

April 2024

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FTC Announces Publication Date for Expansive and Unprecedented Non-compete Ban

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As stated in original [Client Alert](#), on April 23, 2024, the Federal Trade Commission (FTC) adopted a [Non-Compete Clause Rule](#) (the "Rule") prohibiting most employee non-compete agreements as unfair methods of competition. The FTC has just announced that the final Rule will be published in the Federal Register on May 7, 2024. This means—barring any changes from the ongoing legal challenges—that the Rule's effective date will be Wednesday September 4, 2024 (120 days after publication). The FTC is already facing several legal challenges regarding their authority to issue the new Rule, including from the U.S. Chamber of Commerce; ATS Tree Services, a Pennsylvania based small business; and Ryan LLC, a Dallas-based tax services provider. It will be important for employers to stay up-to-date on the outcomes of these challenges and their potential impact on the Rule and its effective date.

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