

Constituent Support for the FTC's Noncompete Rule



Nebraska | Statewide Impact

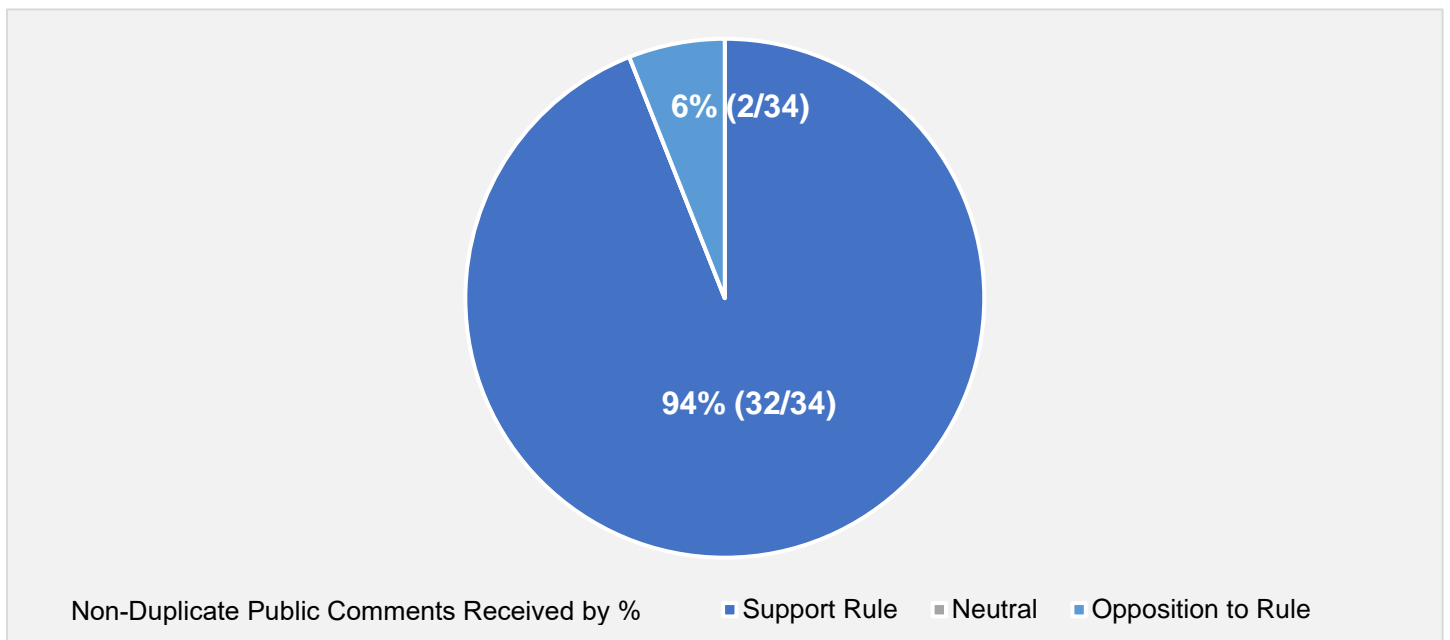


On April 23, 2024, the Federal Trade Commission issued a **final rule** to promote competition by **banning noncompetes** nationwide, protecting the fundamental **freedom of workers** to change jobs, **increasing innovation**, and fostering new **business formation**. The FTC estimates that the final rule will result in **8,500 more new businesses** each year, and **\$400-488 billion in increased wages** over the next decade, including for **Nebraska**:

Nebraska Covered Workers	Increase in Total Annual NE Worker Earnings	Increase in Average Annual NE Worker Earnings
787,174	\$399,373,568	\$507



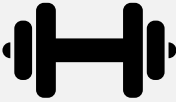

[Estimated Increases in Total Annual and Average Worker Earnings by State \(ftc.gov\)](https://www.ftc.gov)

Notice of Proposed Rulemaking: 32 of 34 NE Commenters Support



Support Across Sectors of the Nebraska Economy

*Some comments condensed due to length.

Profession	Comment
	<p>“I am a hospitalist physician in an area that needs more doctors. My employer does not allow me to work at competing hospitals. I do not have a personal patient panel. Allowing me to work at the competing hospital would not affect the hospital but would allow me to serve my community in a greater capacity. Please get rid of non-competes in hospital medicine.”</p> <p style="text-align: right;">-Asit G.</p>
	<p>“I currently work in the IT sales industry....Most non-compete terms are twelve months or longer. Because the scope of our business touches almost all technology and all accounts in a given [area], it is very difficult to change employers without losing substantial income for a period of 1 to 2 years. This keeps us from leaving the current organization....Our gross earnings decline on an annual basis, but we simply do not have any negotiating power. Non-compete agreements also limit individual and family mobility. Limiting or removing the powers of non-compete will help employees operate in a free market. While costs to businesses may go up, those costs should go up universally and level the playing field. Right now, millions of Americans will support the elimination of non-compete contracts.”</p> <p style="text-align: right;">-James B.</p>
	<p>“I would like an end to non-compete clauses. I work in the fitness industry and would like to be able to have more flexibility to pursue other opportunities.”</p> <p style="text-align: right;">-Vanessa D.</p>
	<p>“While these clauses are pervasive across so many industries, they are especially pernicious in local TV. In my experience, they are part of boilerplate, multi-year employment agreements and are never a point of negotiation. The massive media companies that now own most of the local TV stations in the U.S. use a take-it-or-leave-it approach with the noncompete issue — even in employment situations that pay less than \$40,000/year... For employees already paid low wages, the idea of having to hire a lawyer to navigate that is daunting. Even the threat of enforcing the noncompete is enough to make some abandon the new job they've secured. Ending these anti-competitive, anti-worker arrangements would be truly welcome.”</p> <p style="text-align: right;">-David</p>

Additional Support from Nebraska

*Some comments condensed due to length.

Constituent First Name	Comment Highlights
Adam	"I strongly support the ban on non-compete clauses. They are anti-American, restricting the liberty and pursuit of happiness of millions of Americans."
Lucille	"We should not be prohibited from providing patient care . Patients are not owned by health care systems. Last I checked that was banned in the 1800s."
Nicole	"I support ending non competes. I personally was bullied intimidated and was threatened. I'm a single mom of 5 and my ability to earn a living to support my kids was taken away."
Brad	"Non-competes should be illegal. People spend years honing their skillset working in specific verticals. Non-competes effectively handcuff the average person from moving to another company where they can use those skills. It makes it very difficult to move to another industry where they have no experience and often have to take a pay cut. In my last company, the environment is toxic. It's so hard that people have filed lawsuits or sought counseling due to the trauma... Their Non-compete is so restrictive a person stays with the company until an eventual breakdown. A better solution is a simple non-solicit of employees or customers. If I go to another company, I will not take people or customers I work with away for x time. That makes sense. Most agreements have this anyway."
Virginia	"I am writing in support of the Non-Compete Clause Rule."
Tina	"There should be no non-competes for physicians as it leads to moving talented MDs out of the area."
Mike	"I have been in my industry for over 30 years and moved up to c-suite level. I left a job after 15 years to join another company with a very narrow focus and was asked to sign a very broad noncompete...After 6 months they decided to let me go...I was never giving a reason for termination. I never had access to their customer list on the "broad" scale, they never trained me on anything. I brought all my experience to the company and helped them with process improvements and once I finished, they let me go. Now I am stuck for 2 years from earning a living in all of North America in an industry which is all I have ever known...I believe a noncompete should not be enforceable when a separation decision is made by the company, especially when no reason is given."
David	"While these clauses are pervasive across so many industries, they are especially pernicious in local TV . In my experience, they are part of boilerplate, multi-year employment agreements and are never a point of negotiation. The massive media

	<p>companies that now own most of the local TV stations in the U.S. use a take-it-or-leave-it approach with the noncompete issue — even in employment situations that pay less than \$40,000/year, a common salary in local TV. I've heard from colleagues that media companies have threatened to enforce noncompetes not just inside a TV market, but in other markets where the company owns a station where the journalist would be a competitor. For employees already paid low wages, the idea of having to hire a lawyer to navigate that is daunting. Even the threat of enforcing the noncompete is enough to make some abandon the new job they've secured. Ending these anti-competitive, anti-worker arrangements would be truly welcome."</p>
Hussein	<p>"Non-compete clauses are unfair for physicians. We should not have to move our families far away to other cities for better jobs. This will force hospitals to treat their physician also, since a lot do not care about us."</p>
Seth	<p>"Non-compete agreements should not be legal in the USA. I once had a non-compete that was effective in a 100-mile radius. It was a contracting firm and worked with most businesses, [which] the non-compete also covered. If I wanted to get a job in my field, I would've had to move away from my family. I felt like a prisoner in my own job..."</p>
Kathy	<p>"Any policy that restricts a worker's ability to make a living should not be supported by the government. The FTC needs to put an end to this practice."</p>
Tim	<p>"Pro-worker policies are necessary for a fair economy. Banning non-compete clauses is the least we could do to level the playing field."</p>
Joshua	<p>"I am strongly in favor of eliminating non-competes, particularly "evergreen restrictive covenants." In addition to limiting options for employees and having to contemplate moving a family just to change employment, there are additional considerations in healthcare. Non-compete clauses have the additional effect of limiting options for patients and limit the ability to maintain the physician-patient relationship. For this reason, non-compete clauses in healthcare harm the public interest. Finally, both the American College of Surgeons and the American Medical Association have repeatedly pointed to the ethical issues associated with restrictive covenants."</p>
Alastair	<p>"The liberty and freedom to choose where and whom to work for is fundamental to economic prosperity. Non-compete clauses limit the ability of a worker to engage in capitalist ventures, but ultimately also in the pursuit of happiness. When businesses apply such clauses de rigueur it de facto amounts to one-sided blackballing in an industry, constraining the abilities of the worker to do their best work. The application of these clauses must therefore be eliminated or constrained in the extreme (such as in matters of national security)."</p>
Heather	<p>"I have been involved in a court battle over a non-compete for over a year and a half. My previous company let me go and had slid in a non-compete with some stock options they offered me several years ago. After growing their business and</p>

	<p>net revenue over 10-fold the leader decided to turn it over to his best friend who was also working for the company. They eliminated my position...but when I tried to and did acquire a job...back in the industry they immediately filed a lawsuit and have used the courts and their deep pockets to keep me from...competing against them. After spending over \$100 thousand of my own money and limited earnings I've had to...give into their demands....”</p>
Jeff	<p>“Non-competes are modern day legalized slavery. The employer controls all aspects of an employee's life with them: Where they can live, work, and provide a living for their families...I have personally been hauled into court after leaving an abusive company to enforce a non-compete. The prior non-compete limited me in such a way I could not continue my career. Far too long employers have been able to act as slave masters with lawyers as their overseers cracking their whips of litigation. Non-competes hurt, are punitive, and abusive to individual careers, families, and the economy. As long as non competes exist we cannot call ourselves a free market capitalist economy.”</p>
Sharad	<p>“I read the FTC Chair's op-ed in the New York Times today and writing this in support of the strong arguments she puts forward for eliminating the non-compete clause in employment.”</p>
Tim	<p>“I support the FTC's ban on non-compete clauses. These clauses hold workers' wages down, stifle innovation, and harm working people. This policy will make it easier for workers to earn what they're worth! PLEASE ban non-compete clauses ASAP!!”</p>
Kelsey	<p>“I support this clause. I was partnered with my family for my entire working career (starting before I was 16yrs old) until 8/31/2022. I worked over 20yrs with my family thinking that I would continue until I retired. These plans changed due to a spine injury I experienced from over lifting The field that this occurred in was document destruction. There was constant lifting and I ended up injuring myself with a permanent lifelong injury. I approached my family to explain that I could not physically do this job any longer. They did not receive this message well....It was a year long legal battle over petty stuff that we ended up agreeing on. After the final offer was accepted by me, my partners threw in the non-compete...During the process of the exit and legal battle I ended up contacting a competitor that my family has known since he started his company and it's been a decent relationship with fair competition through the years....If I did not have the non-compete I could've found a job that I was familiar with in the same industry. Although, I basically had to start over at the age of 38 with four kids and my working wife relying on me for income. I found it difficult to find another job in a new profession without college degrees. It took me over three months of constant looking and interviewing to land a job. The pay is almost 130,000 less then what I was getting before...if I didn't have the non-compete I would've been able to find a job in the same field that I left and would've been an equal salary from my last profession.”</p>
Andrea	<p>I am a Home Instead franchisee owning 1 franchise and employing approximately 65 individuals in the community. I am writing to discuss how the</p>

	<p>noncompete agreement that I was required to sign in connection with the signing of my franchise agreement negatively affects my business and me. In August 2021, our franchisor — Home Instead, Inc. — was purchased by Honor Technology. Inc. — a private-equity/venture-capital backed entity....Honor is attempting to fundamentally change our franchisee-franchisor relationship and business model in a way that I do not fully support. I am now in an involuntary contractual relationship with an entity that I did not choose and would prefer not to be. But because of the noncompete agreement, I effectively am unable to leave the relationship, even when the term of my existing franchise agreement ends. Since last I signed what was already a one- sided, franchise agreement, the franchisor has removed its obligation to provide franchisees with any support.... I do not support any of the changes. I have two choices when my franchise agreement ends: I must renew my contract on completely new, non-negotiable terms or, because of the noncompete agreement, I must completely leave a business that I have spent 16 years building. If I choose the latter, the noncompete clause in my franchise agreement requires me to walk away from my existing business, and it severely limits my ability to create or own another similar business. The economic penalty of not renewing is just overwhelming, thereby forcing me to renew with an entity and agree to terms that I would not otherwise do. As such, I ask that you consider banning post-contract non-compete clauses in franchise agreements. Thank you for your time.”</p>
<p>Scott</p>	<p>“I would agree wholeheartedly with the FTC's recommendations. Workers have rights which are getting harder and harder to uphold with the adversity of monies by big companies combating their rights to higher wages, safe workplaces and the right to fight terms against them which are outright wrong.”</p>
<p>Adam</p>	<p>“I am in support of a ban on non-competes.”</p>
<p>Joshua</p>	<p>“Dear Chair Lina Khan, I am writing to support the ban of non compete agreements. Non competes are often used to trap skilled workers, and to remove them from the industry. They offer nothing to the employee and can remove any amount of leverage in negotiations with a company under the threat of completely ending their career.”</p>
<p>Michael</p>	<p>“As a Healthcare professional and member of a private health group, I am entirely in support of this movement. The Healthcare workforce is already handcuffed in many ways with financial freedoms and flexibility taken out of the hands of its doctors, advanced practitioners, etc. Non-competes put up a large roadblock for us to seek "greener pastures" and hold us captive by leadership unwilling to invest in positive changes unless we want to uproot our lives and move to a system outside the geographic confines of the noncompete. This ban would effectively force leadership to prioritize adaptation and evolution in the workplace. This would lead to better compensation, better work conditions, and most importantly more accountability top to bottom. Let's make this happen.”</p>
<p>Alice</p>	<p>“Thank you for your wisdom in recognizing that noncompetes stifle the economy and hinder both workers and business. Noncompetes unfairly tilt the economic</p>

	<p>playing field in favor of business owners and away from laborers, as well as being an unnecessary stifling of liberty. Businesses are free to hire whomever they wish; employees should equally be free to work for whomever they wish. With this freedom, labor moves to where it is most efficient and effective for all.”</p>
<p>William</p>	<p>“My position in a company is about to be terminated due to a downturn in the company's financial situation...Still, the company will not nullify or waive any non-compete clause in its employee’s contracts. This seems outrageously unfair and stifling to the ability of employees to market their expertise, learnings, and skills (the acquisition of which has come at great cost and sacrifice to the employees). Please rule in favor of making it illegal for companies to write and enforce contracts with non-compete clauses. Employees deserve the fair opportunity to market their skills and educational talents, especially when their jobs are eliminated through no fault of their own.”</p>
<p>Tim</p>	<p>“Since when does a company or business "own" a humans right to work. It is ridiculous to think that a non-compete clause is legal and enforceable. The FTC has to put a stop to this nonsense. Americas should have the freedom and the right to choose when and where they work. No company should be allowed to limit a persons freedom and right to leave a job and work someplace else of their choosing. Free market economics pertains to people too, not just companies and Wall Street. Fix this FTC!”</p>
<p>Robert</p>	<p>“This unfair labor practice has been financially a strain on me for many years of my working life. Most recently it happened when me and two other colleagues were forced to leave a company...When I left in late January 2020, I had to sign a 2 year non compete and I have not been able to work in the industry FOR TWO YEARS! The company has been watching my LinkedIn profile very closely to make sure I do not work in the industry. How can this be fair? After being out of the industry for two years so many things have changed, and that puts me in a difficult position trying to compete for jobs.”</p>