# The New York City Council

## Legislation Details (With Text)

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| **File #:** | Int 1067-2023 | **Version:** | * | **Name:** | Prohibition of non-compete agreements. |
| **Type:** | Introduction | | | **Status:** | Filed (End of Session) |
| | | | | **In control:** | Committee on Consumer and Worker Protection |
| **On agenda:** | 6/8/2023 | | | | |
| **Enactment date:** | | | | **Enactment #:** | |
| **Title:** | A Local Law to amend the administrative code of the city of New York, in relation to the prohibition of non-compete agreements | | | | |
| **Sponsors:** | | | | | |
| **Indexes:** | | | | | |
| **Attachments:** | 1. Summary of Int. No. 1067, 2. Int. No. 1067, 3. June 8, 2023 - Stated Meeting Agenda, 4. Hearing Transcript - Stated Meeting 6-8-23, 5. Minutes of the Stated Meeting - June 8, 2023 | | | | |

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|
| 6/8/2023 | * | City Council | Referred to Comm by Council | |
| 6/8/2023 | * | City Council | Introduced by Council | |
| 12/31/2023 | * | City Council | Filed (End of Session) | |

Int. No. 1067

By Council Members Brooks-Powers, Cabán, Farías, Richardson Jordan, Ossé, Brewer and Gutiérrez

A Local Law to amend the administrative code of the city of New York, in relation to the prohibition of non-compete agreements

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 22 of the administrative code of the city of New York is amended by adding a new section 22-511 to read as follows:

§ 22-511 Prohibition of non-compete agreements.

a. Definitions. For the purposes of this section, the following terms have the following meanings:

Non-compete agreement. The term "non-compete agreement" means an agreement between an employer and a worker that prevents, or effectively prevents, the worker from seeking or accepting work for a different employer, or from operating a business, after the worker no longer works for the employer.

Employer. The term "employer" means a person that hires or contracts with a worker to work for a person.

Worker. The term "worker" means a natural person who works, whether paid or unpaid, for an employer. Such term includes an individual classified as an independent contractor.

b. Prohibitions. 1. No employer shall enter into, or attempt to enter into, a non-compete agreement with a worker.

2. No employer shall maintain a non-compete agreement with a worker. Any non-compete agreement between an employer and a worker must be rescinded by the employer no later than the date the local law that created this section goes into effect.

3. No employer shall represent to a worker that the worker is subject to a non-compete clause where the employer has no good faith basis to believe that the worker is subject to an enforceable non-compete agreement.

4. Any non-compete agreement entered into, or maintained, in violation of this subdivision is not enforceable.

c. Enforcement. Any person that violates any provision of this section is subject to a civil penalty of $500 per violation. The office of labor standards shall enforce the requirements of this section.

§ 2. This local law takes effect 120 days after it becomes law.

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2/28/23