

12369 Vanous Road  
Dunkirk, MD 20754

March 3, 2024

Health and Government Operations Committee  
Maryland House of Delegates

Dear Madam Chair and Members of the Committee,

My name is Dr. Mark Hubley. I am a professor of biology at Prince George's Community College. My wife, Dr. Susan Mende, is a veterinarian and practice owner. Over the past twenty-six years I have seen firsthand the time and hard work she put into building her business and serving the community. I oppose HB1388 for various reasons, but I will focus on the potential for serious problems that can result from unintended consequences.

As a scientist and a teacher, I try to base decisions on facts, data, and an understanding of possible outcomes. When I examine the issue of non-compete clauses addressed in HB1388, I see a lot of wishful thinking, but very little in the way of facts, data, and discussion of outcomes. A small group of people in the horse community is pushing this bill with claims the bill will increase the number of practicing veterinarians in the area, providing horse owners with more choices. Yet the proposed bill will create sweeping changes not only for veterinarians, but also for all human health care providers covered by the Health Occupations Article.

In my research, I found a wealth of articles suggesting that banning non-compete clauses will increase wages for employees, expand business, and increase competition. However, nearly all of these articles express opinions with no supporting evidence. I did find a few articles suggesting that banning non-compete clauses may lead to 2% to 3% increases in wages, mainly among low-income workers. That is a good thing, if it happens. However, I found no evidence supporting the supposition that the proposed bill is likely to expand business, increase the number of providers, or stimulate competition. Do proponents of the bill have any such evidence?

It is possible that passage of this bill will encourage someone to start a new business. But has anyone considered other possible outcomes? Will passage of the bill result in some businesses hiring fewer highly-skilled employees, or closing altogether? Perhaps passage of this bill will result in potential business owners avoiding Maryland and opening businesses elsewhere. Consider the Law of Unintended Consequences.

Early last year the Federal Trade Commission began formal consideration of non-compete clauses and is considering national guidelines. A report from the FTC is anticipated as soon as

April. If HB1388 is not quickly stopped, it should be delayed until the FTC issues its report. At the least, that report should inform future discussion of this issue in Maryland. It is also possible that a decision by the FTC may conflict with HB1388 or render it moot.

Thank you for your attention,

A handwritten signature in black ink, appearing to read "Mark J. Hubley". The signature is written in a cursive style with a large, looping flourish at the end.

Mark J. Hubley, PhD