

Constituent Support for the FTC's Noncompete Rule



Alaska | Statewide Impact

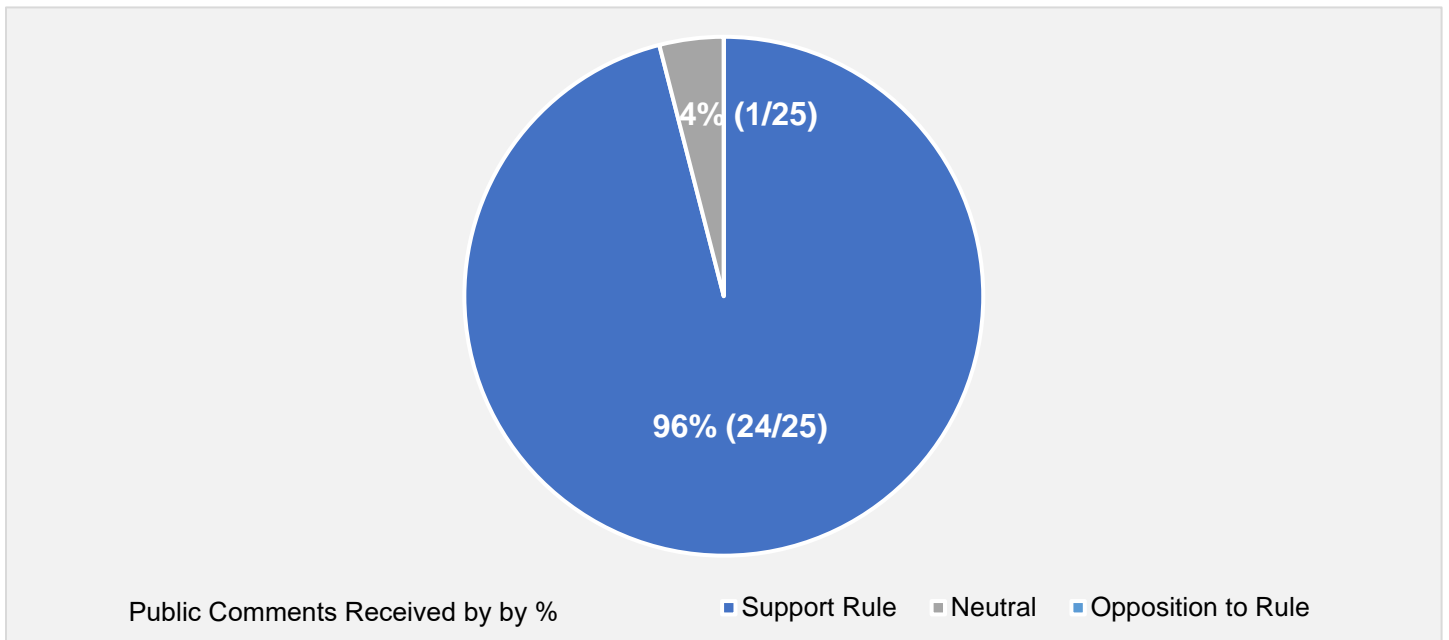


On April 23, 2024, the Federal Trade Commission issued a **final rule** to promote competition by **banning noncompetes** nationwide, protecting the fundamental **freedom of workers** to change jobs, **increasing innovation**, and fostering new **business formation**. The FTC estimates that the final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

Alaska Covered Workers	Increase in Total Annual AK Worker Earnings	Increase in Average Annual AK Worker Earnings
251,167	\$145,317,588	\$579




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

Notice of Proposed Rulemaking: 24 of 25 AK Commenters Support



Support Across Sectors of the Alaska Economy

*Some comments condensed due to length.

Profession	Comment
	<p>"I'm a Community Family Medicine physician in Kenai. The Medical field has become so difficult work in and tolerate full time. It has become a business with all of the profit margins and cost cutting measures associated with large corporations. It's exhausting and frustrating and so often a fight just to get patients the care they need....Non-compete clauses force physicians out of a town or city, which so often leads to moving out of the state. Alaska can't afford to lose anymore physicians."</p> <p style="text-align: right;"><i>-Joanna G.</i></p>
	<p>"As a small business owner and employer, I do not use nor agree with non-complete agreements. If my former employer had one, and if I had signed it not realizing what the future might hold, I would not have been able to go out on my own and open my own competing business."</p> <p style="text-align: right;"><i>-Paula L.</i></p>
	<p>"I fully support this rule: non-compete clauses made it far more difficult for seasonal workers in Ketchikan to move between seasonal jobs because one of the major employers in Ketchikan forced employees, without explanation or warning, to sign a non-compete clause that forbade moving to any hospitality work anywhere in Southeast Alaska for two years after working for them."</p> <p style="text-align: right;"><i>-T. M.</i></p>
	<p>"I believe that non-competes are an unfair and damaging business practice. As a veterinarian I have experienced the negative impact of non-competes. They restrict not only my ability to change jobs to escape a toxic work environment, but also my ability to provide care for patients I have seen working at a different hospital....Every patient I have ever seen has now become part of my noncompete. The far-reaching scope of this document is ridiculously unfair for everyone from patients to people who may have been assistants or nurses or cleaned the building that I previously worked in. Non-competes should be banned due to their massive impact on so many people including the person involved in the contract."</p> <p style="text-align: right;"><i>-Emily C.</i></p>

Additional Support from Alaska

*Some comments condensed due to length.

Constituent First Name	Comment Highlights
Mukul	"I support this is new rule as a Pediatric Intensivist physician . I would love to see this apply to all hospitals, including not for profit."
Darian	"When working in any industry I should have the freedom to go elsewhere if my current employment is not satisfactory. This creates a competitive workplace and is good for economic growth. My work history and experience are relevant in the hiring process which means I should be able to work within the trade/knowledge I know and have been working under."
Brad	"I am writing in support of the ban on non-compete clauses in employment contracts. Already, employers have their hands in far too much of our personal lives, from what activities we are allowed to participate in outside of work hours to style choices to medical choices...Employers have the power to make employees' lives miserable at work and in many cases the only way to escape is to resign. Non-compete clauses force employees to stay in jobs in which they are unhappy, if they are unable to afford not getting paid for however long....To the plight of the many who are stuck in such situations, I send my support of this measure in hopes that you will hear the voices of the workers over the financial interests that oppose this measure."
X	"Please do away with these non competes.... This is not freedom, but corporate greed. The company knows you can not go anywhere so they can treat the employees like garbage. The former company I worked for was purchased by another tech company who was our competitor.... The company gave us a non-compete to sign. We all signed it thinking we were getting a better opportunity. Instead...the incentives for our job have been taken away...they tried to reduce commissions and not pay commissions on some things...We have been cussed at, and physically assaulted....What this non compete has done has taken away our dreams, and turned them into nightmares. It is a free ticket for employers to treat their employees as garbage....I had another company I could work for. In a way they are in a similar trade. I was a perfect fit. But as soon as they found out where I worked all communication stopped....This is not about trade secrets. This is about holding people hostage. I cannot work for anyone else in my trade. The company will sue me. I am forced to work in a toxic environment....If I want to change careers I have to go work for half the income in any other industry. This is not freedom. Please I beg, as a human being, do away with non competes. Even if the FTC cannot make non competes illegal. Please work with Congress to create a law to end this."

<p>Jim</p>	<p>"I think this is an exceptional change as it will promote true competition and care for employees. Non-competes favor the employer by a large margin and take advantage of the employee from a stance of financial manipulation. Care and fair treatment of employees will grow because they now will not be held hostage by greed and employer self-seeking motivation....it would promote and develop the intrinsic value of the employee through their efforts and learning, just because you learn a skill at an employer doesn't mean they have total control over the use of that skill. Being bound by a non-compete literally is a form of slavery as your worth and ability is held in bondage by the employer for their own gain. Non-compete agreements are archaic and are a murmur of our history of the wealthy exploiting the non-wealthy."</p>
<p>Tonya</p>	<p>"I support a federal ban on noncompetes. As a physician, I have seen their negative impacts on my colleagues, friends, trainees, and their patients. It creates undue burden on the physician to control them instead of creating healthy work environments and strips patients' choice and continuity away...if the physician feels so stuck in toxic work areas - it affects their mental health which again directly affects patient satisfaction, outcomes, and safety."</p>
<p>Jon</p>	<p>"I am one of only 3 outpatient pulmonologists that serve the state of Alaska's general population. I have a non-compete clause entered as part of my current contract that would potentially expose me to legal risk should I decide to terminate my current contract and work on my own. As this state has not been able to attract and retain pulmonologists, I think these type of non-compete clause are to the general detriment of patients and should be abolished, especially in areas with poor access to skilled workers where such clauses hurt the general population."</p>
<p>Renae</p>	<p>"I had to sign a non-compete agreement as a Nurse Practitioner providing family medicine in a town that serves 15,000 (or not get the job). The geographic limitation of the agreement essentially required me to move away if I left this job at least 90 minutes away - forcing me to rent/sell my home and/or relocate my family. I did choose to leave this job and accepted a position in a town 45 minutes away...They still sued me, feeling even this was a violation of the non-compete. They had large pockets and aggressive lawyers I had to get a lawyer and settle even though I didn't work as a NP. Another thing to consider - the document itself gives ability to employers to retaliate (even when an employee does everything right), threaten employees, and pay lower than competitive/community standard salaries. In my case, I choose to leave this job because they refused to renew my contract with a salary that was equal to the community standard - informing me that I would accept the salary they offered and if I didn't, I had a non-compete (implied threat of suit and then they did sue). Another result of this situation, is many of my patients did not receive health care in the 1-year non-compete phase, negatively impacting their health and well-being."</p>
<p>Ryan</p>	<p>"Removing a non-compete clause is a double edge situation. On the one hand, you have potential proprietary knowledge, knowledge of process/procedures, means & methods, and various other fundamental secrets that give a competitive advantage to the business. On the other hand, allowing restriction-free</p>

	<p>employment will enable movement into different positions otherwise locked out....Overall, I could see the benefits of removing non-compete clauses since they are tough to defend legally. Fiscal savings from wasted attorney fees could also be factored into the socioeconomic impact study of forgoing non-compete clauses. I support this proposed change.</p>
Michael	<p>"I support the FTC proposed rule banning non-compete clauses. Hospitals and other facilities Americans depend on for care abuse non-compete clauses to the detriment of patients and the medical professionals who care for them. Contracts that prohibit medical professionals from caring for their patients outside of corporate employment are not only unethical and anti-competitive, but are dangerous to patients. For example, non-competes result in patients losing access to the physicians who know them best, deter physicians from speaking out about patient safety concerns, and increase the cost of medical care by thwarting competition. The bottom line is that non-compete clauses are bad medicine. I urge the FTC to adopt the proposal to ban them."</p>
Leigh	<p>"I strongly oppose noncompete clauses. The noncompete clause gives too much power to companies and owners and too little choice and freedom to workers. A noncompete clause allows employers to mistreat and underpay workers because they know the workers have no option to quit and find other work. Additionally, company owners generally have more financial freedom than workers and the noncompete clause puts more burden on workers who already have less freedom. Noncompete clauses are a passive form of slavery and undermine the freedom guaranteed in the United States."</p>
Guy	<p>"Non-compete contracts are almost always a way to rip off common workers and keep wages low. Please get rid of them and help to level a vastly uneven playing field."</p>
Susan	<p>"Non-compete clauses never should have been allowed in the first place. It is totally unfair to workers who already have odds stacked against them. Ban all non-compete clause immediately!"</p>
John	<p>"I believe that corporations' use of the non-compete clause creates a distortion of the labor market by limiting worker mobility. It thwarts any ability of the labor market to seek a fair wage level within a particular industry and job sector, while mis-allocating returns on production between labor costs and profits. I support the proposed ban on non-compete clauses in employment contracts."</p>
Emily	<p>"Working people need a break. Not corporations...I support banning non- compete clauses which stifle people, wages, and creativity."</p>
John	<p>"Any non-compete employment clause is as anti-capitalist, un-American, & undemocratic as any nihilist strategy can be!"</p>

Sarah	"I support this rule limiting employer's ability to require/use/enforce noncompete clauses in contracts."
Kirsal	"Dear Chair Lina Khan, I'm writing in support of banning 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. Particularly in our current economy, stifling job mobility and smothering job satisfaction will only make matters worse. A worker-driven market will ultimately be the most sustainable and productive market. Thank you for your work, and please issue a final rule that bans noncompete agreements."
Heather	" Physicians should not be excluded. Every human being should be allowed to leave an unhealthy work environment and not have to uproot their family to do so."
Emily	"I agree with the elimination of non-compete clauses from employee contracts. I am a physician in a specialized field, which means that a standard non-compete clause would force me to move further than just the written radius, but functionally to the next metro area possibly hundreds of miles away....Further, alternative clauses such as 'no solicit' language can be used to prevent physicians from actively recruiting patients to their new practice. Non-compete clauses hold people in bad jobs and allow employers to abuse their employees by limiting their alternative employment options. Patients also suffer when their physicians are trapped in contracts."