

Pivotal Employment Law Issues Impacting the Life Sciences Industry in 2025

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As the life sciences industry prepares for 2025, employers must navigate a landscape marked by evolving employment laws, heightened pay transparency requirements, and ongoing scrutiny of workplace diversity, equity, and inclusion (DEI) efforts.

Quick Hits

- Life sciences employers may want to keep an eye on developments regarding several employment law issues in 2025, including noncompete agreements, pay transparency, diversity, equity, and inclusion (DEI), and workplace safety.
- The new presidential administration, set to take office in January 2025, will likely shift federal regulatory priorities.

Recruiting and attracting top talent while protecting trade secrets will remain a key priority for employers in the life sciences industry, but ongoing legal issues could complicate those efforts. Here's a closer look at some key issues life sciences employers may want to keep an eye on in 2025.

Noncompete Agreements

Noncompete agreements have long been an essential issue for certain life sciences employers. These agreements, which restrict former employees from joining competitors or starting competing businesses for a certain period after leaving a company, are important tools for life sciences employers to protect their legitimate business interests and trade secrets in the competitive space.

However, the use of noncompete agreements and other restrictive covenants, such as nondisclosure provisions, in employment has come under increased scrutiny. Several U.S. states have enacted legislation to limit their scope, and there has been pressure at the federal level to impose stricter regulations. In April 2024, the Federal Trade Commission (FTC) [adopted a rule](#) banning nearly all noncompete agreements in the employment context. Federal district courts in [Florida](#) and [Texas](#) later blocked that rule, but [federal appellate courts](#) could ultimately [decide the rule's fate](#).

While the new presidential administration in 2025 could impact federal regulation, noncompete agreements will likely continue to be scrutinized under the growing number of state restrictions. It will continue to be important for employers in the life sciences industry to draft narrowly tailored agreements that address their specific business needs.

Increase in Pay Transparency Laws

Pay transparency is another critical issue gaining traction in the life sciences industry as companies strive to recruit and retain top talent. A wave of new state laws is requiring employers to include pay ranges and information on bonuses and other forms of compensation in postings for job openings and promotion opportunities. For instance, in November 2024, New Jersey Governor Phil Murphy [signed into law](#) legislation requiring employers to [disclose compensation and benefits](#) in job postings beginning in June 2025, joining more than a dozen states with similar requirements.

Employers in the life sciences industry may want to review their job posting policies and pay transparency requirements in the states where they have employees. While pay transparency is largely aimed at improving pay equity, such requirements may have additional impacts on the workplace.

Scrutiny of Workplace DEI Policies and Programs

Many life sciences companies have adopted DEI policies or programs aimed at fostering more inclusive and diverse workforces. In recent years, such policies have come under intense scrutiny. Employers across the country are increasingly finding themselves in the crosshairs of employment discrimination and/or so-called “reverse discrimination” lawsuits.

Such claims have gained traction following the Supreme Court of the United States’ [2023 decision](#) holding specific race-conscious admissions policies in higher education unconstitutional. The Supreme Court in February 2025 will [hear a case](#) concerning a heterosexual woman’s claims that she experienced employment discrimination when she was allegedly denied a promotion and demoted in favor of LGBTQ+ candidates. Legal scrutiny of DEI policies will likely continue and intensify in the coming year.

New Workplace Safety Challenges

Workplace safety has always been a critical concern for the life sciences industry, given the nature of the work and the potential hazards involved. Nevertheless, the COVID-19 pandemic has brought new challenges and heightened awareness of the importance of health and safety protocols. Further, the Occupational Health and Safety Administration (OSHA) made [preventing workplace violence in the healthcare industry](#) a priority in 2024, though it is unclear what the agency’s regulatory priorities will be under the new presidential administration.

As we move into 2025, life sciences companies may want to continue adapting their workplace safety practices to address potential risks. These efforts can include not only physical safety measures but also mental health and well-being initiatives.

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