

California's Non-Compete Ban (§16600) — and the Michigan Natural Experiment That Measured Its Effect

City Innovation Library · Good practice · United States of America

Quality score: 67/100

Evidence strength: Quasi-experimental

Summary

California voids virtually all employee non-compete contracts (§16600). A natural experiment when Michigan accidentally reversed its own ban in 1985 showed enforcement cuts inventor job mobility by 8.1%, rising to 16.2% for narrow technical specialists.

Key dimensions

Dimension	Score
Evidence of impact / measured results	3/3
Transferability / demonstrated replication	2/3
Scalability	2/3
Sustainability / continuity	3/3
Innovation	2/3
Inclusiveness / equity	1/3
Multi-stakeholder collaboration	1/3

Evaluated by C-NAPSE

Data sources

[C-NAPSE web research](#) — accessed 2026-09-12

[State of California — Business and Professions Code §16600](#) — accessed 2026-09-12

[Management Science paper \(INFORMS\)](#) — accessed 2026-09-12

[Full text PDF \(Berkeley Fung Institute\)](#) — accessed 2026-09-12

Cite this — Evidoria. *California's Non-Compete Ban (§16600) — and the Michigan Natural Experiment That Measured Its Effect*. Persistent ID: d5262141-ba41-46d3-b674-0c61250dabf1.