

## Request for Information Regarding Employer Noncompete Agreements

The Federal Trade Commission invites public comment to better understand the scope, prevalence, and effects of employer noncompete agreements, as well as to gather information to inform possible future enforcement actions.

A noncompete agreement is a contractual term between an employer and a worker that typically blocks the worker from working for a competing employer or starting a competing business after the end of the worker's employment. Prior Commission fact-gathering indicates that such agreements bind workers across the economy, from lower-wage employees, such as security guards and glass manufacturing workers, to higher-wage physicians, nurses, and veterinarians, among many others.<sup>1</sup>

While noncompete agreements can serve valid purposes in some circumstances, available evidence indicates that they are often subject to abuse. In many cases, employers appear to impose noncompete agreements as a matter of course, simply inserting them into employment contracts without due consideration to whether the noncompete agreement is appropriate under the circumstances, including whether alternative contract terms would sufficiently advance procompetitive aims without or with less attendant anticompetitive harm.

The consequences can be severe. Commission staff has reviewed significant evidence indicating that these restraints may unjustifiably prevent workers from moving to better jobs, impede new business formation, prevent the shift of labor from over-served to under-served markets, and harm rival employers' ability to compete. This leads to lower worker earnings, lost innovation, higher consumer prices, and overall negative effects on workers' and consumers' quality of life. These concerns may be especially significant in healthcare markets, where noncompete agreements may limit employment options for nurses, physicians, and other medical professionals and thereby restrict patients' choices of who provides their medical care. These harms may be particularly acute in rural areas where medical services are already stretched thin.

Unfortunately, the Commission's noncompete enforcement efforts have been obstructed by the Biden-Harris Administration's Noncompete Rule, a blanket nationwide ban that exceeded the Commission's regulatory power by purporting to prohibit nearly all noncompete agreements across all industries within the Commission's jurisdiction without regard for their likely effects in specific contexts. A district court has issued an order stopping the Commission's enforcement of the rule.<sup>2</sup>

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<sup>1</sup> See, e.g., Complaint, *In re Gateway Pet Memorial Servs.*, FTC Matter No. 2210170 (Sept. 4, 2025); Complaint, *In re Anchor Glass Container Corp. et al.*, Matter No. 2110182 (Mar. 15, 2023); Complaint, *In re Prudential Security, Inc. et al.*, Matter No. 2210026 (Jan. 4, 2023); Complaint, *In re O-I Glass, Inc.*, Matter No. 2110182 (Jan. 4, 2023); Complaint, *In re Ardagh Group S.A. et al.*, Matter No. 2110182 (Jan. 4, 2023).

<sup>2</sup> *Ryan, LLC v. FTC*, 746 F. Supp. 3d 369, 390 (N.D. Tex. 2024) (vacating the Commission's Non-Compete Clause Rule).

Nonetheless, the Trump-Vance FTC remains committed to rooting out unfair and anticompetitive conduct in all appropriate cases where Congress has authorized the agency to act. As explained in now-Chairman Ferguson’s 2024 dissent from the nationwide Rule, the prior administration’s “categorical” treatment of noncompete agreements ran contrary to “the overwhelming tradition of assessing noncompete agreements on a case-by-case basis.”<sup>3</sup> Similarly, Commissioner Holyoak stated, “I would support the Commission’s prosecution of anti-competitive non-compete agreements, where the facts and law support such enforcement,” noting that the prior administration’s Rule only distracted from legitimate efforts to address “anticompetitive non-compete agreements using broadly accepted theories of antitrust harm.”<sup>4</sup>

This Request for Information advances that commitment and the agency’s publicly stated priority of addressing harmful labor market conduct through case-by-case enforcement and public advocacy.<sup>5</sup> Given the private nature of employment contracts and employees’ reasonable confidentiality concerns, the Commission’s law enforcement and advocacy efforts would benefit from information on the scope of use of these agreements, particularly their recent use. Accordingly, Commission staff seeks to understand which specific employers continue to impose noncompete agreements. Commission staff encourages members of the public, including current and former employees restricted by noncompete agreements, employers facing hiring difficulties due to a rival’s noncompete agreements, and market participants in the healthcare sector in particular, to share information about the use of noncompete agreements. **Submitters with confidentiality concerns are directed to the instructions for confidential submissions described below.**

FTC staff welcomes any relevant information, including responses to any of the following questions:

1. What is the name of any employer currently known to you to be using employee noncompete agreements?
2. What reason, if any, has the employer given for using noncompete agreements?
3. For what roles, positions, or job functions does the employer use noncompete agreements?
4. What are the typical salary ranges of the roles or positions subject to noncompete agreements?

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<sup>3</sup> Dissenting Statement of Comm’r Andrew N. Ferguson, *In re Non-Compete Clause Rule*, Matter No. P201200, at 35 (June 28, 2024)

<sup>4</sup> Dissenting Statement of Comm’r Melissa Holyoak, *In re Non-Compete Clause Rule*, Matter No. P201200, at 2 (June 28, 2024).

<sup>5</sup> See, e.g., Press Release, FTC, *FTC Launches Joint Labor Task Force to Protect American Workers* (Feb. 26, 2025).

5. What are the terms or limitations of the noncompete agreements (such as the duration or geographic scope)?
6. Does the employer enforce the noncompete agreements? If so, how?
7. Do the noncompete agreements harm current or former employees who take, consider taking, or would like to take new jobs? If so, how?
  - a. Are you aware of current employees avoiding seeking or turning down new job opportunities because of the noncompete agreements? Can you provide examples?
  - b. Are you aware of former employees covered by the noncompete agreements taking a new job with lower pay or worse conditions to avoid violating the terms of those agreements? Can you provide examples?
  - c. Are you aware of former employees covered by the noncompete agreements leaving the industry or changing their job type when taking a new job in order to avoid violating the terms of those agreements? Did that person have significant skill or knowledge in the previous job that is not applicable in the new job? Can you provide examples?
  - d. Are you aware of former employees moving residences, commuting significant distances, or incurring other costs to take a new job and avoid violating the terms of the noncompete agreements? Can you provide examples?
  - e. Are you aware of former employees taking a new job and then incurring legal costs to deal with the former employer's attempts to enforce the noncompete agreements? Can you provide examples?
8. Do the noncompete agreements limit employees from starting or operating their own businesses? If so, how?
  - a. Have you or others you know decided not to start their own businesses to avoid violating the noncompete agreements?
  - b. Are you aware of business owners limiting the geographic territory in which they operate to avoid violating the noncompete agreements with former employers? Can you provide examples?
  - c. Are you aware of business owners limiting the types of services they offer to avoid violating the noncompete agreements with former employers? Can you provide examples?

- d. Are you aware of business owners incurring legal costs to deal with the former employer's attempts to enforce the noncompete agreements? Can you provide examples?
- 9. Do the noncompete agreements make it more difficult for rival employers to hire employees? If so, how?
  - a. Are you aware of a shortage of workers of the type covered by the noncompete agreements? Can you provide examples?
  - b. Are you aware of rival employers making job offers that were declined due to the potential employee learning that they are restricted by a noncompete? Can you provide examples?
  - c. Are you aware of rival employers incurring legal costs to deal with the noncompete agreements when hiring or seeking to hire workers from the employer? Can you provide examples?
  - d. Are you aware of rival employers struggling to compete or going out of business due to hiring difficulties or costs associated with the noncompete agreements? Can you provide examples?
- 10. Do the noncompete agreements contribute to a loss in innovation? If so, how?
- 11. Are you aware of the employer using non-solicitation or non-recruitment agreements that limit former employees from working with the employer's former customers or former employees? Can you provide examples?
- 12. Have any noncompete agreements covering workers in the healthcare sector affected wages, labor mobility, or the availability, quality, or cost of healthcare services in particular? If so, how?
- 13. Have any noncompete agreements made it more difficult for providers of healthcare services to hire physicians, nurses, or other professionals? If so, how?
  - a. Has the provision of or the competition within any specific healthcare service in a geographic area been substantially affected by noncompete agreements? Can you provide examples?

Responses need not address all of the questions above and may include any additional information that may be relevant to FTC staff's analysis of noncompete agreements.

If you would like to submit a response to this specific Request for Information, then Commission staff requests that you submit no later than **November 3, 2025 by 11:59pm ET**.

## Instructions for submitting:

To make a **confidential submission**:

Email [noncompete@ftc.gov](mailto:noncompete@ftc.gov) and mark your submission confidential.

Confidential submissions will not be disclosed except as required or permitted by applicable law. The Commission takes seriously the confidentiality of complainants and will protect your identity and any confidential information you send to the fullest extent of the law. The Commission is barred from publicly disclosing trade secrets or confidential commercial or financial information it obtains from any person under Section 6(f) of the FTC Act, 15 U.S.C. § 46(f). Such information also would be exempt from disclosure under the Freedom of Information Act, 5 U.S.C. § 552(b)(4). If the Commission determines that a submission marked confidential does not constitute 6(f) material, Section 21(c) of the FTC Act requires the Commission to notify the submitter in writing ten days before any public disclosure. 15 U.S.C. § 57b-2(c). **In certain limited circumstances, the Commission may be required to make the content of complaints public but will redact any personally identifiable information (including your name, address, email, and phone number) and other information that is exempt under FOIA before doing so.** The Commission's [privacy policy](#) also applies to all information received by the Commission.

To make a **public comment**:

1. Go to the docket on [regulations.gov](https://www.regulations.gov)
2. Click "Browse Documents"
3. Underneath the document containing the RFI questions, click comment (the blue button)
4. Fill out the form which requires:
  - 4.1. The comment text itself
  - 4.2. The comment category
5. You can submit as: an individual, an organization, or anonymous
  - 5.1. Optional: Attachments to aid your response. You can attach up to 20 files, but each file cannot exceed 10MB. Valid file types include: bmp, docx, gif, jpg, jpeg, pdf, png, pptx, rtf, sgml, tif, tiff, txt, wpd, xlsx, xml.

Please DO NOT include sensitive or confidential information in the comments including:

- social security numbers;
- dates of birth;
- driver's license numbers or other state identification numbers;

- financial account information;
- sensitive health information; or
- competitively sensitive information.

Comments will be posted on the Internet and made available to the public (subject to exceptions such as for personal privacy information).

Both confidential submissions and public comments provided in response to this RFI could inform the FTC's enforcement priorities and future actions. The Commission always accepts competition complaints from the public through its online [webform](#).