

A RESOLUTION

24-583

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

July 12, 2022

To declare the existence of an emergency with respect to the need to amend the Ban on Non-Compete Agreements Amendment Act of 2020 to clarify which provisions in workplace policies or employment agreements will not violate the law’s restrictions on the use of non-compete provisions and agreements, clarify that employers may bar an employee’s use, in addition to the disclosure, of confidential and proprietary information during or after the employee’s employment for the employer, create a limited exception allowing the use of non-compete provisions with highly-compensated employees, including medical specialists, under specified circumstances, specify what must be contained in a non-compete agreement for it to be valid and enforceable, clarify remedies for violations of the act, clarify how the act relates to a collective bargaining, and clarify rulemaking requirements.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Non-Compete Clarification Emergency Declaration Resolution of 2022”.

Sec. 2. (a) Bill 24-256, the Non-Compete Clarification Amendment Act of 2022 (“Bill”) amends the Ban on Non-Compete Agreements Amendment Act of 2020, effective March 16, 2021 (D.C. Law 23-209; 68 DCR Page 3423) (“Law”). Both pieces of legislation specify that they are applicable on October 1, 2022.

(b) The Bill will substantially amend the Law. However, the Bill is not expected to have its second vote before the Council until July 12, 2022. The Bill is not anticipated to complete the requisite mayoral and congressional review process before the Law’s applicability date.

(c) The amendments contained in the Bill should apply at the same time as the Law. To ensure that, it is necessary to move a version of the Bill on an emergency basis to become effective more immediately and be in place by October 1, 2022. This will provide employers, workers, and the enforcement agency with clarity about which provisions of the law with which to comply.

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Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Non-Compete Clarification Emergency Amendment Act of 2022 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.