

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Employment Services



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District of Columbia Prohibition on Non-Compete Clauses

Beginning October 1, 2022, the District of Columbia banned non-compete agreements and policies for medical specialists earning less than \$250,000 and all other employees earning less than \$150,000.

These amounts increase annually on January 1, 2024, and each calendar year thereafter, an amount equal to the previous calendar year's minimum qualifying annual compensation, increased in proportion to the annual average increase, if any, in the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor for the previous calendar year adjusted to the nearest whole dollar.

As of January 1, 2025, the restriction on non-compete clauses applies to employees earning less than \$158,363 and to medical specialists earning less than \$263,939.

Employers may not retaliate, or threaten to retaliate, against covered employees who refuse to sign a non-compete agreement, who fail to comply with a non-compete agreement, or who complain about the existence, applicability, or validity of any such agreement.

Employers may establish non-compete agreements in writing with highly compensated employees earning more than the amounts above, provided the agreements:

- Specify the functional scope of the competitive restriction, including what services, roles, industry, or competing entities the employee is restricted from performing work in or on behalf of;
- Specify the geographical limitations of the work restriction, and:
 - If the employee is not a medical specialist, a term of non-competition that does not exceed 365 calendar days from the date the employee separates from the employer, or
 - If the employee is a medical specialist, a term of non-competition that does not exceed 730 calendar days from the date the employee separates from the employer;
- Are given to the employee at least 14 days before the start of employment, or if the highly compensated employee already works for the employer, at least 14 days before the start of the agreement.

Employers may not retaliate or threaten to retaliate against highly compensated employees who request information related to a workplace policy that includes exceptions to the definition of non-compete provision or proposed agreements in writing, nor against employees who object to agreement provisions that do not comply with the above limitations.

Reference: DC Code § 32-581.01-.05.

Please direct all inquiries to: owh.ask@dc.gov

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