



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3449

Introduced 2/22/2021, by Rep. Edgar Gonzalez, Jr.

SYNOPSIS AS INTRODUCED:

820 ILCS 90/5
820 ILCS 90/10

Amends the Illinois Freedom to Work Act. Expands the scope of the Act to apply to all employees (rather than only low-wage employees). Prohibits all covenants not to compete. Effective immediately.

LRB102 11732 JLS 17066 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Freedom to Work Act is amended by
5 changing Sections 5 and 10 as follows:

6 (820 ILCS 90/5)

7 Sec. 5. Definitions. In this Act:

8 "Covenant not to compete" means an agreement:

9 (1) between an employer and an ~~a low wage~~ employee
10 that restricts the ~~such low wage~~ employee from performing:

11 (A) any work for another employer for a specified
12 period of time;

13 (B) any work in a specified geographical area; or

14 (C) work for another employer that is similar to
15 the ~~such low wage~~ employee's work for the employer
16 included as a party to the agreement; and

17 (2) that is entered into after the effective date of
18 this amendatory Act of the 102nd General Assembly.

19 "Employer" has the meaning given to such term in
20 subsection (c) of Section 3 of the Minimum Wage Law.

21 "Employer" does not include governmental or quasi-governmental
22 bodies.

23 "Employee" ~~"Low wage employee"~~ means any individual

1 ~~permitted to work by an employer an employee whose earnings do~~
2 ~~not exceed the greater of (1) the hourly rate equal to the~~
3 ~~minimum wage required by the applicable federal, State, or~~
4 ~~local minimum wage law or (2) \$13.00 per hour.~~

5 (Source: P.A. 99-860, eff. 1-1-17; 100-225, eff. 8-18-17.)

6 (820 ILCS 90/10)

7 Sec. 10. Prohibiting covenants not to compete for low-wage
8 employees.

9 (a) After the effective date of this amendatory Act of the
10 102nd General Assembly, no ~~No~~ employer shall enter into a
11 covenant not to compete with any ~~low-wage~~ employee of the
12 employer.

13 (b) A covenant not to compete entered into between an
14 employer and an ~~a low-wage~~ employee is illegal and void.

15 (Source: P.A. 99-860, eff. 1-1-17.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.