

By Ms. Gobi of Spencer (by request), petition of James Cooke relative to companies preventing former employees from seeking employment. Labor and Workforce Development.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT TO PROMOTE LABOR COMPETITION IN THE COMMONWEALTH OF MASSACHUSETTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 It is hereby declared to be the policy of the Commonwealth to
- 2 promote competition by employers for the skills and services of
- 3 employees.
- 4 A) Any agreement, written or oral, between companies that in
- 5 anyway prevents or limits the ability of a worker to seek employ-
- 6 ment with any company shall be hereby prohibited.
- 7 B) Any severance agreement between a company and a former
- 8 employee that limits the rights of the employee to work for any
- 9 company or engage in self-employment must provide reasonable
- 10 fair-market compensation to the employee during the period of the
- 11 agreement limiting the employee's right to have employment with
- 12 another company or engage in self-employment.
- 13 C) Any company or an individual that knowingly thwarts or
- 14 inhibits a former employee from competing in a marketplace,
- 15 seeking employment, or engaging in self-employment shall be
- 16 punished by a fine of not more than \$500,000.
- 17 D) Any individual aggrieved by the provisions A or B of this
- 18 law shall be entitled to civil damages of \$100,000, wages, com-
- 19 pensation and any and all reasonable attorney fees.

