

Sen. Paul Faraci

Filed: 4/5/2024

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1	AMENDMENT TO SENATE BILL 2737
2	AMENDMENT NO Amend Senate Bill 2737 by replacing
3	everything after the enacting clause with the following:
4	"Section 5. The Illinois Freedom to Work Act is amended by
5	changing Section 10 as follows:
6	(820 ILCS 90/10)
7	Sec. 10. Prohibiting covenants not to compete and
8	covenants not to solicit.
9	(a) No employer shall enter into a covenant not to compete
10	with any employee unless the employee's actual or expected
11	annualized rate of earnings exceeds \$75,000 per year. This
12	amount shall increase to \$80,000 per year beginning on January
13	1, 2027, \$85,000 per year beginning on January 1, 2032, and
14	\$90,000 per year beginning on January 1, 2037. A covenant not
15	to compete entered into in violation of this subsection is
16	void and unenforceable.

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1 (b) No employer shall enter into a covenant not to solicit 2 with any employee unless the employee's actual or expected annualized rate of earnings exceeds \$45,000 per year. This 3 4 amount shall increase to \$47,500 per year beginning on January 5 1, 2027, \$50,000 per year beginning on January 1, 2032, and \$52,500 per year beginning on January 1, 2037. A covenant not 6 to solicit entered into in violation of this subsection is 7 8 void and unenforceable.

9 (c) No employer shall enter into a covenant not to compete 10 or a covenant not to solicit with any employee who an employer 11 terminates or furloughs or lays off as the result of business circumstances or governmental orders related to the COVID-19 12 13 pandemic or under circumstances that are similar to the 14 COVID-19 pandemic, unless enforcement of the covenant not to 15 compete includes compensation equivalent to the employee's 16 base salary at the time of termination for the period of enforcement minus compensation earned through subsequent 17 18 employment during the period of enforcement. A covenant not to compete or a covenant not to solicit entered into in violation 19 20 of this subsection is void and unenforceable.

(d) A covenant not to compete is void and illegal with respect to individuals covered by a collective bargaining agreement under the Illinois Public Labor Relations Act or the Illinois Educational Labor Relations Act and individuals employed in construction. This subsection (d) does not apply to construction employees who primarily perform management, 10300SB2737sam001

engineering or architectural, design, or sales functions for the employer or who are shareholders, partners, or owners in any capacity of the employer.

4 (e) Any covenant not to compete or covenant not to solicit 5 entered into after the effective date of this amendatory Act of the 103rd General Assembly shall not be enforceable with 6 respect to the provision of mental health services to veterans 7 and first responders by any licensed mental health 8 9 professional in this State if the enforcement of the covenant 10 not to compete or covenant not to solicit would result in an 11 undue burden on veterans or first responders seeking mental health services. 12

13 For the purpose of this subsection:

14 <u>"First responders" means emergency medical services</u> 15 <u>personnel, as defined in the Emergency Medical Services (EMS)</u> 16 Systems Act, firefighters, and law enforcement officers.

17 "Licensed mental health professional" means a person who 18 is licensed or registered to provide mental health services by 19 the Department of Financial and Professional Regulation or a 20 board of registration duly authorized to register or grant 21 licenses to persons engaged in the practice of providing 22 mental health services in Illinois.

23 (Source: P.A. 102-358, eff. 1-1-22.)

24 Section 99. Effective date. This Act takes effect upon 25 becoming law.".