



The Commonwealth of Massachusetts

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Supporters of Noncompete Bill Gather for State House Hearing *Contract legislation would affect thousands of Massachusetts employees*

Boston, MA – Co-sponsors, Representatives William Brownsberger and Lori Ehrlich, joined supporters of **An Act Relative to Non-Compete Agreements**—a noncompete overhaul bill that would affect thousands of Massachusetts employees. The bill was heard before the Committee on Labor and Workforce Development where both employers and employees expressed appreciation for the change.

An employee non-compete agreement, commonly signed as part of an employment contract, restricts an employee from working for a competitor after leaving the job or being laid off. Currently, the agreements are frequently written very broadly, severely hampering an employee's ability to find a new job while simultaneously failing to protect the employer's legitimate business interests.

The proposed legislation is designed to incentivize employers to write reasonable and narrowly tailored agreements, which the courts will then enforce and which protect legitimate employer interests. The legislation would also ban noncompetes for anyone making less than \$75,000/year.

"This bill provides benefits to both employees and employers throughout the state," said Russell Beck, a lawyer and the principal drafter of the legislation. "Employees will no longer be at risk of showing up for work on the first day and be surprised by a requirement that they be bound by a non-compete, nor will they be precluded from changing jobs as a result of an unreasonable agreement that they cannot afford to challenge, and employers can significantly enhance the likelihood that the protections that they need will be enforced by a court."

The bill is a vast improvement over the existing complicated body of law and unpredictable outcomes. It would clarify existing law and ensure that noncompete agreements are shorter in duration, applied only when truly necessary, and more likely to be enforced when needed.

Judy Sullivan, who testified at the hearing, was laid off by her employer of four years and prohibited from working in the same industry for a year because of a six-state noncompete agreement.

"I am now relying strictly on unemployment and barely making ends meet. My former employer sends me letters from lawyers threatening lawsuits causing me to lose sleep," said Sullivan. "All I want to do is make a living and not rely on unemployment. "

Michael Doyle also testified at the hearing and has a similar experience with an employee noncompete agreement. He left his job for a better opportunity and now faces a potential lawsuit and tens of thousands of dollars in lawyer fees. He does not remember signing a noncompete with his former employer.

“This company has continued to threaten me with legal fees and injunctions, but they have not produced any evidence forty two days after my resignation,” said Doyle. “As an engineer I know that for any system, there will be those that seek to take advantage of it. In this case, I’m just an honest, hard working family man and I’m being served with a severe injustice.”

The current bill is a joint effort by Representatives Brownsberger and Ehrlich, who initially submitted two separate drafts. Lawyers, employers and employees have all provided input and contributed to the drafting process at numerous roundtable discussions and meetings.

““This will allow many workers in Massachusetts to work instead of being stuck in financially burdensome legal limbo,” said bill co-sponsor Representative Lori Ehrlich. “We have provided guidance and certainty for employers and protection for employees from overreaching, vague, and sometimes abusive agreements.”

““It will reduce the use of abusive noncompete agreements, while allowing businesses to protect their valuable assets,” said co-sponsor William Brownsberger.

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