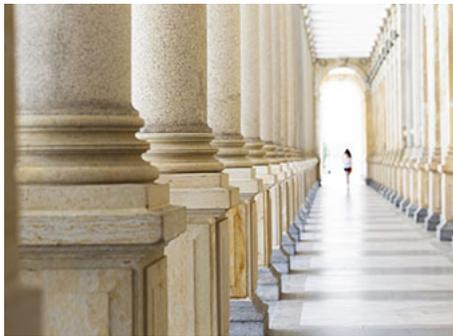


# ‘PROMOTING COMPETITION IN THE AMERICAN ECONOMY’ EXECUTIVE ORDER WOULD OPEN ECONOMIC GROWTH, BAN NON-COMPETE AGREEMENTS

By Melanie Pate and James Voyles on 07/13/2021  
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On Friday, July 9th, the White House issued an Executive Order on ‘Promoting Competition in the American Economy’. The Executive Order directs over a dozen federal agencies to undertake 72 initiatives that address “...some of the most pressing competition problems across our economy...”.

This Executive Order is considered to be a government-wide initiative that deeply impacts nearly all sectors of the U.S. economy by working to address wage disparity, employee mobility, prescription drug prices, excessive early termination fees, landlord single internet operator

agreements, and airline refunds, among numerous others.

However, the most impactful directives include President Biden urging the Federal Trade Commission and the Department of Justice to either commence rulemakings or take steps to:

- Ban or limit employers’ use of non-compete agreements;
- Ban unnecessary occupational licensing restrictions that impede economic mobility; and
- Prevent employers from collaborating to suppress wages or reduce benefits by sharing wage and benefit information with one another.

Non-compete agreements, professional licensing requirements, and employers sharing wage and benefit information with one another commonly occur in nearly every economic sector and profession. If rulemakings or regulatory initiatives succeed in achieving President Biden’s stated goals, many companies and organizations will need to reassess their employment and human resources strategies, and likely revise many employment agreements or contracts with their employees going forward.

The Executive Order’s Fact Sheet can be found [here](#).

If you have questions about the Executive Order or how to plan for the coming changes in employment, licensing, and benefit-data sharing regulations, or would like more information, please email Melanie Pate at [mpate@lewisroca.com](mailto:mpate@lewisroca.com) or James Voyles at

**'Promoting Competition in the American Economy' Executive Order Would Open Economic Growth, Ban Non-Compete Agreements**



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