

Constituent Support for the FTC's Noncompete Rule

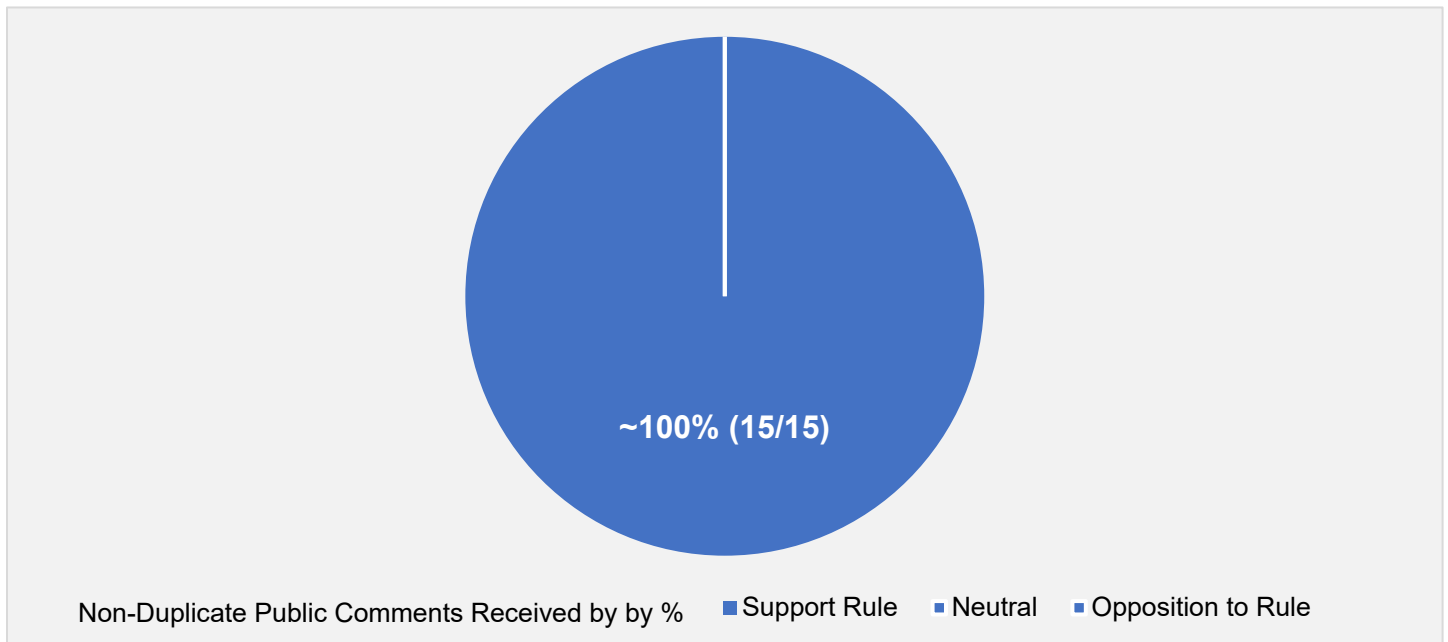


North Dakota | Statewide Impact






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. North Dakota **has banned noncompetes** as a State.



Notice of Proposed Rulemaking: 15 of 15 ND Commenters Support



Support Across Sectors of the North Dakota Economy

*Some comments condensed due to length.

Profession	Comment
	<p>"Perhaps no professional class in the world is as restricted from practices their craft as physicians. We are legally barred from owning hospitals, Medicare is constantly reducing the allowed value of our work product, and hospital companies grow larger and larger. The Company I work for, Common spirit, operates in 35 states. I have an enormous non-compete clause in my employment contract which leaves unclear whether I wouldn't be barred from practicing in any of those 35 states if I were to leave their employment. It sounds absurd that a noncompete could be written that way, I don't know if it could be legally binding. But the expense of any legal action to find out would break me. For patients, these clauses give hospitals the leverage to take away their ability to see their doctor. Physicians already don't earn overtime, don't receive compensation for taking extra call for hospitals, are in many instances barred from unionizing . . . Please outlaw physician noncompete clauses"</p> <p style="text-align: right;">- Nicholas B.</p>
	<p>"A non-compete clause in any profession, especially one involving the physical health and mental well being of the employee and the patients being cared for, is unethical. These clauses have led many health care professionals to experience financial strain, personal isolation, and professional limitations that are long lasting. I ask the government to recognize the malicious intent of these contractual agreements, and make them illegal and non-enforceable on a national level. Thank you."</p> <p style="text-align: right;">-Evan R.</p>
	<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! I've been in the workforce since I was 16 years old and non competes never made sense to me. This is meant to be a competitive environment where the company willing to pay the best prices for their employees succeed. If I have to join a new Industry every time I get a new job then how will I ever get paid as a true professional if half my knowledge base is wiped out from job to job. Sincerely Robert Czaplewski from west fargo north dakota"</p> <p style="text-align: right;">-Robert C.</p>

	<p>"As a physician I recommend noncompete clause be dissolved and no longer standard contract language. I think it deprives physicians the appropriate ability to choose where and when to work and limits access to care by placing burdens between patients and physicians."</p> <p style="text-align: right;">-Michaell W.</p>
	<p>"My son is stuck because of this right now. He worked for a company and had to sign a non compete, then his job ended they had [finished] the job and laid off. He couldn't move on with any other company doing the same type of work and basically had to start over with a new career because of this non compete. I am all for competition it is what makes the world thrive, it's not fair for anyone to horde the field."</p> <p style="text-align: right;">-Liana S.</p>

Additional Support from North Dakota

*Some comments condensed due to length.

Constituent First Name	Comment Highlights
Theresa	<p>"Non-compete clauses only stick individuals in terrible situations. With the healthcare shortage, it limits the workforce to the benefit of big hospital systems forcing people to work fine worse conditions - then we quit and can't work for a while further fueling the use of locums rather than stable, long term individuals. It is part of the problem. Non-competes should be removed for all healthcare workers! We should be able to chose where we work based on the real working conditions. When we get promised the world and then they change and switch - but we are locked in? Employers can change the contract at any time, but we have to be enslaved to them even after we work there. We should have the freedom to look at other options without being punished with moving over 100 miles away so a hospital can hang that over our head and treat us just a little worse knowing we have way more to lose. It's a form of indenturing servitude and a significant cost to the worker."</p>
Jessie	<p>"Please consider the health of physicians in this country when deciding on this. Non-compete clauses are detrimental to physicians mental health and this country needs to focus more on this, with physician suicide rates on the rise."</p>
Joseph	<p>"As a physician, I support the FTC decision to end noncompete clauses for physicians. Noncompete clauses area significant source of physician burn out and are harmful to patients. They only benefit large hospitals and health systems that have used them to exploit and manipulate physicians."</p>

David	"This rule is overdue and should pass. How on earth companies can tie the hands of former employees is beyond me."
Andy	<p>"Non-Compete clauses are anti-competitive and used to exploit the working class in favor of business owners. Many of these clauses are poorly written and non-enforceable as they are in violation of state law, however the mere fact of their presence is enough have a chilling effect on employees who may not know their rights. In some places, employees with specialized skills may need to completely uproot and relocate their families to get employment after choosing to leave an employer - or be involuntarily terminated. This is an unacceptable hardship on American workers. There are sufficient protections in the way of NDA's and No Poaching clauses that protect the employer's intellectual property and existing customers. Removing this onerous burden on employees would achieve the Commission's goal of raising wages by forcing employers to offer competitive wages in their geographic area. Exceptions could be made for business owner's selling their business and in cases of other highly compensated, high influence individuals (this should be defined, and really restricted to those who are compensated at the C- Suite executive level) who will not be materially harmed by remaining unemployed during the non-compete term. A software engineer, product manager, or equipment technician from middle America making <\$100,000 a year should not be included in this definition. One alternative would be a severance package equal in value to the expected salary for the term of the non-compete term. Likewise, there should NOT be a regulatory carve-out for specialized technical employees as proposed by the Society for Human Resource Management. With the wage pressure in the industry caused by globalization, these employees are no longer as highly compensated as in years past, with the constant risk of having their jobs eliminated as we have seen in the latest round of Silicon Valley layoffs. America traditionally has valued competition, and this nation was built on the principle of moving to the best opportunity. American history is full of stories of employees leaving their employer to found their own successful businesses. In summary, there are better ways to protect employers - particularly large corporations to whom employees are almost a commodity - and their property and customers without restrictions on where employees may work. I respectfully request the Commission consider how workers have been harmed by these anti-competitive conditions of employment, and how the market conditions today are materially different from those of years past and how the scope creep of those non-competes have trapped an entire generation of mid to low level workers in a sort of legal bondage to their employers. Thank you."</p>
Sidhant	"I support non competes for all health care practices including not for profit hospitals."
Amit	"Non-compete clauses are anti-competitive and in general are bad for employees."

<p>Thomas</p>	<p>"Non-compete clauses for employed physicians are becoming increasingly common, particularly in the United States. These clauses are agreements that prohibit physicians from working for competitors or starting their own practice within a certain geographic area for a specific period after leaving their current employer. However, non-compete clauses have a negative impact on both patients and competition amongst hospitals. First and foremost, non-compete clauses harm patients. These clauses limit the patients' ability to choose the doctor they prefer and access the care they need. If a patient's physician is bound by a non-compete clause, they may have to travel further or pay higher costs to see another doctor. This can lead to delays in receiving care, which can be particularly harmful in cases where prompt treatment is crucial. Non-compete clauses also limit the continuity of care that patients receive, which can be especially problematic for those with chronic or complex conditions. Secondly, non-compete clauses prevent competition amongst hospitals. Hospitals can use these clauses to limit the number of physicians available to competitors, which can reduce the quality of care and increase costs. Non-compete clauses can also prevent new hospitals from entering the market or expanding their services, which can limit patients' access to care and result in higher costs. This lack of competition can lead to a lack of innovation and progress in the medical field. Furthermore, non-compete clauses can have a negative impact on physicians. These clauses can limit physicians' ability to advance their careers and earn a fair wage. Physicians who are bound by non-compete clauses may be unable to negotiate higher salaries or better working conditions because they have limited options for employment. Additionally, non-compete clauses can discourage physicians from pursuing new research or treatment methods because they fear they will be unable to practice their new skills if they leave their current employer. Fourthly, non-compete clauses can have detrimental effects on physician burnout, suicide, and mental health. These clauses can contribute to a toxic work environment where physicians feel trapped and undervalued. Studies have shown that physician burnout is on the rise, with one of the main contributing factors being a lack of autonomy and control over their work environment. Non-compete clauses can exacerbate this issue by limiting physicians' ability to make career choices and control their own destinies. Furthermore, non-compete clauses can contribute to a sense of isolation and hopelessness among physicians, which can increase the risk of suicide. A study published in the Journal of the American Medical Association found that physicians who reported a lack of career autonomy had a higher risk of suicidal ideation than those who reported greater autonomy. Non-compete clauses can also contribute to anxiety, depression, and other mental health issues among physicians, who may feel trapped in their current employment situation. Therefore, it is crucial to consider the potential impact of non-compete clauses on physician burnout, suicide, and mental health. Employers and policymakers should prioritize the well-being of physicians and work towards creating a supportive and flexible work environment that encourages autonomy and allows physicians to pursue their careers without unnecessary limitations. This would not only benefit the physicians themselves but also lead to better patient care and outcomes. In conclusion, non-compete clauses for employed physicians have significant negative consequences for patients, hospitals, and physicians. These clauses limit patients' access to care, prevent competition amongst hospitals, and can harm physicians' careers and</p>
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	<p>mental health. As such, policymakers and employers should reconsider the use of non-compete clauses in the medical field and work towards developing alternative solutions that prioritize patient care, competition amongst hospitals, and the well-being of physicians. This can include offering fair compensation, providing support and resources for physician burnout and mental health, and promoting a culture of collaboration and innovation."</p>
Shirley	<p>"Non-compete clauses should be illegal - of course! A worker has every right to quit and take another job. An employer should have no say in the life of someone who no longer works for him. I can hardly believe this is legal in the first place, and the sooner it is banned the better."</p>
Wylee	<p>"Yes, please!!!"</p>