

Non-Compete Laws in the States

As of July 2021

State	Regulations on Non-Compete Agreements
California	Banned
District of Columbia	Bans all new non-compete agreements, existing agreements are exempt. Non-competes can still be included in a business sale provision.
Hawaii	Prohibited for employees in technology businesses. The Act defines “technology business” as one that “derives the majority of its gross income from sale or license of products or services resulting from its software development or information technology development, or both.”
Idaho	Not prohibited, but the burden is on the employer to establish irreparable harm in order to obtain an injunction.
Illinois	Employers may not enter into a covenant not to compete with an employee who earns or is expected to earn \$75,000 or less per year. Similarly, employers may not enter into an employee non-solicitation or customer non-solicitation agreement with an employee who earns or is expected to earn \$45,000 or less per year (comes into effect in 2022).
Maine	For all non-compete agreements entered into after Sept. 19, 2019, an employer can’t require or permit an employee earning wages at or below 400% of the federal poverty level (“FPL”) to enter into a non-compete agreement
Maryland	Effective October 1, 2019, non-compete provisions entered into with an employee who earns equal to or less than \$15 per hour or \$31,200 annually will be unenforceable.
Massachusetts	Noncompetition agreements entered into as of October 1, 2018, unenforceable against certain workers, including nonexempt employees under the FLSA.
Montana	Generally prohibited except in the case of the sale of a business
New Hampshire	Employers cannot require low-wage employees to enter into a non-compete agreement (defined as employees who earn less than or equal to 200% of the federal minimum wage rate or \$24,280.)
North Dakota	Generally prohibited except in the case of the sale of a business
Oklahoma	Banned, but non-solicitation agreements are permissible
Oregon	If signed prior to Jan. 1, 2016, maximum time is 2 years. If signed after Jan. 1, 2016, max time is 18 months. Employers must provide a signed written copy of the terms within 30 days of the employment termination. Home care and personal support workers are exempt.
Rhode Island	Effective January 15, 2020, noncompetition agreements are unenforceable against employees who are nonexempt under the FLSA or low-wage employees (defined as an employee whose average annual earnings are not more than 250% of the FPL for individuals).
Utah	Limitations for non-competes in broadcasting and a one-year limit on all other non-competes except in limited circumstances.
Washington	Banned for employees making less than \$100,000