

## **New York Governor: “Balance” Is Needed on Noncompete Bill**

Article By:

Erik W. Weibust

David J. Clark

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As we predicted when the New York legislature passed a bill that would ban noncompetes in the state without even an exception for the sale of a business, Governor Kathy Hochul has said that she wants changes to the bill – called chapter amendments – before she will sign it. According to [Bloomberg](#), Governor Hochul told reporters, “What I’m looking at right now is striking the right balance between protecting low and middle-income workers, giving them flexibility to have mobility to go from job to job as they continue up the ladder of success. But those who are successful have a lot more negotiation power, and they’re at the industries that are an important part of our economy here in New York.”

According to the author of the [Bloomberg](#) article on [X](#), Governor Hochul “said today she'd like changes exempting high-earners and business acquisition/merger situations.” The bill’s sponsor, state senator Sean Ryan (D), said that he is open to negotiations, although more so on an exception in the sale of a business context than allowing noncompetes for high-earners workers, both of which are steps most states to have considered the issue have taken in one form or another.

This comes on the heels of the FTC sending a [letter](#) to Governor Hochul in which it purports to provide conclusive evidence that noncompetes are regularly abused and harmful to employees -- even those who don't sign them -- and competition, in an effort to convince her to sign the bill. As we have [previously written](#), the FTC simply does not have the evidence to back up such claims.

We will report back as this story evolves.

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