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

Saturday, March 26, 2022

The District of Columbia “Ban on Non-Compete Agreements Amendment Act of 2020” 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 deferred 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.

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