

Constituent Support for the FTC's Noncompete Rule



Rhode Island | Statewide Impact

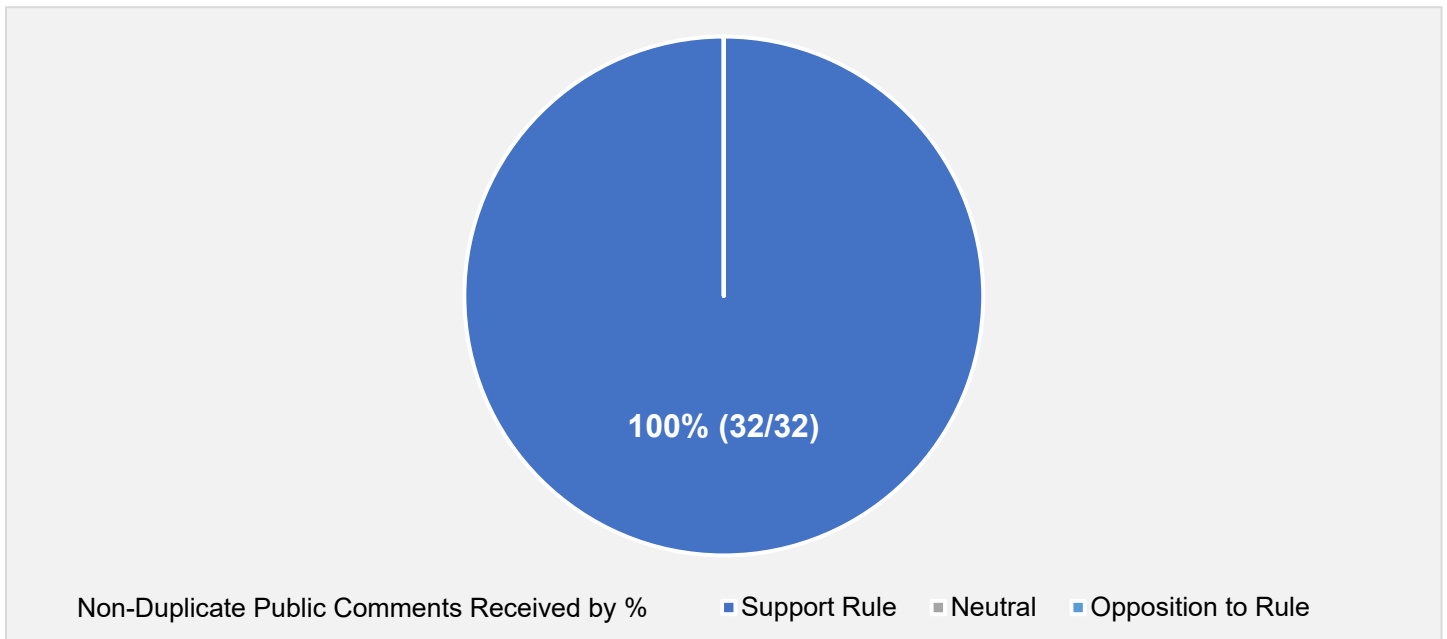


On April 23, 2024, the Federal Trade Commission issued a **final rule** to promote competition by **banning noncompetes** nationwide, protecting the fundamental **freedom of workers** to change jobs, **increasing innovation**, and fostering new **business formation**. The FTC estimates that the final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

Rhode Island Covered Workers	Increase in Total Annual RI Worker Earnings	Increase in Average Annual RI Worker Earnings
385,074	\$220,004,925	\$571





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

Notice of Proposed Rulemaking: 32 of 32 RI Commenters Support



Support Across Sectors of the Rhode Island Economy

*Some comments condensed due to length.

Profession	Comment
	<p>"I feel that non-compete agreements in contracts for physicians should be illegal....We should be able to change jobs just like anyone else and not have a non-compete agreement. We have sacrificed enough of our lives (most of our 20s getting paid less than minimum wage for the hours worked) for the good of the general public, that we should not be forced to uproot our families to get a better job once we are attending physicians. If people are wondering why...people are not wanting to go into medicine, this is one of the reasons. If you want to have physicians in 30 to 40 years, if you would like to see a physician for your own care rather than a nurse practitioner or a physician assistant, this would be a prime thing to eliminate. Signed, A Burnt-Out Primary Care Physician"</p> <p style="text-align: right;">-Heather</p>
	<p>"I'm a personal trainer and have been in the fitness industry for about 10 years. Non-Compete Clauses make it next to impossible to leave a gym or studio that has a toxic work environment and management. This leads to good coaches leaving the profession and, more importantly, clients being unable to truly receive the best coaching and services that they could be receiving. I fully support banning Non-Compete Clauses. Make it happen."</p> <p style="text-align: right;">-Nicholas C.</p>
	<p>" I am a Business Development Representative in Rhode island....Each company I have worked for has forced me to sign a non-compete as a condition of employment...I was still party to a non-compete from two employers ago in the same industry....I reached out to my former boss, the owner of the company I was in a non-compete with and let him know that...I have 3 young children, and despite my best efforts the only opportunity I was seeing after a month long job search was to work for a competitor. I asked if he would be willing to forgo the non-compete...He informed me that he had already engaged his attorney and planned to enforce my non-compete should I proceed with the offer...Non-competes force employees to stay in jobs, because we see no way out and tear a lack of opportunity if we leave. It forces us to pass up higher paying offers from competitors who see our value. No one should feel stuck in their job and forced to work for lower pay due to intimidation from their employer."</p> <p style="text-align: right;">-Brie</p>
	<p>"This is a huge problem in the mortgage industry. Companies like Guaranteed Rate have massive legal departments and are not afraid to sue anyone that leaves. As a competing mortgage company this reduces the number of candidates we can recruit....This would definitely open up the ability for mortgage professionals to seek alternate employment without the fear of having to deal with</p>

	<p>the massive litigation fees for the hiring company as well as the employee. I hope this thing passes and levels the playing field...."</p> <p style="text-align: right;">-Alan C.</p>
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Additional Support from Rhode Island

*Some comments condensed due to length.

Constituent First Name	Comment Highlights
Charles	"This is a great idea to spur innovation in the US and empower employees."
Noah	"I am a 23-year-old parts driver . 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!"
Linda	"As a single mother with two children to support and over 20 years in a single industry this immediately and negatively affects my ability to support my children. My current employer has just laid me off Monday and is requesting an additional elevated non compete in order to receive my last two weeks pay. I need this pending legislation passed asap so I can continue to work in my given field....But I know of so many others dragged to court over this from former employers. We cannot allow non-competes to continue!"
Stephanie	"Non competes stifle growth of the economy and limit the wages my family can make because of a small competitive market. Getting rid of non competes would allow me and my family to earn higher income based on my qualifications and eliminate legal ramifications for pursuing better wages."
Ray	"I am against the Non Compete Clause. I believe the Non-Compete Clauses by employers are forced upon employees and perspective employees. An offer by an employer is valid only if a perspective candidate accepts and signs the Non-Compete. Trapped. After 30 years in an industry, an employee is not allowed to move within the industry? Signing an agreement that actually calls out, by name, the competitors names and vendors one cannot work with or work for. That is what I am facing. Am I an indentured servant at that point? You Bet. All without compensation for not working for 1 - 2 years. When one brings 30+ years experience to the table then has to sign away the value of that experience to gain employment, this is an outrage. This does not allow fair competition between competitors for experienced, knowledgeable prospective employees too. When work environments are dysfunctional, toxic, and exclusive, without opportunity for advancement, so one needs to move on, move forward, yet are held back because of a Non-Complete Clause is just not right or fair to all involved, including the employer and employee. Sure, Mr. employer says, sure you can leave, be on your way, yet one is bound by a Non-Compete Clause? This is a restraint for any type of fair play. These big companies want it all, they want their cake and eat your

	cake too. Please, impose a ban on all Non Compete Clause, not only moving forward, yet, also, retroactively."
Tyler	"The existence of non complete clauses is an affront to what the USA is built upon. We wish for a free competitive market and yet businesses are allowed to literally have clauses which allows them to trap workers in their company. I am a physician moving across the country for a new position this year. My current group has not worked out and because of non compete clauses I am forced to relocate my family to be able to work. If the new position does not work out I will be forced to relocate again and again. In the current situation only work for one group in a given location and will be forced to move if the group does not work out. This puts me at a significant disadvantage in negotiations, the group knows that I will not want to move my family giving the an incredibly unfair amount of leverage in negotiations. They know if I quit I will be forced to relocate. This causes my wife and I great anxiety as we worry that the group may not work out and we will be forced to uproot our kids time and time again. We just want to choose a place to settle and raise our children. This practice needs to end please put a stop to it."
Brittany	"Non-compete clauses in contracts nationwide should be banned. They were used to the benefit of hospitals and to the detriment of physicians during COVID. Even in states (CT) where the government created a ban on physician non-competes to protect MDs during COVID, many hospitals tried to "grandfather" physicians re-signing contracts into a non-compete clause."
Jason	"Non-compete clauses are the most egregious form of monopolistic corporate control, because it creates a monopoly over people's livelihoods, for no advantage other than keeping their employees under their thumb."
Jared	"I am whole heartedly in support of this proposed rule. I am currently under a non-compete agreement that is preventing me from securing gainful employment and have experienced harm from non-compete agreements in the past. I agree that employers use non-compete agreements to restrict an employees freedom and diminish the employees bargaining power, wages, and economic opportunity, because I have experienced this in the past and I am experiencing this currently."
Christopher	"Please ban the unfair and uncompetitive practice of non-compete agreements from workers. I used to own a painting contracting company and I used them myself to prevent employees from starting their own businesses. In hindsight, I see them as an immoral and underhanded tool designed to take opportunity away from others."
Timothy	"I support the move to ban non-compete agreements."
Gene	"There may have been a legitimate time for these non compete clauses, but it not now. Now is the time to eliminate them!"
Christopher	"This long overdue. Non-competes are a sort of slavery." Work here for a reasonable paycheck or leave and be poor." It is just a trap. Theft of confidential

	information is a crime, as it should be, but non-competes only lock employees to their employer, no matter what. Grossly unfair."
John	"I strongly support eliminating non-compete agreements. They are presented as a non-negotiable part of the job agreement and the employee has no meaningful ability to modify the terms in his favor."
Tamar	"Please compete noncompete clauses and stand up for physician rights."
Tom	"Non compete clauses are fundamentally discriminatory against employees who wish to seek better opportunities. They give a company undue power over them, disrupting their ability to make a living by preventing them from working in their field at a different employer."
Christopher	"To whom it may concern; I'm writing this in regards to concerns about non-compete clause changes potentially exempting physicians and other allied health professionals in response to a letter from the American Hospital Association. In their recent comments, they claim to represent "more than 270,000 affiliated physicians , 2 million nurses and other caregivers" in opposing changes banning non-compete clauses. Notably, they do so after mentioning the hospitals and large employers they primarily represent, and give a false impression that the health professionals would *prefer* to keep non-compete clauses, something I find laughable. Few employees would support keeping themselves trapped in a job for fear of being locked out of their hometown if they leave. I myself recently signed on to take my first attending job. One of my major criteria was picking an employer that would not have a non-compete clause in my contract. I'm moving back to my hometown area, a rural/suburban corner of Arkansas, which has a physician deficit, especially in my small field of rheumatology. Word from some of their physicians was that many felt trapped in a system that mistreated them, with fear of leaving due to non-competes that were selectively enforced. There were even non-compete clauses for hospitalists, who have no clinic patient panel that could possibly follow them *anyway,* and had no employer-level knowledge or trade secrets for a non-compete to even protect. And yet, non-competes were standard at most, until I found one that realized that their patients and physicians benefitted from a more free, open market without non-competes. Physicians should absolutely be entitled to the new FTC non-compete rule. They should not be exempt from this needed worker protection as it greatly limits their ability to negotiate their contracts and instead offers large hospital systems an unprecedented advantage over physicians in the marketplace. There is a large increase in physician burnout and allowing the market place to be more free would allow physicians more flexibility, and allow their patients more choice. Additionally, the last time an exemption of this nature was granted by the lobbying from the American Hospital Association (Jung v AAMC 2004) resulted in decades of delay for improving resident physicians' ability for fair wages and benefits; this is still an active struggle today. Please do not make the same mistake again for physicians of today and the future."

<p>Jacob</p>	<p>"It is absolutely insane how we allow corporations to have such a stranglehold on labor by requiring non-competes for all of their employees. Rarely are non-competes actually protecting a corporation from any trade secrets getting out, and they mostly discourage labor mobility which has a proven positive effect for both the workers and the new companies that they move to. I support banning non-competes and rendering all existing ones null and void."</p>
<p>Bruce</p>	<p>"I am a well paid professional without much (if any) propriety information and I still worry about this. Applying this indiscriminately puts yet another drag on the average worker (on top of oppressive schedules, limited benefits, rarely a livable wage, etc.). Let companies compete with salaries, benefits, and loyalty to the worker."</p>
<p>Nicole</p>	<p>"Non competes should be banned. Please consider terminating this clause. I know someone personally it effected. All she wanted to do is work. Let us work!!"</p>
<p>Viktor</p>	<p>"The majority of workers covered by Non-Complete Clauses are covered under an assumption of trade secrets or insider information. This assumption is faulty in a significant majority of cases and restricts workers unfairly from utilizing learned skills and benefiting from them without geographic relocation, which can unfairly require a worker to substantially personally compensate for geographic relocation, support themselves by alternate means (degrading their associated skills) to wait out the clause timeline, or to accept lesser benefits or wages with the firm which the clause is held with....As in one of the examples provided within the rule documentation - a standard sandwich shop employee is not in a position to receive trade secret information, vendor information, or insider information which would harm the business measurably. This employee should not be restricted from applying the same skills at a comparable business. Alternately, an employee of the same sandwich shop specializing in procurement or in ingredient production may be aware of vendor information, pricing plans, or, rarely, trade secrets. While a competing company could have use of this information, such information would either persist for longer than the standard duration of a non-compete or be non-valid after a time period less than the standard duration of a non- compete. In either case, a business would have legal recourse if they could reasonably assert that a former employee was using that information incorrectly and was providing a clear unfair advantage to a competitor. Pre-emptively barring this employee from seeking work from a competitor because of a perception that they will automatically provide an unfair advantage to a competitor is an assumption of guilt before innocence. Consequently - this should be considered a universal rule, without exceptions for any particular commercial industry. In the modern age of cybersecurity and cybercrime, it is just as easy if not easier for a given individual, group, or state-sponsored entity to extract the equivalent information (or greater) from companies than a single individual or group of individuals leaving a company to work for a competitor could provide. Such cyber exfiltration is more and more common and should be considered of far greater threat to business information than workers seeking the best benefits and/or wages for themselves and their families"</p>

Matthew	"I usually don't get political, but I have been subjected to terrible non-compete and non-solicitation agreements for my entire career. I truly feel that it has negatively affected my ability to earn better wages for myself and my family and prevented me from gaining better working conditions throughout my entire adult working career. Non-competes, especially in the case of laid-off workers, are ridiculous. People > Corporations."
Edward	"Agree to ban them as exploitation of physicians by health systems. This contributes to doctors leaving the work force."
Bradley	"Dear Chair Lina Khan, Please ban noncompete agreements. For most workers noncompetes are used without justification, signed under duress, and open employees leaving a company to unwarranted legal retaliation. Companies are also put at unnecessary risk when hiring employees if they have ever signed a noncompete agreements. They also shrink the pool of candidates."
Ryan	"Non-compete clauses are unacceptable and a method for businesses to control ex-employees. If businesses are concerned about an employee leaving for a competitor, they should provide better pay and work environment. If they fired/laid-off the employee, then they also have no right to decide where an employee goes. Non-compete clauses do exactly as intended, limit competition. It's unacceptable and should not be allowed."
Matthew	"Non-compete clauses hamper workers' freedom to change their working conditions. There may be a small, rarefied scope of fields in which non-compete clauses work to slow corporate espionage, but for most workers they are a needless obstacle to bettering their own station. Please, for the good of American workers, ban the use of non-compete clauses in future employment contracts and void such clauses in existing contracts. Thank you for your time."
Alexandra	"Yes, let's ban non-compete clauses. They help corporations and highly paid executives and hurt the working and middle class. It's outrageous and elitist."
Mitt	"Dear Chair Lina Khan, I'm writing today in support of your effort to ban noncompete agreements. Your plan will boost the economy and directly help millions of workers, future new business owners, and people like me all across the country. As you know, noncompetes agreements stifle entrepreneurship and hurt working people. In fact, workers in states and industries with more noncompetes suffer from lower wages, less job mobility, and lower levels of job satisfaction, even when they themselves aren't bound by such agreements Most importantly, non-competes restrict freedom. They are bad for consumers, bad for workers, bad for families, bad for business, and bad for society. They only serve to enable mediocre business owners to exploit their workers and local tax payers. Non-competes are anti-capitalist and anti-American. Thank you for your work, and please issue a final rule that bans noncompete agreements."