

S3100-A RYAN Same as [A 1278-B](#) Joyner

ON FILE: 05/31/23 Labor Law

TITLE....Prohibits non-compete agreements and certain restrictive covenants

01/27/23 REFERRED TO LABOR

05/23/23 1ST REPORT CAL.1335

05/24/23 2ND REPORT CAL.

05/30/23 ADVANCED TO THIRD READING

05/31/23 AMENDED ON THIRD READING 3100A

06/07/23 PASSED SENATE

06/07/23 DELIVERED TO ASSEMBLY

06/07/23 referred to codes

06/20/23 substituted for a1278b

06/20/23 ordered to third reading rules cal.484

06/20/23 passed assembly

06/20/23 returned to senate

12/12/23 DELIVERED TO GOVERNOR

12/22/23 VETOED MEMO.133

VETO MESSAGE - No. 133

TO THE SENATE:

I am returning herewith, without my approval, the following bill:

Senate Bill Number 3100-A, entitled:

"AN ACT to amend the labor law, in relation to prohibiting non-compete agreements and certain restrictive covenants"

NOT APPROVED

This bill would broadly prohibit all non-compete agreements in New York. Specifically, the bill provides that "[n]o employer or its agent, or the officer or agent of any corporation, partnership, limited liability company, or other entity, shall seek, require, demand, or accept a non-compete agreement from any covered individual."

I have long supported limits on non-compete agreements for middle-class and low-wage workers, protecting them from unfair practices that would limit their ability to earn a living. Non-compete agreements generally prevent workers from taking a new job or starting a new business, often to the detriment of the worker and their families. For that reason, in my first Executive Budget, I proposed banning non-compete agreements for anyone making below the median wage in New York.

This year, for this bill, I attempted to work with the Legislature in good faith on a reasonable compromise. My top priority was to protect middle-class and low-wage earners, while allowing New York's businesses to retain highly compensated talent. New York has a highly competitive economic climate and is home to many different industries. These companies have legitimate interests that cannot be met with the Legislature's one-size-fits-all approach.

I continue to recognize the urgent need to restrict non-compete agreements for middle-class and low-wage workers, and am open to future legislation that achieves the right balance.

Therefore, I am constrained to veto this bill.

The bill is disapproved.

(signed) KATHY HOCHUL
