



Rep. Anna Moeller

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10400HB3213ham002

LRB104 08712 SPS 35993 a

1 AMENDMENT TO HOUSE BILL 3213

2 AMENDMENT NO. _____. Amend House Bill 3213 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Freedom to Work Act is amended by
5 changing Sections 10, 20, and 25 and by adding Sections 40 and
6 45 as follows:

7 (820 ILCS 90/10)

8 Sec. 10. Prohibiting covenants not to compete and
9 covenants not to solicit.

10 (a) No employer shall enter into a covenant not to compete
11 with any employee unless the employee's actual or expected
12 annualized rate of earnings exceeds \$300,000 ~~\$75,000~~ per year.
13 ~~This amount shall increase to \$80,000 per year beginning on~~
14 ~~January 1, 2027, \$85,000 per year beginning on January 1,~~
15 ~~2032, and \$90,000 per year beginning on January 1, 2037.~~ A
16 covenant not to compete entered into in violation of this

1 subsection is void and unenforceable.

2 (b) No employer shall enter into a covenant not to solicit
3 with any employee unless the employee's actual or expected
4 annualized rate of earnings exceeds \$45,000 per year. This
5 amount shall increase to \$47,500 per year beginning on January
6 1, 2027, \$50,000 per year beginning on January 1, 2032, and
7 \$52,500 per year beginning on January 1, 2037. A covenant not
8 to solicit entered into in violation of this subsection is
9 void and unenforceable.

10 (c) No employer shall enter into a covenant not to compete
11 or a covenant not to solicit with any employee who an employer
12 terminates or furloughs or lays off as the result of business
13 circumstances or governmental orders related to the COVID-19
14 pandemic or under circumstances that are similar to the
15 COVID-19 pandemic, unless enforcement of the covenant not to
16 compete includes compensation equivalent to the employee's
17 base salary at the time of termination for the period of
18 enforcement minus compensation earned through subsequent
19 employment during the period of enforcement. A covenant not to
20 compete or a covenant not to solicit entered into in violation
21 of this subsection is void and unenforceable.

22 (d) A covenant not to compete is void and illegal with
23 respect to individuals covered by a collective bargaining
24 agreement under the Illinois Public Labor Relations Act or the
25 Illinois Educational Labor Relations Act.

26 (e) A covenant not to compete or a covenant not to solicit

1 is void and illegal with respect to individuals employed in
2 construction, regardless of whether an individual is covered
3 by a collective bargaining agreement. This subsection (e) does
4 not apply to construction employees who primarily perform
5 management, engineering or architectural, design, or sales
6 functions for the employer or who are shareholders, partners,
7 or owners in any capacity of the employer.

8 (f) Any covenant not to compete or covenant not to solicit
9 entered into after January 1, 2025 (the effective date of
10 Public Act 103-915) shall not be enforceable with respect to
11 the provision of mental health services to veterans and first
12 responders by any licensed mental health professional in this
13 State if the enforcement of the covenant not to compete or
14 covenant not to solicit is likely to result in an increase in
15 cost or difficulty for any veteran or first responder seeking
16 mental health services.

17 For the purpose of this subsection:

18 "First responders" means any persons who are currently or
19 formerly employed as: (i) emergency medical services
20 personnel, as defined in the Emergency Medical Services (EMS)
21 Systems Act, (ii) firefighters, and (iii) law enforcement
22 officers.

23 "Licensed mental health professional" means a person
24 licensed under the Clinical Psychologist Licensing Act, the
25 Clinical Social Work and Social Work Practice Act, the
26 Marriage and Family Therapy Licensing Act, the Nurse Practice

1 Act, or the Professional Counselor and Clinical Professional
2 Counselor Licensing and Practice Act.

3 (g) No employer shall enter into a covenant not to compete
4 or covenant not to solicit that has a restricted period longer
5 than one calendar year. A covenant not to compete or a covenant
6 not to solicit entered into in violation of this subsection is
7 void and unenforceable.

8 (h) No employer shall enter into a covenant not to compete
9 with a licensed medical professional that works in the City of
10 Chicago if the radius of the restricted area exceeds 3 miles
11 from the location from which the licensed medical professional
12 physically provided more than 50% of his or her services to the
13 employer. No employer shall enter into a covenant not to
14 compete with a licensed medical professional that works
15 outside of the City of Chicago if the radius of the restricted
16 area exceeds 15 miles from the location from which the
17 licensed medical professional physically provided more than
18 50% of his or her services to the employer. A covenant not to
19 compete entered into in violation of this subsection is void
20 and unenforceable.

21 (i) No employer shall enter into a covenant not to compete
22 that prohibits an employee from accepting any customer or
23 client or other forms of business. A covenant not to compete
24 entered into in violation of this subsection is void and
25 unenforceable.

26 (j) A covenant not to compete is illegal and void and

1 unenforceable if the employer terminates the employee without
2 cause.

3 (Source: P.A. 103-915, eff. 1-1-25; 103-921, eff. 1-1-25;
4 103-1062, eff. 2-7-25; 104-417, eff. 8-15-25.)

5 (820 ILCS 90/20)

6 Sec. 20. Ensuring employees are informed about their
7 obligations. An agreement containing a ~~A~~ covenant not to
8 compete or a covenant not to solicit is illegal and void unless
9 (1) the employer advises the employee in writing in the
10 agreement containing the covenant not to compete or covenant
11 not to solicit to consult with an attorney before entering
12 into the covenant and (2) the employer provides the employee
13 with a copy of the covenant at least 14 calendar days before
14 the commencement of the employee's employment or the employer
15 provides the employee with at least 14 calendar days to review
16 the covenant and confirms the time period in the agreement
17 containing the covenant not to compete or covenant not to
18 solicit. An employer is in compliance with this Section even
19 if the employee voluntarily elects to sign the covenant before
20 the expiration of the 14-day period.

21 (Source: P.A. 102-358, eff. 1-1-22.)

22 (820 ILCS 90/25)

23 Sec. 25. Remedies. In addition to any remedies available
24 under any agreement between an employer and an employee or

1 under any other statute, in a civil action or arbitration
2 filed by an employer (including, but not limited to, a
3 complaint or counterclaim), if an employee prevails on a claim
4 to enforce a covenant not to compete or a covenant not to
5 solicit, the employee or the employee's current employer, if
6 the employer pays for the employee's costs and reasonable
7 attorneys' fees, shall recover from the employer all costs and
8 all reasonable attorney's fees regarding such claim to enforce
9 a covenant not to compete or a covenant not to solicit, and the
10 court or arbitrator may award appropriate relief. For the
11 purpose of this Section, the term "claim" shall be interpreted
12 broadly to include pleadings or motions. For the purposes of
13 this Section, the term "prevails" shall be interpreted broadly
14 and shall require the recovery of attorneys' fees and costs if
15 the employer voluntarily dismisses any claim to enforce a
16 covenant not to compete or a covenant not to solicit or if the
17 court or arbitrator enters an order dismissing any claim or
18 grants any similar judgment to enforce a covenant not to
19 compete or a covenant not to solicit.

20 (Source: P.A. 102-358, eff. 1-1-22.)

21 (820 ILCS 90/40 new)

22 Sec. 40. Choice of law and venue. An agreement between an
23 employer and an employee who provides services to that
24 employer in this State that contains a covenant not to compete
25 or a covenant not to solicit is illegal and void if the

1 agreement includes a provision seeking or attempting to apply
2 the law of any other state. Any legal action related to an
3 agreement between an employer and an employee who provides
4 services to the employer in this State that contains a
5 covenant not to compete or a covenant not to solicit shall be
6 initiated in a court of competent jurisdiction in this State,
7 unless a court in this State does not have competent
8 jurisdiction for the claim.

9 (820 ILCS 90/45 new)

10 Sec. 45. Payment of annualized rate of earnings
11 equivalent. A covenant not to compete is illegal and void
12 unless the employer pays the employee the annualized rate of
13 earnings equivalent to the employee expected annualized rate
14 of earnings during the period the covenant not to compete is
15 effective."