



Sen. Michael E. Hastings

Filed: 2/20/2024

10300SB2770sam001

LRB103 36528 SPS 69991 a

1 AMENDMENT TO SENATE BILL 2770

2 AMENDMENT NO. _____. Amend Senate Bill 2770 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.

1 (b) No employer shall enter into a covenant not to solicit
2 with any employee unless the employee's actual or expected
3 annualized rate of earnings exceeds \$45,000 per year. This
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
6 \$52,500 per year beginning on January 1, 2037. A covenant not
7 to solicit entered into in violation of this subsection is
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
12 circumstances or governmental orders related to the COVID-19
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
17 enforcement minus compensation earned through subsequent
18 employment during the period of enforcement. A covenant not to
19 compete or a covenant not to solicit entered into in violation
20 of this subsection is void and unenforceable.

21 (d) A covenant not to compete is void and illegal with
22 respect to individuals covered by a collective bargaining
23 agreement under the Illinois Public Labor Relations Act or the
24 Illinois Educational Labor Relations Act. ~~and~~

25 (e) A covenant not to compete or a covenant not to solicit
26 is void and illegal with respect to individuals employed in

1 construction, regardless of whether an individual is covered
2 by a collective bargaining agreement. This subsection (e) ~~(d)~~
3 does not apply to construction employees who primarily perform
4 management, engineering or architectural, design, or sales
5 functions for the employer or who are shareholders, partners,
6 or owners in any capacity of the employer.
7 (Source: P.A. 102-358, eff. 1-1-22.)".