Updates

March 27, 2025

March Tip of the Month: New Bill Revisits Noncompete Ban for New York Employees



On February 10, 2025, a bill was introduced to the New York State Senate (S4641) that, with limited exceptions, would ban noncompete agreements in the state of New York.

This bill follows Governor Kathy Hochul's veto of similar noncompete legislation in 2023 and seeks to address Governor Hochul's concerns regarding the previous legislation. If enacted, with the exception of certain business sales, the law would prohibit New York employers from entering into post-employment noncompete agreements with any worker other than "highly compensated individuals" earning \$500,000 or more. The law will also create a private right of action, allowing covered individuals to file lawsuits in response to alleged violations. In view of the renewed possibility of this transformative change, employers should closely monitor the bill's progress and begin planning for its potential enactment.

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