EMPLOYER NEW YEAR’S RESOLUTION #4—DUST OFF THOSE EMPLOYEE HANDBOOKS

We’ve made it to the last week of January and our last employer resolution: reviewing and updating the company’s employee handbook. While this may seem like the simplest resolution, it will actually require careful thought and review. A handbook is more than just a list of “dos and don’ts.” It is an employer’s first line of defense in litigation and an important tool for setting company culture. Employers need to look at both whether their handbooks address their *actual* policies, practices, and values that are implemented in the workplace and whether their policies are legally compliant. Even if you updated your handbook a year or two ago, the legal landscape has potentially shifted, requiring updates.

When considering handbook updates, pay particular attention to the following areas, some of which may be affected by the NLRB’s 2023 *Stericycle* decision, which now presumes that rules that could be “reasonably interpreted” to chill an employee’s rights are unlawful. Although *Stericycle* could be overturned under the current administration, for now, it is good law, and running afoul of it could put employers in the NLRB’s crosshairs.

1. Conduct and Civility: General requirements to “act professionally” or “be positive” are under fire. The NLRB often views broad “anti-disparagement” or “civility” rules as a way to prevent employees from complaining about their supervisors or workplace safety.
2. Confidentiality: While employers have a right to protect trade secrets and confidential information, employers cannot prohibit employees from discussing “terms and conditions of employment,” which include their pay, benefits, and workplace grievances. Employees who have access to trade secrets and confidential information should be required to sign, at a minimum, a separate non-disclosure agreement, as most employee handbooks are structured to not be enforceable contracts.
3. Social Media and Communications: Policies that broadly ban “detrimental” posts about the company often fail the *Stericycle* test. These rules must be specific and include clear “safe harbor” language.
4. Recording: Blanket bans on taking photos or recordings in the workplace (often intended to protect privacy and confidentiality) can be seen as an attempt to prevent employees from documenting unsafe working conditions or labor violations.
5. Leave Laws: Many state-specific leave laws have been implemented in recent years, and employers with locations in multiple states, or even remote employees working from their homes in different states, should ensue that they are compliant with all applicable laws such as sick time and family leave.
6. Accommodations: While employers hopefully have solid policies and procedures in place for addressing accommodations for disabilities, the need to carefully address religious accommodations is becoming increasingly important. Both of these policies and processes should be addressed clearly in the employee handbook.

Resolution: Dedicate Time to Your Handbook Review

Handbook reviews are not the most exciting project, and in the busy day-to-day, it's an easy task to push off for months or even years. But an outdated handbook can cause confusion among your employees or even lead to litigation due to inaccurate, inapplicable, or impermissible policies. In 2026, dedicate the required time to reading and reviewing your employee handbooks to make sure that they are up to date and legally compliant.

As always, **O'Neil Cannon** is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have, including assistance with drafting and reviewing employee handbook.

EMPLOYER NEW YEAR'S RESOLUTION #3—ADDRESS ARTIFICIAL INTELLIGENCE

Another week, another resolution. This time, we're addressing the AI elephant in the room. While the use cases for AI are myriad, the legal landscape is somewhat unknown and rapidly developing. But, for better or worse, employees *are* using AI. So, from trade secret risks to proposed legal oversight, employers need to address AI now.

1. **Stop Wondering If It's Happening and Start Managing It**

The biggest mistake an employer can make is assuming their workforce isn't using AI because they haven't "authorized" it yet. They're potentially using it to polish emails, summarize complex contracts, and draft performance reviews.

If you don't have a clear AI use policy, you have an unmanaged risk. Your resolution should be to audit which tools are being used and implement a policy that clearly defines approved and prohibited platforms and approved and prohibited uses.

2. **Protect Your Trade Secrets**

We often think of trade secret theft as a "bad actor" with a thumb drive, but in 2026, your secrets are more likely to "walk out the door" through a ChatGPT prompt. Under the Defend Trade Secrets Act and the Wisconsin Uniform Trade Secrets Act, it is required that reasonable efforts must be taken to maintain the secrecy of information that is a trade secret. Every time an employee feeds a sensitive proposal or proprietary code into a public AI model to clean it up or summarize it, that data may be used to train the model, arguably making it ascertainable to others and, therefore, not secret.

In addition to implementing a clear policy, employers should consider updating their confidentiality agreements and training staff on the risks (and consequences) associated with inputting confidential and proprietary information into open-source AI platforms.

3. **Commit to the Human Oversight**

In Wisconsin, the Governor's Task Force on Workforce and Artificial Intelligence has been tasked with gathering and analyzing information to produce an advisory action plan to identify the current state of generative AI's impact on Wisconsin's labor market; develop informed predictions regarding its opportunities and impact for the near term and into the future; identify how these workforce opportunities and impacts may touch Wisconsin's key industries, occupations, and foundational skillsets; explore initiatives to advance equity and economic opportunity in the face of these changes; and based on these findings, recommend policy directions and investments related to workforce development and educational systems to capitalize on the AI transformation.

Although the Governor's Task Force on Workforce and Artificial Intelligence may not result in specific legislation, some states, such as California, are implementing laws that prohibit employers from relying exclusively on AI for hiring, firing, or disciplinary actions. Even without an AI-specific law, AI algorithms are susceptible to implicit bias, which employers must avoid to remain in compliance with general employment laws such as Title VII and the Wisconsin Fair Employment Act.

Employers should ensure employment decisions are, at a minimum, reviewed and validated by a human so that an actual person can explain the reasoning behind any AI-assisted outcome.

Ultimately, AI is a tool, not a replacement for sound management or legal compliance. The goal for 2026 isn't to stop using AI; instead, the goal is to require employees to use it responsibly. By being intentional and proactive this year, employers can enjoy the benefits of AI without accidentally falling victim to its employment law pitfalls.

As always, **O'Neil Cannon** is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have, including assistance with AI policies.

EMPLOYER NEW YEAR’S RESOLUTION #2—COMPREHENSIVE WAGE & HOUR AUDIT

As we start the second full week of January, we bring employers a second employment law resolution: a comprehensive wage and hour audit. So, even if you’re sticking to your commitment to less screen time in 2026, this is worth a read.

In addition to lawsuits brough by individuals, either on behalf of themselves or on behalf of a class of similarly situated employees, the Department of Labor remains focused on enforcement of the FLSA. In fiscal year 2025, the DOL recovered more than $259 million in back wages for nearly 177,000 employees. Between government scrutiny and the persistent threat of class-action litigation, employers must be proactive. To mitigate risk, focus your audit on two primary areas: classification and the regular rate.

1. Exempt vs. Non-Exempt Employees

Misclassification remains one of the most common—and expensive—mistakes an employer can make. Under the FLSA, the default rule is that every employee is entitled to overtime pay (1.5 times their regular rate for hours worked in excess of 40 in a workweek). The employer carries the burden of proving that an employee fits into a specific exemption to the payment of overtime.

To correctly classify an employee as exempt under the FLSA, they generally must meet two criteria:

1. The Salary Basis Test: The employee must be paid a predetermined and fixed salary that is not subject to reduction because of variations in the quality or quantity of work performed. The salary must, as of today, be at least $684 per week.
2. The Duties Test: Just because an employee is paid on a salary basis doesn’t mean they are exempt. They must also meet the duties test, meaning that their actual job duties must primarily involve executive, administrative, professional, outside sales, or high-level computer-related tasks. The duties test requires a fact intensive inquiry that does not simply rely on a job title.

2. The Regular Rate

Even if you know an employee is entitled to overtime, calculating the correct overtime pay can be challenging, as it is 1.5 times the *regular* rate, not the *hourly* rate. The FLSA defines the regular rate as the hourly rate actually paid to the employee for “all remuneration for employment.” This must include things such as non-discretionary bonuses, shift differentials, on-call pay, and commissions, but it can exclude discretionary bonuses, gifts, benefit contributions, and paid time off.

Resolution: Audit Now, Before the DOL Does

Misclassifying an employee as exempt when they should be non-exempt or miscalculating the regular rate is a costly mistake. It doesn't just result in liability for the unpaid overtime; it often brings along liquidated damages (double the back pay), attorneys' fees, and potentially a multi-year look-back period for a class of similarly situated employees. Even a well-meaning employer can find themselves facing significant monetary penalties based on calculation errors or reliance on job titles or outdated job descriptions.

Don't wait for a DOL investigator to knock on your door or a plaintiff's attorney to send a demand letter. Make 2026 the year you audit your wage and hour practices.

As always, **O'Neil Cannon** is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have, including assistance with wage and hour audit and litigation.

EMPLOYER NEW YEAR'S RESOLUTION #1—GET YOUR I-9S IN ORDER

It's January, and we all know what that means—New Year's resolutions. While many of us will stop going to the gym by the end of the week, we're bringing you a month of employment law resolutions that we hope you keep all year long. First up: the Form I-9.

I-9s are (or should be) completed at the time of hire and then, usually, shoved in a personnel file, never to be thought of again. And, if the form was filled out perfectly, and your retention process is in order, that is sufficient. But perfection is aspirational, and all too often, errors lurk in the initial completion, required reauthorizations, and the retention schedule of these forms.

Given increased federal scrutiny of work authorization, January 2026 is the ideal time to review your I-9 processes and engage in an I-9 audit.

Why Do I Need to Do This?

For years, many employers viewed I-9 compliance as a simple and routine paperwork hurdle. However, several factors make 2026 a high-stakes year for employment eligibility:

1. **Increased ICE Enforcement:** Immigration and Customs Enforcement has significantly ramped up its workplace inspection activity. If your documents aren't in order, you could not only risk losing workers but also face significant monetary penalties.
2. **Increased Fines:** Civil penalties for I-9 violations are adjusted annually for inflation. For 2026, even simple paperwork errors (missing dates, signatures, or checked boxes) can result in fines ranging from hundreds to several thousand dollars *per form*. This potential liability snowballs quickly.

Your 2026 I-9 Audit Checklist

Conducting a self-audit—often with the assistance of legal counsel to maintain privilege and ensure accuracy—allows you to correct errors in "good faith," which can serve as a powerful mitigating factor if ICE ever serves a Notice of Inspection.

1. Retention Review

Don't keep what you don't need. While you need to have a Form I-9 for each current employee, you are not required to keep them forever after the employee no longer works for the company. You are required to keep I-9s for former employees for the longer of (1) three years after the date of hire; and (2) one year after the date of termination. Purging forms outside this window reduces your overall exposure.

2. The Forms: Are They Filled Out Correctly?

Section 1: The Employee's Responsibility

Check that the employee completed Section 1 no later than their first day of work. Common errors include missing signatures and failure to check a status box (e.g., "A citizen of the United States").

Section 2: The Employer's Responsibility

Ensure this was completed within three business days of the hire date. Verify that the document titles, issuing authorities, and expiration dates are filled in and, if the documents were retained, match the documents presented.

Supplement B (formerly Section 3): Reverification

While Sections 1 and 2 are the focus during onboarding, Supplement B—the section used for reverification and rehires—is often where an audit reveals the most significant compliance gaps. Because this section is only filled out "as needed," many employers fail to track the specific triggers that require its completion. There are three primary scenarios when Supplement B must be filled out:

1. **Reverification:** When an employee's temporary work authorization or employment authorization document is about to expire, you must reverify their eligibility no later than the date the current authorization expires. Because reverification is solely about *work authorization*, you only need to review a List A or List C document (not a List B document). Asking for more documents than required—or asking for specific documents of your choosing—can inadvertently trigger a claim of discrimination. You do not need to reverify U.S. citizens or noncitizen nationals, nor do you typically need to reverify Lawful Permanent Residents.
2. **Rehires:** If you rehire a former employee within three years of the date their original Form I-9 was completed, you have a choice: You can either complete a brand-new Form I-9 or simply complete Supplement B on their original form.
3. **Legal Name Changes:** While not strictly mandatory under federal law, USCIS highly recommends using Supplement B to document an employee's legal name change to ensure your records match your payroll and tax filings.

3. Making Corrections

If you find an error, never use white-out and never backdate. The proper procedure is to:

- Draw a single line through the incorrect information;
- Enter the correct information;
- Initial and date the change (using the date of the correction); and
- Provide a brief explanatory memo.

For major errors, it is often best to complete a new form and staple it to the old one.

Resolution: Be Proactive, Not Reactive

The goal of a 2026 I-9 audit isn't just to fix the past—it's to protect the future. Use this audit to identify where your processes may be breaking down. Is the HR team properly trained? Are you getting alerts about work authorization expiration? Are you purging records when appropriate?

By resolving to audit your I-9s now, you are ensuring that if a Notice of Inspection arrives in your inbox this year, your response will be one of confidence, not panic.

As always, **O'Neil Cannon** is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have, including assistance with I-9 self-audits and responses to Notices of Inspection.

WHAT EMPLOYERS NEED TO KNOW ABOUT NO TAX ON OVERTIME

The One Big Beautiful Bill Act, signed into law on July 4, 2025, introduced a temporary federal income tax deduction for “qualified overtime compensation.” Under this provision, eligible employees can deduct a capped amount of their overtime pay from their federal income taxes. However, it is the employer that must track and report the necessary information.

What Can Be Deducted?

The deduction does not apply to *all* overtime compensation. It only applies to the premium portion of overtime required under the FLSA. Under the FLSA, non-exempt employees who work more than 40 hours in a workweek must be paid at a rate of time and one-half (1.5 times) their regular rate. The deduction applies only to the extra *half*—the premium paid *in excess* of the regular rate.

- Example: If an employee’s regular rate is $20/hour, the FLSA overtime rate is $30/hour. Only the $10/hour premium qualifies for the deduction. The regular $20/hour portion of that pay is not deductible.

Importantly, any additional overtime premium required by either state law or a collective bargaining agreement or voluntarily agreed to by the employer (e.g., double time on holidays) does not qualify for the federal income tax deduction.

Employer Reporting

An employer’s payroll system must be updated to segregate and track the specific premium amount of FLSA-required overtime so that overtime premium information can be reported properly.

The new law is retroactive to January 1, 2025, but the IRS acknowledges that system updates take time. Therefore, the IRS has issued guidance providing penalty relief for the 2025 tax year for employers who are unable to file returns showing the new separate accounting.

Because new forms have not been finalized, employers must provide employees with the total qualified overtime compensation by a “reasonable method,” as defined by the U.S. Secretary of the Treasury, such as reporting the amount in Box 14 of the Form W-2; providing a separate year-end statement; or making the information available through an employee online portal.

This transition penalty relief will not be available for the 2026 tax year and beyond (the overtime deduction is currently scheduled to sunset after 2028), so employers will be required to provide all necessary reporting. The IRS has released a draft W-2 indicating that the total amount of qualified overtime compensation must be reported in Box 12 using a new, specific code (i.e., draft code "TT"), although this draft is subject to change before it is finalized. Employers should immediately begin working with their payroll provider (or internal team) to confirm that they have everything in place to handle this new mandatory W-2 field for the 2026 tax year.

Educate Employees (Carefully)

Employees will undoubtedly have questions, especially as their paystubs or W-2s begin to look different. Employees with questions about claiming the deduction or assessing their ultimate tax liability should be directed to their own tax professionals. The employer's sole obligation is to properly identify and report the qualified overtime amount on the employee's W-2.

Classification Risk

The new tax benefit potentially makes the value of being a non-exempt, overtime-eligible employee more financially advantageous. Therefore, employers should perform an audit of their exempt classifications. A misclassification that leads to an employee missing out on this tax-advantaged income could heighten the risk of a lawsuit under the FLSA.

The new "No Tax on Overtime" rule is a complex addition to the wage and hour landscape. As always, **O'Neil Cannon** is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have.

SUPREME COURT CLARIFIES INITIAL BURDEN OF PROOF FOR "REVERSE" DISCRIMINATION CLAIMS

In a decision that clarifies the evidentiary standards for all employment discrimination claims, on June 5, 2025, the United States Supreme Court issued a unanimous decision in *Ames v. Ohio Department of Youth Services* (No. 23-1039). This ruling directly impacts how "reverse" discrimination claims are evaluated, emphasizing that Title VII protects all individuals equally, regardless of their majority or minority group status.

Prior to the decision in *Ames*, a split existed among federal circuit courts regarding the initial burden of proof for plaintiffs bringing "reverse" discrimination claims under Title VII. These are cases where an individual who is a member of a historically advantaged group (e.g., a white employee, a male employee) alleges discrimination based on a protected characteristic. Some circuits, including the Sixth Circuit where the *Ames* case originated, and the Seventh Circuit where Wisconsin is located, applied a heightened "background circumstances" rule. Under this rule, a plaintiff from a majority group was required to show additional background circumstances to support the suspicion that their employer was the "unusual employer who discriminates against the majority."

This extra hurdle was not imposed on plaintiffs from historically disadvantaged groups. The plaintiff in *Ames*, a heterosexual female, alleged she was denied a promotion and demoted due to her sexual orientation in favor of gay candidates. Her claim was initially dismissed for failing to meet this heightened background circumstances test.

The unanimous Court rejected the background circumstances rule, holding that it is inconsistent with the plain text of Title VII and the Court's longstanding precedent. The Court emphasized that Title VII's disparate-treatment provision makes it unlawful "to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions or privileges of employment, because of such individual's race, color, religion, sex, or national origin." Justice Jackson, who authored the decision, stated that "Title VII's disparate-treatment provision draws no distinction between majority-group plaintiffs and minority-group plaintiffs," and "Congress left no room for courts to impose special requirements on majority-group plaintiffs alone."

Therefore, the standard for proving disparate treatment under Title VII does not vary based on whether the plaintiff is a member of a majority or minority group, and all claims of discrimination under Title VII must be evaluated under the same evidentiary burden, typically the three-step burden-shifting framework established in *McDonnell Douglas Corp. v. Green*. The *Ames* decision reinforces the need for consistent, non-discriminatory employment practices across the board.

As always, O'Neil Cannon is here for you. We encourage you to reach out with any labor and employment questions, concerns, or legal issues you may have.

JUDGE BLOCKS DOL INCREASE TO SALARY THRESHOLDS FOR EXEMPT WORKERS

In April 2024, the Department of Labor announced a final rule, entitled *Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales, and*

Computer Executives, which aimed to increase the salary that employees must be paid, in addition to performing certain job duties, in order to be exempt from the payment of overtime. That rule had a multi-tiered implementation. First, on July 1, 2024, the salary necessary to qualify as exempt from overtime increased to $43,888 annually ($844 weekly). Then, on January 1, 2025, the salary basis was set to increase again to $58,656 annually ($1,129 weekly). Thereafter, beginning July 1, 2027, the salary basis threshold was to increase automatically every three years. The final rule also increased the threshold at which employees were considered highly compensated employees under the FLSA.

However, on November 15, 2024, a federal judge in the Eastern District of Texas struck down the final rule, stating that the Department of Labor did not have the authority to raise the salary threshold in the way that it did. The court held that the DOL had raised the salary levels to a point where the duties tests were essentially irrelevant, which was not permitted by the FLSA. Therefore, the entire 2024 rule, including the July 2024 increases, has been eliminated nationwide, and the salary basis test has been reset to the previous level of $35,568 per year ($684 per week).

As always, O'Neil Cannon is here for you. We encourage you to reach out with any questions, concerns, or legal issues you may have regarding your labor and employment policies and practices.

FTC NON-COMPETE BAN ENJOINED NATIONWIDE

On Tuesday, August 20, 2024, a Texas federal judge issued a nationwide injunction prohibiting the Federal Trade Commission from enforcing its rule banning non-compete clauses. The ruling states that the agency "lacks statutory authority" to enact the rule and that the rule is "unreasonably overbroad without a reasonable explanation." The FTC has the option of appealing the decision to the Fifth Circuit Court of Appeals. We will continue to monitor developments on this matter.

So, at least for now, employers can continue to enter into and enforce non-competes that comply with state law. Moreover, employers do not need to send out any notices about the enforceability of their current non-competes. As always, O'Neil Cannon is here for you. We encourage you to reach out with any questions, concerns, or legal issues you may have regarding your labor and employment policies and practices, including discussion and review of your existing or future restrictive covenants.

WHAT EMPLOYERS SHOULD DO REGARDING THE LOOMING EFFECTIVE DATE OF THE FTC'S NON-COMPETE BAN

As discussed previously, the Federal Trade Commission published a rule banning "non-compete clauses" in almost all cases involving employees, independent contractors, externs, interns, volunteers, apprentices, and sole proprietors who provide services to a person.

The rule is currently scheduled to go into effect on September 4, 2024. If the rule goes into effect, the majority of employers would not be permitted to enter into new non-compete clauses with any employees and will need to notify non-senior executives with existing non-competes that such agreements will not be enforced.

As expected, the FTC rule has faced legal challenges. On July 3, 2024, in *Ryan, LLC v. FTC*, a federal district court in Texas issued a preliminary injunction staying the FTC's implementation of its rule but *only* for the plaintiff and four plaintiff-intervenors in the case. The *Ryan* court intends to rule on the merits of the case by August 30, 2024, at which point the court could do one of three things: (i) allow the rule to go into effect; (ii) issue a nationwide injunction; or (iii) take some middle-ground approach. Another federal district court in Pennsylvania earlier denied a motion for a nationwide preliminary injunction against the FTC regarding its noncompete ban. The Pennsylvania federal district court's decision, however, has no precedential effect on the pending case before the federal district court in Texas.

Unfortunately, this leaves employers in a difficult spot–should they provide written notice regarding the unenforceability of their non-compete as required by the new FTC rule or should they do nothing and wait until all the legal challenges have played out? For now, employers should wait until at least August 30 when the federal district court in Texas is expected to rule. In the meantime, employers should compile a list of all current and former employees who have non-compete agreements still within their restricted periods and have the required written notices ready to go for such individuals in case a nationwide ban is not ordered by the federal district court in Texas.

As always, O'Neil Cannon is here for you. We encourage you to reach out with any questions, concerns, or legal issues you may have regarding your labor and employment policies and practices, including discussion and review of your existing or future restrictive covenants.

EMPLOYMENT LAWSCENE ALERT: FTC BANS EMPLOYEE NON-COMPETES, BUT LEGAL CHALLENGES EXPECTED

The administrative agencies are having a busy week! In addition to the DOL issuing an updated rule on the salary basis to be overtime exempt, on Tuesday, April 23, 2024, the Federal Trade Commission voted 3-2 on its long-awaited non-compete ban, which was initially issued as a proposed rule in January 2023. The FTC estimates that this rule will affect 2,301,874 employees in Wisconsin and increase wages of each of those employees by $524 annually.

Under the FTC's rule, which is scheduled to go into effect 120 days from publication in the federal register, "non-compete clauses" are banned in almost all cases involving employees, which is broadly defined as including employees, independent contractors, externs, interns, volunteers, apprentices, and sole proprietors who provide services to a person. Non-compete clauses are defined as "a term or condition of employment that prohibits a worker from, penalizes a worker for, or functions to prevent a worker from (1) seeking or accepting work in the United States with a different person where such work would begin after the conclusion of the employment that includes the term or condition; or (2) operating a business in the United States after the conclusion of the employment that includes the term or condition." These limits do not apply to restrictions *during* employment, only post-employment restrictions.

Non-competes are still allowed in certain, very specific circumstances. For example, the rule states that it does not apply to non-competes entered into pursuant to a bona fide sale of a business. Additionally, *existing* non-competes with "senior executives" who made at least $151,164 in the preceding year and have policy-making authority at the business are not banned. Otherwise, *new* non-competes cannot be entered into with employees (whether or not they are senior executives), and employers will need to notify non-senior executives with existing non-competes that such agreements will not be enforced. The FTC has provided model language for such notice. The rule also does not cover not-for-profit organizations, such as non-profit hospitals, or non-competes in franchise agreements, although non-competes between franchisors or franchisees and their employees would still be subject to the rule.

The FTC non-compete ban does not necessarily ban non-solicitation or non-disclosure agreements. However, such agreements *could* be banned under the FTC rule if they "function to prevent a worker from seeking or accepting other work or starting a business after their employment ends." Non-solicitation and non-disclosure agreements are also subject to the FTC's section 5 prohibition against unfair methods of competition, irrespective of whether they are covered by the final rule.

The FTC's rule will soon be (or already is depending on when you're reading this) challenged in court by groups such as the U.S. Chamber of Commerce, asserting that the rule oversteps the FTC's authority. Regardless of the ultimate implementation of the FTC's rule, employers will remain bound by Wisconsin's restrictive covenant statute, Wis. Stat. § 103.465, for all restrictive covenants with their employees and independent contractors that are not banned by the FTC. As always, O'Neil Cannon is here for you. We encourage you to reach out with any questions, concerns, or legal issues you may have regarding your labor and employment policies and practices, including discussion and review of your existing or future restrictive covenants.