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## FTC Approves Final Rule Prohibiting Worker Non-Competes...and is Immediately Challenged in Court

**Date:** 05/20/24

On April 23, 2024, the Federal Trade Commission (“FTC”) voted 3 – 2 in favor of issuing a [final rule](#) (the “Rule”) prohibiting employers from entering into or enforcing essentially all non-competition agreements covering employees and individual service providers, other than non-competes entered into pursuant to a sale of a business. While the Rule permits enforcement of non-competes that are entered into before the effective date covering a limited group of senior executives, the Rule establishes a complete ban on new non-competes with all workers, regardless of position or compensation. The Rule was published in the Federal Register on May 7, 2024 and is scheduled to become effective on September 4, 2024.

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