

Employment and Labor Insight: 2024 Salary Thresholds and Notice Requirements for Non-Competition and Non-Solicitation Provisions in Employment Agreements

Insights

February 15, 2024

In recent years, there has been a growing focus on restrictive covenants in the employment context, and particularly on non-competition and non-solicitation agreements that apply after the employment term has ended. While some states prohibit these post-employment restrictive covenants, other states restrict them by setting **minimum salary thresholds**, or requiring companies to give employees **advance notice** of the provisions in their employment agreement.

At Gunderson Dettmer, we recognize the challenge of keeping up with these changing rules, especially for companies with remote workforces. To help companies stay informed, we have produced the below charts on the salary and notice requirements, which we will periodically update. This is just a summary. Many states and localities have additional requirements or restrictions. GD's Employment & Labor Group is always available to address your questions or concerns.

States with Salary Thresholds*

State/Jurisdiction	Previously (2023)	Current for 2024
Colorado	- <i>Non-solicit</i> : \$67,500/year - <i>Non-compete</i> : \$112,500/year	- <i>Non-solicit</i> : \$74,250/year

		<p>- <i>Non-compete</i>: \$123,750/year</p> <p>Colorado's 2024 Publication and Yearly Calculation of Adjusted Labor Compensation (2024 PAY CALC) increases the "highly compensated" employee salary threshold for non-competes to \$123,750/year. The non-solicit salary threshold is 60% of that figure, which comes to \$74,240/year.</p>
District of Columbia	<p>- <i>Non-compete</i>: \$150,000/year (but \$250,000/year for medical specialists)</p>	<p>- <i>Non-compete</i>: \$154,650/year (and \$257,750 for medical specialists)</p> <p>This 3.4% increase is based on the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area, which is published by the Bureau of Labor Statistics of the United States Department of Labor.</p>
Illinois	<p>- <i>Non-solicit</i>: \$45,000/year</p> <p>- <i>Non-compete</i>: \$75,000/year</p>	<p>- <i>Non-solicit</i>: \$45,000/year</p> <p>- <i>Non-compete</i>: \$75,000/year</p> <p>There are currently no anticipated changes for 2024.</p>
Maine	<p>- <i>Non-compete</i>: 400% of the 2023 Federal Poverty Level,</p>	<p>- <i>Non-compete</i>: \$60,240/year</p>

	which amounted to \$58,320/year in 2023.	The 2024 Federal Poverty Level increased to \$15,060 so Maine's 2024 non-compete threshold is now \$60,240/year.
Maryland	<p>- <i>Non-compete:</i></p> <ul style="list-style-type: none"> • Agreements effective before 10/1/23: \$15/hour or \$31,200/year; • Agreements effective on and between 10/1/23 and 12/31/23: 150% of state minimum wage. This means \$19.88/hour (if employer has more than 14 employees) or \$19.20/hour (if employer has fewer than 14 employees) 	<p>- <i>Non-compete:</i> \$22.50/hour or \$46,800/year</p> <p>This is based on 150% of Maryland's 2024 minimum wage.</p>
Massachusetts	- <i>Non-compete:</i> \$684/week and classified as exempt under the Fair Labor Standards Act (FLSA)	<p>- <i>Non-compete:</i> \$684/week</p> <p>There are currently no anticipated changes for 2024. If minimum wage increases under FLSA, the change would impact Massachusetts salary threshold.</p>
Nevada	- <i>Non-complete:</i> Salaried employees only	<p>- <i>Non-compete:</i> Salaried employees only</p> <p>There are currently no anticipated changes for 2024.</p>
New Hampshire	- <i>Non-compete:</i> 200% of the 2023 federal minimum wage, or 200% of the tipped minimum wage in the state. In 2023, this was \$14.50/hour or \$30,160/year.	<p>- <i>Non-compete:</i> \$14.50/hour or \$30,160/year.</p> <p>There are currently no anticipated changes for 2024.</p>

Oregon	<p>- <i>Non-compete</i>:</p> <ul style="list-style-type: none"> • \$108,581/year at the time of termination, and be exempt from Oregon’s minimum wage laws under Oregon Revised Statute § 653.020, such as by meeting the “administrative, executive, or professional” exemption requirements if employer wishes to use a non-compete agreement that does not have a garden leave requirement; or • No salary threshold but employer may still enforce a non-compete for up to 12 months if the employer agrees in writing to pay the employee for the period of enforcement the greater rate of (1) 50% of the employee’s annual gross base salary and commissions at the time of termination, or (2) 50% of the “median income for a four-person family,” which was \$108,581 in 2023. 	<p>- <i>Non-compete</i>: \$113,250/year</p> <p>This 4.3% increase is based on inflation data from the Bureau of Labor Statistics of the United States Department of Labor.</p> <p>Even if an employee does not meet the minimum salary threshold, an Oregon employer may enforce a non-compete at the time of separation if certain criteria are met. These criteria include agreeing in writing to pay the employee the greater of 50% of the employee’s annual salary or 50% of Oregon’s non-compete threshold salary.</p>
Rhode Island	<p>- <i>Non-compete</i>: 250% of the 2023 Federal Poverty Level (\$36,450/year) and classified as exempt under Fair Labor Standards Act</p>	<p>- <i>Non-compete</i>: \$37,650/year</p> <p>The 2024 Federal Poverty Level increased to \$15,060/year so Rhode Island’s 2024 non-compete threshold is now \$37,650.</p> <p>Any increases to salary thresholds under the FLSA</p>

		could impact Rhode Island's threshold requirements.
Virginia	- <i>Non-compete</i> : \$1,343/week or \$69,836/year for employees	<p>- <i>Non-compete</i>: \$1,410/week or \$73,320/year</p> <p>Wage thresholds for non-compete agreements are based on average weekly earnings in Virginia. On January 24, 2024, that figure increased from \$1,343/week to \$1,410/week.</p>
Washington	- <i>Non-compete</i> : \$116,593.18/year for employees	<p>- <i>Non-compete</i>: \$120,559.99/year</p> <p>This increase is based on 2024 inflation numbers.</p>

States with Notice Requirements*

State/Jurisdiction	Timing
Colorado	<p>- <i>New hires</i>: Before the employee accepts the offer of employment</p> <p>- <i>Existing employees</i>: least 14 days before the date of (1) the effective date of the agreement or (2) the effective date of any addendum</p>

compens
considera

- Unclear
rule appli
non-solici
provision:

District of Columbia

- *New hire*
least 14 d
before th
individu
commen
employr
the empl

- *Existing*
employee
least 14 d
before th
employe
execute 1
agreeme

- For prov
that are
excluded
the defini
“non-com
provision
as non-
disclosure
provision:
protecting
confident
informatio
no moonl
policies:
employer
provide a
such prov
an emplo
within 30
after the
employe
acceptar
the
employr

Illinois

- *New hire*
least 14
calendar
before
commen
of emplo

- *Existing*
employee
Employee
be given
14 calend
days to re
and cons
new non-
compete
non-solici

	provision: they take - Time requireme may be w by candic employee
Maine	- <i>New hire</i> Prior to t offer, with least 3 business to consid non-comp provision the deadl sign.
Massachusetts	- <i>New hire</i> Earlier of business before commen of work, prior to r a formal - <i>Existing</i> <i>employee</i> least 10 business before th agreeme takes eff
New Hampshire	- <i>New hire</i> Prior to

	<p>acceptar the offer of employ</p>
Oregon	<p>- New hire least 2 w before th employee day of employ</p> <p>- Existing employee Within 30 after terminati employ</p> <p>- This app overbroad solicitation agreement addition to competes</p>
Virginia	<p>- Standing requirement post a contract Virginia Code 40.1-28.7 (forbidding competitor agreement)</p>

	low-wage employee
Washington	<p>- New hire Before acceptar the offer.</p> <p>- Existing employee Before th agreeme takes eff</p>

*** It's important to note that the information provided above covers only some of the requirements.** *The information contained in these charts is current as of February 15, 2024. States with salary thresholds and notice requirements frequently impose additional restrictions on the use and enforcement of non-competition and non-solicitation agreements. For specific inquiries regarding the enforceability of such agreements, please reach out to your Gunderson attorney.*

This update is not legal advice and is not intended to be legal advice. This article does not create an attorney-client relationship.

Related Services

Employment & Labor

Featured Insights

FIRM NEWS

Gunderson Dettmer Commemorates 2025 Asian American and Pacific Islander Heritage (AAPI) Month

CLIENT NEWS

Brazilian Carbon Capture Company Mombak Announces \$30M Financing

CLIENT NEWS

Africa B2B OmniRetail Announces \$20M Financing

CLIENT NEWS

Glacier Announces Series A Financing to Expand Robot Recycling Fleet

CLIENT NEWS

Dataminr Announces \$100M Investment Led by Fortress Investment Group

CLIENT NEWS

Omnidian Announces \$87M Series C for Renewable Energy Performance

INSIGHTS

Splitting the Pie: How Savvy Founders Divide Ownership and Navigate Other Founder Equity Decisions

CLIENT NEWS

Chainguard Announces \$356 Million Series D Led by Kleiner Perkins and IVP

INSIGHTS

Client Insight: California AI Transparency Act

INSIGHTS

Client Insight: Prepare for BE-10 Benchmark Survey of US Direct Investment Abroad

INSIGHTS

Tech Brew Interviews Aaron Rubin in “Where the legal battle stands around copyright and AI training”

CLIENT NEWS

Latin America Fintech Belvo Announces \$15M Funding