

# LEGAL UPDATE

# FLORIDA

## Florida Enacts Employer-friendly Noncompete Law

On June 18, 2025, Florida's legislature passed the [Florida Contracts Honoring Opportunity, Investment, Confidentiality, and Economic Growth](#) (CHOICE) Act, allowing employers to enter into enhanced noncompete and garden leave agreements with certain employees. Gov. Ron DeSantis allowed the bill to become law on July 3, 2025, and the law took effect retroactively on **July 1, 2025**.

### CHOICE Act Overview

#### *Applicability*

The CHOICE Act only applies to agreements entered into on or after **July 1, 2025**, between employers and covered employees. **Covered employees** are employees or independent contractors (excluding health care practitioners) who earn or are reasonably expected to earn a salary (excluding certain benefits and payments, such as health and retirement benefits, bonuses, commissions and tips) greater than twice the annual mean wage of the Florida county where the employer's principal office is located or, if the employer's principal place of business is not in Florida, where the employee lives.

#### *Covered Agreements*

Under the CHOICE Act, employers and covered employees may enter into:

- **Covered noncompete agreements**—Written agreements in which a covered employee agrees not to work for a competitor for a duration of up to **four years** and within a defined geographic area, where the employee would provide services similar to those provided to their former employer during the prior three years or would likely use their former employer's confidential information or customer relationships; and
- **Covered garden leave agreements**—Written agreements in which a covered employee agrees to a notice period of up to **four years**, during which time the covered employee agrees not to resign and the covered employer agrees to retain the covered employee and continue paying their salary and benefits. Covered employees may not be required to provide services to the employer after the first **90 days** of the notice period and may, with the employer's permission, work for another

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### Highlights

#### **June 18, 2025**

Florida passes the CHOICE Act, allowing employers to enter into enhanced noncompete and garden leave agreements with covered employees.

#### **July 1, 2025**

The CHOICE Act went into effect.

***Effective July 1, 2025,  
Florida employers  
may enter into more  
restrictive  
noncompetes with  
certain employees.***

employer for the remainder of the notice period. Employers may also reduce the notice period if they provide at least 30 days' advance written notice to the covered employee.

In each case, to be enforceable, the covered employee must:

- Be advised in writing of the right to seek counsel;
- Acknowledge receipt of confidential information or customer relationships; and
- Have seven days to consider an offer to enter into an agreement.

Noncompete agreements and garden leave agreements not covered by the CHOICE Act will continue to be governed by Florida's preexisting noncompete and restrictive covenant law, which is less permissive.

### ***Enforcement and Penalties***

Upon receiving an allegation by an employer that a covered agreement has been violated, courts must preliminarily enjoin a covered employee from working for a competitor and the competitor from engaging the former employee during the noncompete or notice period. Prevailing employers may also recover monetary damages and reasonable attorney fees and costs.

### **Employer Takeaways**

Florida employers who wish to enter into more restrictive noncompete or garden leave agreements with covered employees may review and revise form agreements to conform to the CHOICE Act. Additionally, when hiring employees, employers should carefully review any noncompete restrictions they may have with their former employer that would prevent them from accepting the position. Finally, the CHOICE Act represents a deviation from recent noncompete legislation in other states, which has generally imposed more employee-friendly restrictions on noncompete agreements. Therefore, employers with employees in multiple jurisdictions should also review applicable laws in each state to ensure any noncompete agreements are enforceable.