Does your job offer require that you sign a non-compete agreement?

A non-compete agreement is a contract, or section in a contract, that restricts an employee who leaves a job from working for a competitor or starting their own business in the same line of work. Iowa does not have a law governing non-compete agreements. Instead, courts determine whether non-compete agreements are enforceable on a case-by-case basis, meaning that the specific facts of each case can determine the outcome. To be enforceable, the non-compete agreement must strike "a proper balance between the interests of the employer and the employee." Courts are generally most concerned with the following factors: proximity of the competitor or new business to the former place of employment, the length of time between the old and new positions, special training or knowledge that the employer provided to the former employee, and the former employee's access to trade secrets or customers.

Does your salary match the salary of your co-workers?

Under lowa law, an employer may vary an individual employee's salary on the basis of his or her seniority, merit, and quantity or quality of work. An employer cannot pay any employee less than its other employees on the basis of certain factors protected under law. These factors include age, race, creed, color, sex, sexual orientation, gender identity, national origion, religion, and disability. Generally, you can talk to other employees about their salaries. Federal law prohibits most employers from instituting a "workplace rule that forb[ids] the discussion of confidential wage information between employees." If you are a public employee in lowa, your employer may be required by law to make its employees' salaries publicly available. Private employers are not obligated to provide this information.

Assuming your employment is "at will," can you negotiate for contractual protections?

"At will" employment means there is no defined basis for terminating or modifying an employment relationship. An "at will" employer can fire an employee or change the terms of employment whenever it wants, and for any reason not explicitly prohibited by law. Certain agreements can change that relationship, including standards or procedures that are governed by the employer's policies. A union's collective bargaining agreement or an individual employment contract may provide some protection for employees. For example, a contract may include a minimum period of employment or may only allow an employer to fire for cause. If your contract does not include these terms, it may be possible to negotiate for them. Even if your employment is "at will," certain rules restrict your employer's ability to make employment decisions. For example, state and federal laws prohibit discrimination against protected classes. If you are employed by a governmental entity, it may have a different set of hiring rules than the "at will" standard.

Have you properly excluded your individual inventions prior to accepting your job offer?

Under U.S. patent law, the general rule is that you may apply for a patent for an invention to which you contributed. In Iowa, this rule applies even if you obtain a patent for an invention made in the course of your employment. However, this rule can be modified within your employment agreement, which may assign your patent rights to your employer. Depending on your individual circumstances and relationship with your employer, courts may find you assigned your patent rights to your employer even if it is not explicitly included in your agreement. Courts are typically hesitant to do this.

Does your job offer require that you sign a forced arbitration agreement?

An employment agreement may include a mandatory arbitration term. This means you waive your right to sue your employer. When an issue arises, rather than going through the traditional court process, an arbitrator settles the dispute. Mandatory arbitration terms in employment agreements are not enforceable under lowa law. However, if your employment is connected to commerce with other states—and most employment is—lowa law is superseded by federal law. The arbitration term is generally valid under federal law. Finally, employers are not allowed to require claims of sexual harassment or sexual assault be brought in arbitration. Those types of claims may be brought in court, either individually or as collective or class claims, regardless of the existence of an arbitration. Those types of claims may be brought in court, either individually or as collective or class claims, regardless of the existence of an arbitration. Those types of claims may be brought in court, either individually or as collective or class claims, regardless of the existence of an arbitration.

Authors: University of Iowa Legal Law Clinic (John Allen, Efeoghene Ayanruoh, Noah Dwyer, Laura Pico, Michael Woo, Sarah Yaghmaee), Kristin Smith (MIT Equal Pay Working Group)

This work is licensed under the Creative Commons Attribution-No Derivatives 4.0 International License. To view a copy of this license, visit http://creativecommons.org/licenses/by-nd/4.0/ or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA. Content is current as of March 2022. Additional Resources can be found at: The Iowa Division of Labor (https://www.iowadivisionoflabor.gov/)







