## D.C.'s Ban on Non-Compete Agreements Applicability Date Postponed to October 1, 2022

By Matthew F. Nieman, Joseph E. Schuler,

March 25, 2022

## Meet the Authors



Matthew F. Nieman Principal 703-483-8331 Matthew.Nieman@jacksonlewis.com



Joseph E. Schuler Principal (703) 483-8332 Joseph.Schuler@jacksonlewis.com

## **Related Services**

## Restrictive Covenants, Trade

Secrets and Unfair Competition

©2022 Jackson Lewis P.C. This material is provided for informational purposes only. It is not intended to constitute legal advice nor does it create a client-lawyer relationship between Jackson Lewis and any recipient. Recipients should consult with counsel before taking any actions based on the information contained within this material. This material may be considered attorney advertising in some jurisdictions. Prior results do not guarantee a similar outcome.

Focused on employment and labor law since 1958, Jackson Lewis P.C.'s 1,000+ attorneys located in major cities nationwide consistently identify and respond to new ways workplace law intersects business. We help employers develop proactive strategies, strong policies and business-oriented solutions to cultivate high-functioning workforces that are engaged and stable, and share our clients' goals to emphasize belonging and respect for the contributions of every employee. For more information, visit <u>https://www.jacksonlewis.com</u>.

The District of Columbia "<u>Ban on Non-Compete Agreements Amendment Act of</u> <u>2020</u>" applicability date has been postponed from April 1 to October 1, 2022. The law broadly prohibits D.C. employers from requiring or requesting that D.C. employees agree to non-competition provisions and requires employers to provide notices informing covered employees.

Last spring, in response to concerns raised by the business community, Councilmember Elissa Silverman introduced an amendment to the D.C. non-compete ban that was intended to clarify that employers still could prohibit conflicts of interest and bar employees from misusing their confidential information during or after employment. At the councilmember's request, the D.C. Council <u>deferred</u> the ban's applicability date to April 1, 2022, to allow time to consider the proposed amendment. After an initial flurry of activity, culminating in a public hearing on July 14, 2021, further consideration of the proposed amendment appeared to stall.

During their March 1, 2022, legislative meeting, the D.C. Council adopted an emergency resolution that further postponed the D.C. non-compete ban's applicability from April 1 to October 1, 2022, to give the Council additional time to move the proposed amendment through the committee process. We will continue to monitor these developments and update you if the applicability date is again postponed.

In the meantime, employers should assume that the applicability date will be October 1, 2022, and act now to ensure they do not run afoul of the non-compete ban once it does become applicable. Jackson Lewis attorneys are available to advise on these issues.