

# Status of Noncompete Agreements in 2021: Consider Alternatives to Protect Your Business Interests

“Post-employment restrictions, including noncompete agreements, have become an increasingly popular tool for protecting business investments; confidential information; client, customer and employee relationships; and goodwill,” write Stephen W. Aronson, Natale V. Di Natale, Jean E. Tomasco, Abby M. Warren and Kayla N. West in ***The National Law Review***.

“At the same time, legislators increasingly have focused their attention on limiting an employer’s ability to impose such restrictions, as has the new Biden administration.”

“Noncompete agreements are typically governed by state law. Most states try to balance employers’ interests in protecting their business with employees’ interests in earning a living. Recently, the trend has been for states to place restrictions on employers’ ability to impose post-employment restrictions (most recently in the District of Columbia). New legislation prohibits the use of restrictive covenants for low-wage employees and other specific types of employees, as well as restricting use where it may not be reasonable. That said, development of state laws on noncompete agreements varies greatly; while Connecticut’s noncompete laws stem mainly from court decisions, Rhode Island and Massachusetts have passed robust noncompete statutes in recent years ...”.

***For a summary read the article.***