

# Constituent Support for the FTC's Noncompete Rule



## Delaware | Statewide Impact

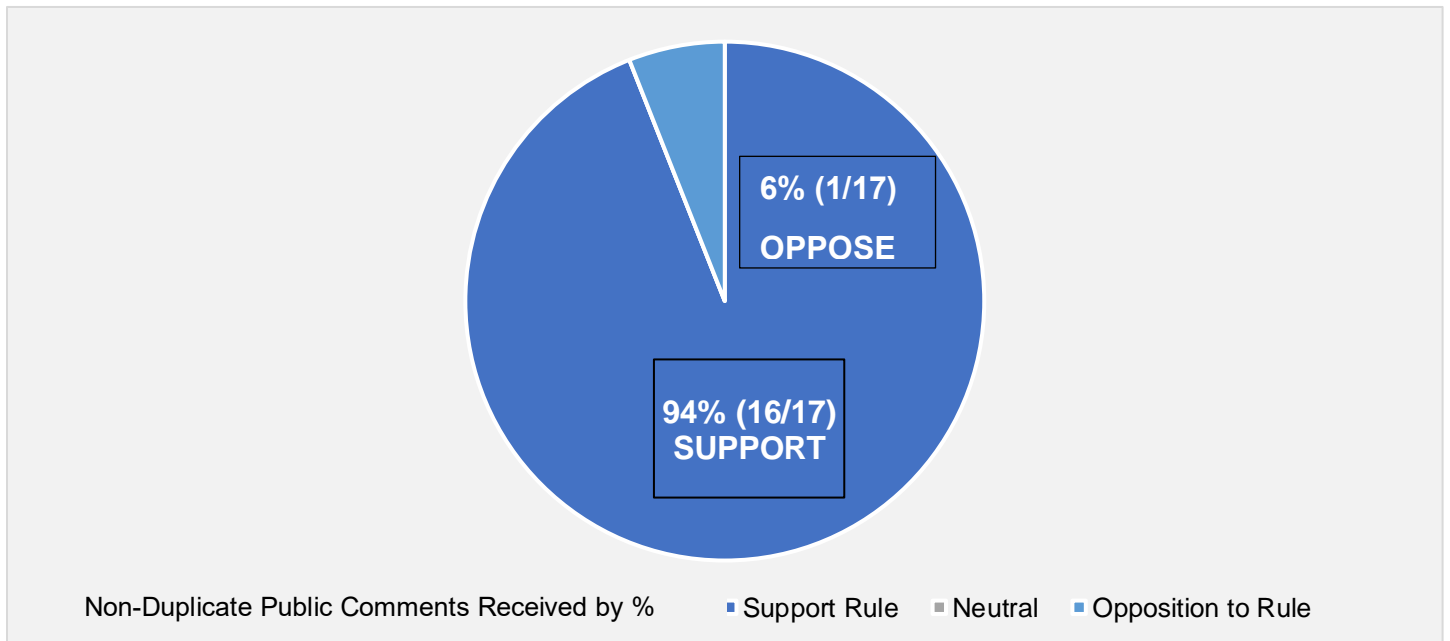


On April 23, 2024, the Federal Trade Commission issued a **final rule** to promote competition by **banning noncompetes** nationwide, protecting the fundamental **freedom of workers** to change jobs, **increasing innovation**, and fostering new **business formation**. The FTC estimates that the final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

Delaware Covered Workers	Increase in Total Annual DE Worker Earnings	Increase in Average Annual DE Worker Earnings
<b>367,291</b>	<b>\$220,637,013</b>	<b>\$601</b>

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



## Notice of Proposed Rulemaking: 16 of 17 DE Commenters Support



**Support Across Sectors of the Delaware Economy**

\*Some comments condensed due to length.

Profession	Comment
	<p>"Not only have I been severely impacted by a non-compete as a <b>committed employee, a father, husband and professional but as now as a business owner as well</b>. I absolutely love people, my father was the king of people, the king of sales. When I graduated college I floated around a bit to figure out what I wanted to do as a career. I <b>ended up having lunch with my fathers insurance broker, who has known my dad for decades, and had known me since I was a child. When we had lunch he said "I know your dad, I can tell you're like your father, if you want a position here I would love to make one for you" I started at the amazing draw (not a salary) of \$28,000 per year.... About 2 years into my role I was literally knocking the skin off the ball, crushed my draw and was making "decent" money (probably 60K)</b> One day my office manager came to my desk with a paper and casually said "hey Ed we forgot to have you sign this when you were onboarding" It was a non- compete! I was a stellar and loyal employee, what triggered this?? I immediately called my dad, I explained my situation and asked what to do. He said "eddie. I would take that paper, open my desk drawer, place the paper in the bottom of the drawer, shut the drawer, and never talk about it again (unless it comes up) I DID EXACTLY THAT! ....On black Friday 2018 I dropped the bomb, I called my office manager and told her we have a problem, [my boss] brought up a non-compete agreement that she gave to me, but I never signed it, told her the story and let her know I was afraid to bring it up, never wanted to because I wanted this to work in the most sincere way, but it's a fact I didn't sign it...I explained [to my boss] that I never leveraged the lack of a non-compete against him, HE leveraged it against me. <b>We came to an agreement, I took part of my block and I launched my vision which became Pro Benefits Plus. Now a business owner I have employees sign a mutually worded non-solicitation agreement. I don't want to ever use it, even had an employee leave mutually and wished them the best and shredded it. My industry is plagued by massive consolidation, massive VC backed agencies gobble up small guys as the industry continues to age out. The problem is all the younger folks are locked into non-competes, I can't hire anyone</b>, the goliath agency with legal council on staff can bankrupt me with legal costs at will. They place their employees in a pressure cooker, the consolidation effects quality to business owners and employees, and the employee can't leave without knowing they're for 2 years...Non-competes need to go"</p>
	<p>"If non compete clauses are not fully made illegal, they should at the least be required to be extremely limited in time (6 months), geographic location (20 miles) and specific to any <b>DIRECT HARM</b> to the current employer. My daughter had to sign the attached non compete clause in order to work for an <b>event planning business. It had no geographic restriction which is important as the company was based in New Jersey but they planned events as far away as Texas and Wisconsin, as well as events in surrounding states. Not only would this exclude her from working for a competitor, but also any business this company had contact with, whether it be advertising firms, sales</b></p>

	<p><b>offices, ticketing venues, etc - essentially any business that remotely had any type of business connection with this employer.</b> So if she quit where would she be able to find a job??"</p> <p style="text-align: right;"><b>-Diana</b></p>
	<p><b>"Companies shouldn't get to control what people do in their free time or after they're no longer paying people, simple as that.</b> It's a personal freedom issue. Companies already have too much control over our lives, and with the current state of the economy, people unfortunately need more than one job sometimes and nothing should prevent them from doing so."</p> <p style="text-align: right;"><b>-Hunter</b></p>
	<p>"I strongly oppose the noncompete clause as it leaves doctors as slaves to the corporate business and hospitals without any freedom. Corporate businesses and hospitals will definitely take advantage of their power and all executives will make all the money from Medicare and health insurance payments. Also [quality] of health care will be compromised seriously"</p> <p style="text-align: right;"><b>-Natwarla</b></p>

**Additional Support from Delaware**

\*Some comments condensed due to length.

Constituent First Name	Comment Highlights
Vaibhav	"Non compete clauses are extremely unfair towards a <b>physician</b> . It provides leverage to hospital systems to abuse a physician and treat us unjustly and if we decide on leaving the hospital then we have to leave the city because of non compete clause. I would request FTC to ban non compete clause and make it illegal"
Kristine	"As a <b>family physician working in rural Delaware</b> , I have seen first-hand how non-compete clauses in physician contracts have hurt my community. It can be difficult recruiting physicians to my area, and retaining physicians can be even more difficult. Most physicians in this area are employed by hospital systems, and their contracts always contain non-compete clauses which force those physicians to find work out of the area if they decide to not renew their contact. This means patients have even less access to both primary care and specialty care, when there is a shortage in my area as it is. I support the proposed rule."
Melody	"Noncompete clauses are outdated and should be forbidden to allow competition in all fields as well as not stripping workers of pay or their trade or profession."
Ellen	"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! Furthermore, how can such an undemocratic clause actually be lawful, opening the way, as it clearly does, for complete tyranny of management over workers?"

<p>Scott</p>	<p>"I agree with the rule proposed. Non compete clauses hamper a workers ability to negotiate freely for a better paying job. It's simply not fair to restrict a workers mobility."</p>
<p>Laura</p>	<p>"I support a federal ban on noncompetes. We're currently in a <b>physician</b> shortage. Non-competes are an undue burden and lead to physicians either stopping the practice of medicine entirely or leaving their communities either temporarily or permanently. Both of these outcomes only worsen this shortage and directly impact the health of the American people."</p>
<p>Peter</p>	<p>"As Americans, we need to do all we can to ensure the anti-Americans in the pro-Putin Republican party are not successful in their endeavors to grow their anti-democratic, fascist, plutocratic, oligarchic, kleptocratic authoritarian regime. Efforts to improve the earning capabilities of hard- working Americans is a solid step in that direction."</p>
<p>Anita</p>	<p>"In Delaware it's taking 12 weeks for reciprocity on a <b>barber license</b> meanwhile a man that I know is homeless and has no money. This is a terrible situation that need to go away. The same hours are required in Delaware as i. pa where he was a barber manager. What can he do??? Many job offers but they can't employ him until he receives his Delaware license. It should be automatic when the requirements are the same. Terrible situation"</p>
<p>Bethany</p>	<p>"Non-compete clauses hold employees hostage in jobs that are not meeting their needs. If a job is not meeting an employee's needs either by not paying them a wage that meets their cost of living needs, or by creating a hostile and toxic work environment that endangers the employee's mental and physical health, that employee should be free to leave and seek employment that does meet their needs. Competition in the job market holds employers accountable to foster a positive and equitable work environment - this is the way to attract new employees and to retain the ones that you have. Employees in every industry should have the opportunity to fine tune their existing skill set and upskill as they desire without having to uproot their entire life to meet the criteria of a non-compete limiting their work in their industry. Also, the non-compete as it is being used today has far exceeded its reasonable scope. Medical scribe companies are forcing college students to sign non- competes saying that they will not work for any other scribe company for 1 year after separation from the original company, and even then not at any site that is within a 60 mile radius of a site partnered with the original company. These are kids who are juniors and seniors in college, looking to get medical experience and patient contact hours to get into medical school. The majority of them work as a scribe for 6 months to 2 years and then move on to further professional education. As medical scribes, they are also being treated like paid interns at a wage nowhere near the current cost of living, and subject to gross exploitation. It's unconscionable Eliminating non-compete agreements would be the first step toward making the job market more equitable and addressing other exploitative legal agreements imposed by employers."</p>
<p>Anthony</p>	<p>"My <b>company</b> has a 1 year non-compete rule that caused me lose consideration from another employer that wanted to hire me. I feel like I have been injured by this policy. My current company only offers 2 weeks of vacation per year and I wanted to make a move. I was notified that my company fiemmersbach USA went after another employee that left the company and was hired by another company. Non-compete</p>

	needs to disappear in most situations especially if intellectual property is not involved."
Dan	"I have an noncompete agreement in the state of Delaware that has already prevented me from advancing my career elsewhere. a ban on noncompete agreements would be a huge benefit to millions of people. Thank you."
Scott	"I wholeheartedly support the FTC's proposed ban on non-compete agreements."