

Florida's CHOICE Act Gives Employers Much To Consider In Reshaping Their Restrictive Covenant Agreements

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Set to take effect on July 1, 2025, [the Florida Contracts Honoring Opportunity, Investment, Confidentiality, and Economic Growth \(CHOICE\) Act \(the "Act"\)](#) allows covered non-compete and garden leave agreements to extend restrictions for up to four years after termination, up from the two-year limitation under Florida's [current non-compete statute, Section 542.335](#). With this new law, employers must balance complex and competing interests—bolstering protections for their business while competing for talent in the marketplace.

The CHOICE Act applies to covered employees or independent contractors that earn more than twice the annual mean wage (approximately \$80,000-\$100,000) in the Florida county where either 1) the covered employer's principal place of business is located, or 2) where the covered individual resides, if the covered employer's principal place of business is not located in Florida.¹ The Act allows employers the flexibility to reduce the Garden Leave period in non-compete agreements with 30 days' advance notice to the covered employee.² In addition, if an employer seeks to enforce a non-compete agreement, the Act presumptively requires courts to issue a preliminary injunction to stop covered employees from breaching the agreement. If a covered employee attempts to dissolve or modify a court-ordered injunction, the Act now requires employees to prove by "clear and convincing" evidence that their new employment would not result in unfair competition to the covered employer. Further, the employee can *only* use non-confidential information to make this showing.

What does this mean for Florida employers? Employers should evaluate existing non-compete agreements, and discuss with counsel whether to amend or revise these agreements. Among other things, employers should consider the pros and cons of requiring employees to enter into entirely new agreements. While doing so may provide stronger protections against unfair competition, it may have an unintended negative impact on the business's ability to attract and retain talent. Further, extending restrictions up to four years may provide leverage for candidates and existing employees to negotiate higher compensation. Having competent counsel evaluate existing agreements and advise on the options for strengthening post-termination restrictions will help employers craft a strategy that will maximize the benefits of this new law.

What does this mean for nationwide employers? Employers outside of Florida should also pay close attention to how the CHOICE Act and how choice of law provisions interact with the laws of other states in which they have employees. This is especially important given that the CHOICE Act applies to covered Garden Leave agreements with a covered employee who maintains a primary place of work in Florida, regardless of any applicable choice of law provisions in existing agreements.³

If you have any questions about this article, please contact **Kimberley E. Lunetta** at klunetta@vedderprice.com, **John P. Guyette** at jguyette@vedderprice.com or any other Vedder Price attorney with whom you have worked.

¹The Florida Contracts Honoring Opportunity, Investment, Confidentiality, and Economic Growth (CHOICE) Act of 2025, H.B. 1219, § 542.43(3) (2025).

²*Id.* at § 542.44(4).

³*Id.* at § 542.44(1)(a).