenants extended for violation?
WV West Virginia	Reformation	Yes, but potentially may not be enforceable against a terminated at-will employee without cause	W. Va. Code § 47-22-1	3 years (WVUTSA) 10 years (breach of contract)	Not yet decided	No
Wisconsin	Not likely	Not yet decided	Wis. Stat. §134.90	3 years (WUTSA) 6 years (breach of contract)	Not yet decided	Unclear/ Undecided. Wisconsin Supreme Court declined certification of this issue but Wisconsin Court Appeals held that "employer is by no means entitled to an extension simply because there has been a breach." <i>H &amp; R Block E.</i> <i>Enterprises, Inc. v.</i> <i>Swenson,</i> 2008 WI App 3, ¶ 22, 307 Wis. 2d 390, 404, 745 N.W.2d 421, 428
WY <sup>Wyoming</sup>	Blue pencil	Yes, likely	Wyo. Stat. Ann. §§ 40-24-101 to 110	4 years (WUTSA) 10 years (breach of contract)	No	Unclear



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