

116TH CONGRESS  
1ST SESSION

# H. R. 3920

To prohibit agreements between employers that directly restrict the current or future employment of any employee.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2019

Mr. NADLER (for himself and Mr. CICILLINE) introduced the following bill;  
which was referred to the Committee on the Judiciary

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## A BILL

To prohibit agreements between employers that directly restrict the current or future employment of any employee.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “End Employer Collu-  
5 sion Act”.

6 **SEC. 2. UNFAIR METHODS OF COMPETITION AND AGREE-**  
7 **MENTS IN RESTRAINT OF TRADE RELATING**  
8 **TO RESTRICTIVE EMPLOYMENT AGREE-**  
9 **MENTS.**

10 (a) DEFINITIONS.—In this section:

1           (1) EMPLOY; EMPLOYER; EMPLOYEE.—The  
2 terms “employ”, “employer”, and “employee” have  
3 the meanings given such terms in section 3 of the  
4 Fair Labor Standards Act of 1938 (29 U.S.C. 203).

5           (2) RESTRICTIVE EMPLOYMENT AGREEMENT.—  
6 The term “restrictive employment agreement”  
7 means any agreement that—

8                   (A) is between 2 or more employers, in-  
9 cluding through a franchise agreement or a  
10 contractor-subcontractor agreement; and

11                   (B) prohibits, restricts, or in any way lim-  
12 its one employer from employing, soliciting, en-  
13 ticing, or hiring another employer’s employees  
14 or former employees.

15           (b) CONDUCT PROHIBITED.—It shall be unlawful for  
16 any entity to—

17                   (1) enter into a restrictive employment agree-  
18 ment; or

19                   (2) enforce or threaten to enforce a restrictive  
20 employment agreement.

21           (c) VIOLATION.—An entity who engages in the con-  
22 duct described in subsection (b) not later than the date  
23 which is 6 months after the date of enactment of this Act  
24 shall be liable for—

1           (1) entering into a contract in restraint of trade  
2           or commerce under section 1 of the Sherman Act  
3           (15 U.S.C. 1); and

4           (2) engaging in an unfair method of competi-  
5           tion under section 5(a)(1) of the Federal Trade  
6           Commission Act (15 U.S.C. 45(a)(1)).

7           (d) RESTRICTIVE EMPLOYMENT AGREEMENTS.—  
8           Nothing in this Act may be construed to reduce the  
9           amount of damages available to a plaintiff in a case involv-  
10          ing a restrictive employment agreement that is between  
11          2 or more employers that are not affiliated with each other  
12          through a franchise agreement or contractor-subcon-  
13          tractor agreement.

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