INSIGHT ON LABOR & EMPLOYMENT LAW FOR CONNECTICUT BUSINESSES

Non-Compete Agreements For Security Guards (and now, Bouncers) May Be "Non-Enforceable"

By Daniel Schwartz on February 23rd, 2012



With the blog approaching its fifth (!) anniversary later this year, I thought it was time to revisit some subjects that I covered in the blog's infancy and update them.

One such story from way back on September 14, 2007, was a new law that prohibited non-compete agreements by security guards. Back then, I stated:

[The new law] prohibits employers from requiring security officers to "enter into an agreement prohibiting such person from engaging in the same or a similar job, at the same location at which the employer employs such person, for another employer or as a self-employed person".

(If the employer can "prove" that the employee received trade secrets, then a non-compete can be used.)

The law refers to the <u>USDOL's Standard Occupational Code for "Security Guards" (33-9032)</u> as the covered group.

So what's new? Well, in 2010, the USDOL changed the defintion for this code to make it a bit broader.

Previously, this code covered those who "Guard, patrol, or monitor premises to prevent theft, violence, or infractions of rules."

<u>The new definition</u>, or at least interpretation, covers those beyond the traditional notion of a security guard.

Guard, patrol, or monitor premises to prevent theft, violence, or infractions of rules. May operate x-ray and metal detector equipment. Excludes "Transportation Security Screeners" (33-9093). Illustrative examples: Bodyguard, Bouncer, Bank Guard

There are ways, however, for security companies to protect their workforce from poaching. For example, a security company can still contract with the company for which it is providing services that any successor security company will not use the predecessor's security guards for a period of time. The law only prohibits the use of non-compete agerements with the security officers themselves.

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Regardless, employers should be aware of the restrictions this law places and draft any restrictive covenants to comply with this law.

Posted in <u>Human Resources (HR) Compliance</u>, <u>Laws and Regulations</u>

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