



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of Policy Planning

January 14, 2025

VIA ELECTRONIC MAIL

The Honorable Ian Mackey
Representative
Missouri House of Representatives

Re: H.B. 448

Dear Representative Ian Mackey:

I write this letter as the Director of the Federal Trade Commission's ("FTC") Office of Policy Planning, the FTC office that provides advocacies and submits filings supporting competition and consumer protection principles to state legislatures, regulatory boards, and officials.

I understand that the Missouri legislature is considering H.B. 448 ("the Bill") that, among other things, would render void and unenforceable noncompete clauses that restrict the right of a physician to practice medicine in any geographic area for any period of time after the end of the employment relationship-11 (s)-1 (our)3a5(et)-6 (e c)-2 . O2 (s) A2 (sp)-2 (ght)-2e 23, 0 24, he

important as a deterrent, as can parallel enforcement of state laws³²

As the Commission explains in the final rule, the rule would not preempt state laws that restrict noncompetes and do not conflict with, including both broader state prohibitions and state prohibitions that are narrower in scope.³³ That is, state laws cannot authorize noncompetes that are prohibited by the rule, but states may, for example, continue to pursue enforcement actions under their laws prohibiting noncompetes even if the law prohibits a narrower subset of noncompetes than the FTC rule.³⁴

In short, the FTC's rule does not negate the value of state laws that restrict noncompetes. Rather, such laws can play an important role in the battle against harmful noncompetes.

I hope that the Commission's research, analysis, and findings concerning noncompetes are valuable to you as you consider H.B. 448. Please do not hesitate to reach out if my office can be of further assistance.

Sincerely,

Hannah Garden-Monheit

Hannah Garden-Monheit
Director
Office of Policy Planning

³² Id. at 38454

³³ Id. at 38452-54.

³⁴ Id. at 38453-55.