



50 State Desktop Reference

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



2022-2023 Edition

Dear Clients and Friends,

We are pleased to provide you with the 2022–2023 edition of our 50 State Desktop Reference: What Businesses Need to Know about Non-Competes and Trade Secrets Law. The last few years were certainly unprecedented and will continue to have a lasting impact on the world and the law. The sudden move to a remote work environment and some industries moving to a hybrid 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. Over the last 12 months, we saw significant new cases and legislation regarding trade secrets and non-compete agreements.

We have continued to see 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 supportive state legislators and regulators. Litigants continue to file more and more 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, high profile executives, and concerning emerging technologies, including 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. This year’s guide contains significant updates, including addressing changes in the law in Colorado, Washington, and Washington, DC. New this year, we are also tracking hot topics related to non-competes, including penalties for violations, wage thresholds, notice requirements and prohibition on foreign venue / choice-of-law provisions.

Any company that seeks to use non-competition and non-solicitation agreements to protect its trade secrets, confidential information, client relationships, goodwill, or workforce needs to stay informed of the varied and ever-evolving standards in each state. This 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.

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 seventh consecutive “Top Tier” ranking in the 2022 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, 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 scheduled 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 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



Kate Perrelli
*Boston Partner and
Practice Co-Chair*

kperrelli@seyfarth.com
(617) 946-4817

Legal 500 Leading Lawyer

AL | Alabama

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| 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

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| 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

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| Are employee non-competes allowable? | Yes, but certain exceptions for broadcasting employees |
| 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? | 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

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| Are employee non-competes allowable? | Yes, but certain exceptions for professionals |
| 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 |
| 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

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| Are employee non-competes allowable? | No, with narrow exceptions |
| State statutes governing employee non-competes | Cal. Bus. and Prof. Code §§ 16600-16607 |
| Are employee non-solicitation agreements allowable? | Generally no, with some exceptions, 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 |
| 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? | May be violation of 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? | No |
| Prohibitions on foreign venue / choice-of-law provision? | Yes, contained in Labor Code §925 |

CO | Colorado

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| Are employee non-competes allowable? | Yes, but certain exceptions |
| 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: \$101,250 (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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Conn. Gen. Stat. Ann. § 20-14p (governs non-competes for physicians) Conn. Gen. Stat. § 31-50a (governs non-competes for security guards) Conn. Gen. Stat. § 31-50b (governs non-competes in broadcast industry) |
| 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) | 3 years (CTSA) 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 |

DE | Delaware

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Del. Code Ann. tit. 6, § 2707 (governs non-competes for 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. Title 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

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| Are employee non-competes allowable? | Yes, but only as to "highly compensated employees" (currently \$250,000 for medical specialists and \$150,000 for most other employees) and compliance with statutory notice requirements |
| State statutes governing employee non-competes | The Non-Compete Clarification Amendment. D.C. Ban on Non-Compete Act of 2020's new provisions went into effect on October 1, 2022 |
| 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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Fla. Stat. Ann. § 542.335 |
| 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

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| 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 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 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 |
| 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 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 and possible reformation) |
| 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 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 for covenants executed after May 11, 2011; Georgia will invalidate forum-selection and choice of law provisions for covenants executed before May 11, 2011 |

HI | Hawaii

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| Are employee non-competes allowable? | Yes, but certain exceptions |
| State statutes governing employee non-competes | Haw. Rev. Stat. §480-4 |
| 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 (trade secret act) 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

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| 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 no additional consideration, 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 §§ 48-801-807 |
| 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

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| Are employee non-competes allowable? | Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22) |
| 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 (effective 1/1/22) |
| Are employee non-solicitation agreements allowable? | Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22) |
| Are customer non-solicitation agreements allowable? | Yes, subject to income-based restrictions, and offer of employment alone no longer adequate consideration (effective 1/1/22) |
| Continued employment sufficient consideration? | No; per new statute, 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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Only addressing requirements for physician non-competition agreements. Ind. Code Ann. § 25-22.5 |
| 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

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| Are employee non-competes allowable? | Yes, but exceptions for healthcare employment agency workers |
| State statutes governing employee non-competes | Iowa Code § 135Q.1-2 (healthcare employment agency workers) |
| 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

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| 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

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| Are employee non-competes allowable? | Yes, but exceptions for healthcare employment agency workers |
| State statutes governing employee non-competes | KRS § 216.724 (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? | Not yet decided but likely no |
| Restrictive covenants extended for violation? | Yes |
| Penalties for violation of restrictive covenant statute? | Not applicable |
| 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

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| Are employee non-competes allowable? | Yes, if limited to specified parishes or municipalities |
| State statutes governing employee non-competes | La. Rev. Stat. Ann. § 23:921 |
| 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 |
| 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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | For agreements entered into or renewed on after September 18, 2019: 26 MRSA §§599-A (general statute) 26 MRSA § 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? | M.R.S.A. Title 10 §1541 et seq |
| Applicable statute of limitations (UTSA and breach of contract) | 4 years (trade secret act) 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 (minimum fine of \$5,000). |
| 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

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|---|---|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | MD Code Ann., Lab. & Empl. § 3-716 (prohibiting employers from enforcing non-competes against workers earning less than or equal to \$15 per hour or \$31,200 per annum) (effective October 1, 2019 with retroactive application) |
| 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. Com. L. Code §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 |
| Notice requirements for use of restrictive covenant? | No |
| Prohibitions on foreign venue / choice-of-law provision? | No |

MA | Massachusetts

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | <p>For agreements dated on or after October 1, 2018: Mass. Gen. Laws ch. 149, § 24L (general statute). 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, § 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 M.G.L. ch. 93, §42E)</p> <p>6 years (breach of contract)</p> |
| Adopted inevitable disclosure doctrine? | Mixed case law |
| Restrictive covenants extended for violation? | <p>For agreements dated before October 1, 2018: Generally, no, absent contractual tolling provision; yes with contractual provision</p> <p>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</p> |
| 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? | <p>For agreements dated before October 1, 2018: No.</p> <p>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.</p> |
| Prohibitions on foreign venue / choice-of-law provision? | <p>For agreements dated before October 1, 2018: No.</p> <p>For agreements dated on or after October 1, 2018: Yes. Non-competes</p> |

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

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|---|---|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | For agreements executed after March 29, 1985, M.C.L.A § 445.774a; for agreements executed on or before March 29, 1985, M.C.L.A. § 445.761, et seq. (repealed) |
| 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? | M.C.L.A. §§ 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? | No |
| Wage thresholds for restrictive covenants? | No |
| Notice requirements for use of restrictive covenant? | No |
| Prohibitions on foreign venue / choice-of-law provision? | No |

MN | Minnesota

| | |
|---|---|
| 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? | 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 Ann. §§ 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? | Not applicable |
| Wage thresholds for restrictive covenants? | No |
| Notice requirements for use of restrictive covenant? | No |
| Prohibitions on foreign venue / choice-of-law provision? | No |

MS | Mississippi

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|---|--|
| 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? | 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? | Not applicable |
| 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

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|---|---|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Mo. Stat. Ann. §431.202 |
| 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? | Judicial discretion |
| Adopted the UTSA? | Mo. Stat. Ann. §§ 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

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|--|--|
| 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. §§28-2-703-705 |
| 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- 401-409 |
| 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

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|---|--|
| Are employee non-competes allowable? | Yes, but as a general rule pure non-competes rarely enforced |
| 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. §§ 87-501-87-507 |
| 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 state level, but recognized by federal courts applying Nebraska law |
| Restrictive covenants extended for violation? | Unclear |
| Penalties for violation of restrictive covenant statute? | Not applicable |
| 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

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|---|--|
| 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 (trade secret act) 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

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|---|--|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | NH RSA 275:70 (notice requirement); NH RSA 275:70-a (noncompete agreements for low-wage employees prohibited) (effective September 8, 2019); NH RSA 329:31-a (limitations on physician non-competes) |
| 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. R.S.A. §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

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|---|---|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | N.J.A.C. 13:42-10.16 (limitations on psychologist non-competes) |
| 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.J.S.A. 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

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| Are employee non-competes allowable? | Yes, but attorney and health care practitioner exceptions |
| State statutes governing employee non-competes | NMRA 16-506 (legal industry) N.M.S.A. 1978, §§ 24-11-1-5 (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-1-7 |
| 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

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|---|--|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | N.Y. Lab. Law § 202-k (limitations on broadcast non-competes); FINRA Rs. 2140 and 11870 (limitations on 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? | Reformation |
| Enforceable against discharged employees? | Yes, but generally 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

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|---|--|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | N.C. Gen. Stat. § 75-1 et seq. |
| 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 |
| 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? | Yes, if 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

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| 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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | O.R.C. 1331 prohibits any contract that unreasonably restrains trade |
| 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? | O.R.C. Secs. 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

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|--|--|
| 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 |
| 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

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|--|---|
| Are employee non-competes allowable? | Yes, but exceptions for workers who earn below compensation threshold |
| State statutes governing employee non-competes | Or. Rev. Stat. §653.295 |
| 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: \$100,533 (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

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|---|---|
| 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? | 13 Pa. Cons. Stats §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 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

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|---|--|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | 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) |
| Are employee non-solicitation agreements allowable? | Yes |
| Are customer non-solicitation agreements allowable? | Yes |
| Continued employment sufficient consideration? | Yes per Superior Court; undecided by RI Supreme Court |
| Blue penciling or reformation permissible? | Reformation |
| Enforceable against discharged employees? | Not yet decided |
| Adopted the UTSA? | 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? | Not yet decided |
| 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” [\$31,290 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

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|---|--|
| 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 |
| Restrictive covenants extended for violation? | Not yet decided, but likely no |
| Penalties for violation of restrictive covenant statute? | Not applicable |
| 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

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|---|---|
| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | S.D. Codified Laws §53-9-11 |
| 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. Cod. Laws 53-9-11 |
| Adopted the UTSA? | S.D. Cod. 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

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|--|---|
| 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, 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 (trade secret act) 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? | Not applicable |
| 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

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| Are employee non-competes allowable? | Yes |
| 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 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

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| Are employee non-competes allowable? | Yes, but certain exceptions for attorneys and broadcasting employees |
| State statutes governing employee non-competes | UT Code Ann. §§ 34-51-101-301 |
| 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. §§ 13-24-1-9 |
| 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: \$47,746 |
| Notice requirements for use of restrictive covenant? | No |
| Prohibitions on foreign venue / choice-of-law provision? | Not yet decided |

VT | Vermont

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | 26 V.S.A. § 281(c) (barbering and cosmetology students cannot be restrained by their school) |
| 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? | 9 V.S.A. §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? | No |
| Wage thresholds for restrictive covenants? | No |
| Notice requirements for use of restrictive covenant? | No |
| Prohibitions on foreign venue / choice-of-law provision? | No |

VA | Virginia

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | Va. Code Ann. § 40.1-28.7:8 (places limits on which employees can be subject to a non-compete agreement) |
| 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 |
| Wage thresholds for restrictive covenants? | Yes, threshold is less than the average annual weekly wage of the Commonwealth |
| 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

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| Are employee non-competes allowable? | Yes, but exceptions for workers who earn below compensation threshold |
| State statutes governing employee non-competes | Wash. Rev. Code §§ 49.62.005-900 |
| 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) |
| 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

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| Are employee non-competes allowable? | Yes |
| State statutes governing employee non-competes | W. Va. Code 47-11E-1-5 (limitations on physician non-competes) |
| 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 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

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| 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 Wisconsin Court Appeals held that "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> , 2008 WI App 3, ¶ 22, 307 Wis. 2d 390, 404, 745 N.W.2d 421, 428 |
| 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

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| 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? | Blue pencil |
| 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 |



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