

TERRI L. HILL, M.D.

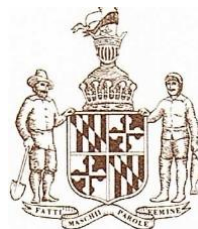
Legislative District 12A

Howard County

Health and Government Operations
Committee

Subcommittees

Government Operations and
Health Facilities
Public Health and Minority
Health Disparities



**THE MARYLAND HOUSE OF
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SUPPORT

**HB1388 - Labor and Employment – Noncompete and Conflict of Interest Clauses – Veterinary
and Health Care Professionals**

Dear Chair Beidle, Vice Chair Klausmeier, and Members of Finance Committee,

I am here to ask for your support of **HB1388**, which prohibits the use of noncompete clauses in healthcare workers' and veterinary workers' employment agreements. The bill applies to workers who must be licensed under the health occupations article (such as doctors and nurses) and workers licensed under Title 2, Subtitle 3 of the Agriculture Article (such as veterinarians and veterinary technicians).

A non-compete clause prohibits the employee at the end of their employment from becoming employed or establishing their own business within a specified distance from that employer for a specified period of time.

There are at least three lenses through which the advantages and disadvantages of employee noncompete agreements can be viewed: the employer's, the employee's, and the client's or patients. While balancing all interests is our responsibility, I believe it is the lens of the latter group through which the most light should be shown in a time when workforce shortages in the healthcare and, to a lesser extent, the veterinary arenas are at issue. The overall vacancy rate of positions for healthcare workers 12/31/2021 is 21.2%, and up to 37.7% for licensed practical (vocational) nurses.¹ As of 2022, the American Animal Hospital Association predicts a shortage of 15,000 veterinarians by 2030.²

In 2023, the American Medical Association voted to "oppose noncompete contracts for physicians in clinical practice who are employed by for-profit or nonprofit hospitals, hospital systems or staffing company employers."³

Employers will continue to have tools that are more than adequate to protect their employee recruitment and retention investments, including provisions for outlay reimbursement, prohibitions on sharing proprietary information, and retained ownership of patient lists.

HB1388 is an important, bipartisan piece of legislation that passed the House with a vote of 130 - 11.

I urge a favorable report.

A handwritten signature in black ink, appearing to read "Terri L. Hill".