



Committee: Senate Finance Committee

Bill: House Bill 1388 - Labor and Employment – Noncompete and Conflict of Interest Clauses – Veterinary and Health Care Professionals

Hearing Date: March 28, 2024

Position: Support

The Licensed Clinical Professional Counselors of Maryland (LCPCM) supports *House Bill 1388 - Labor and Employment – Noncompete and Conflict of Interest Clauses – Veterinary and Health Care Professionals*. The bill prevents an employee who is licensed under the Health Occupations Article or who works as a veterinarian or veterinary technician from being held to a noncompete clause.

Current Maryland law only prohibits noncompete employment agreements for individuals making 150% or less of minimum wage. Behavioral health practitioners, including licensed clinical professional counselors, likely make over this minimal threshold. Noncompete clauses can have an impact on continuity of care. If a practitioner cannot take a position within a certain vicinity, they may be forced to leave the area. As a result, their patients will need to seek other providers. For behavioral health, where it can take a long time to develop a therapeutic relationship, it is particularly disruptive when a patient has to switch providers.

It is possible that there will be federal action on this issue in the future. The Federal Trade Commission has proposed a new rule to ban employers from imposing noncompete clauses on their employees.ⁱ However, this rule has not been finalized. Given the severity of the health professional shortage, Maryland should move ahead with this legislation.

We ask for a favorable report. If we can provide any additional information, please contact Robyn Elliott at relliott@policypartners.net.

ⁱ <https://www.ftc.gov/legal-library/browse/federal-register-notices/non-compete-clause-rulemaking>