



NEW YORK STATE SENATOR

Sean M. Ryan

Senators Sean Ryan, Jessica Ramos To Hold Hearing On Impact Of Non-Compete Agreements

SEAN M. RYAN May 19, 2023

| ISSUE: NYS SENATOR SEAN RYAN, NYS SENATE DISTRICT 61, NON-COMPETE AGREEMENTS

| COMMITTEE: COMMERCE, ECONOMIC DEVELOPMENT AND SMALL BUSINESS



SENATORS SEAN RYAN, JESSICA RAMOS TO HOLD HEARING ON IMPACT OF NON-COMPETE AGREEMENTS

Joint Public Hearing Will Explore the Impact Non-Compete Agreements Have on Workers, Consumers, and Small Businesses in New York

ALBANY – Today, May 19, 2023, New York State Senator Sean Ryan and Senator Jessica Ramos announced a joint public hearing, conducted by the [Senate Committee on Commerce, Economic Development and Small Business](#) and the [Senate Committee on Labor](#), on Tuesday, May 23 to investigate the impacts of non-compete agreements on New York State.

The hearing will take place in the Van Buren Hearing Room A on the second floor of the Legislative Office Building and will be streamed live at nysenate.gov

The hearing will focus on the impacts of non-compete agreements on New York’s labor market and on economic development, as well as possible legislative solutions, such as Senator Ryan’s bill ([S.3100](#)) that would invalidate existing non-compete agreements and ban their future use. Testimony will be provided by a series of experts on non-compete agreements, as well as New Yorkers who have been personally affected by them.

Senator Sean Ryan, Chair of the Senate Committee on Commerce, Economic Development and Small Business, said, “Most people think of non-compete agreements as a restriction reserved for executives with trade secrets, but they are actually very commonly used in a wide variety of industries. They can be debilitating for workers who want to leave their job and they stifle competition, which means they are bad for consumers as well. I expect that this hearing will illuminate the many negative effects non-competes have had in New York State and demonstrate why we need to eliminate them.”

Senator Jessica Ramos, Chair of the Senate Committee on Labor, said, “Non-compete agreements have long been used to stifle a worker’s ability to advocate for themselves and leave exploitative workplaces. I thank Senator Ryan for championing the issues and am proud to lend the Labor Committee’s support to hear from stakeholders.”

About Non-Compete Agreements:

Non-compete agreements have a negative effect on the labor market and on the economy of

New York State. They prevent workers from seeking employment at entities that may be a better fit for them, and they limit the pool of qualified job applicants, making it harder for businesses to find employees even when they offer better-than-average wages and benefits. In certain industries, non-compete agreements have a detrimental impact on consumers as well. They are prevalent in the medical field, where they disrupt continuity of care.

A 2019 survey by the Economic Policy Institute and Cornell University estimates that in the United States, between 27.8% and 46.5% of private-sector workers are subject to non-competes, and 18.1% of all workers are covered by non-compete agreements. In New York, a staggering 44.2% of workplaces subject employees to non-compete agreements

The federal government recently announced interest in banning such agreements nationwide via an FTC regulation. [S.3100](#) would codify such a ban in state law.

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RELATED LEGISLATION

2023-S3100

- Introduced
- - In Committee Assembly
 - In Committee Senate

- ○ On Floor Calendar Assembly
 - On Floor Calendar Senate

- ○ Passed Assembly
 - Passed Senate

- Vetoed By Governor

- Signed By Governor

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Prohibits non-compete agreements and certain restrictive covenants

January 27, 2023

Vetoed

Sponsored by [Sean M. Ryan](#)

Do you support this bill?