

The rule has not come into effect at this time, because a Texas district court issued an order stopping the FTC from enforcing the rule. The FTC has appealed that decision.<sup>2</sup>

I write to highlight a number of the Commission's evidentiary findings that you may find informative as you consider the Bill. This letter also explains that, consistent with Commission's long history of working in concert with states and encouraging concurrent enforcement of state laws to pursue common goals, state-based

*Evidence of the Harmful Effects of Noncompetes*

Many Americans are affected by noncompetes and support banning them. After the Commission proposed to ban noncompetes, the Commission received more than 26,000 comments. Of those, approximately 25,000 favored a categorical ban.<sup>5</sup> Many workers described how noncompetes blocked them from taking a better job, negotiating better pay, or starting a business. Many entrepreneurs and small bu(t)-25pp0.014 Tc 0.5(nc)4 (eu)-( t)-2(t)-2 (t-( t)-2(t)-2 (

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labor market, they suppress wages not only for the workers subject to them, but also for workers who are not subject to them.<sup>17</sup> The Commission estimates that its rule would

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jurisdiction.<sup>30</sup>

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