

LFC Requester:	David Lucero
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**AGENCY BILL ANALYSIS
2015 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply: Date January 29, 2015
Original **Amendment** **Bill No:** SB 325
Correction **Substitute**

Sponsor: Sen. Stuart Ingle **Agency Code:** Attorney General's Office
Short Title: HEALTH AGREEMENT NO-COMPETE PROVISIONS **Person Writing:** Bridget Mullins, AAG
Phone: 505-800-2089 **Email:** bmullins@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

BILL SUMMARY

Synopsis: SB 325 is an act that makes non-compete provisions in contracts for certain healthcare providers unenforceable. The bill would allow physicians (and other enumerated providers) who have terminated contracts with health care facilities to go work a different facility to provide clinical health care services without regard to a non-compete provision with their previous employer.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

While this issue appears not to have been specifically litigated in the New Mexico courts, it is possible that this bill may conflict with businesses’ right to contract.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

Section 4(B) of the bill states that liquidated damages that are “unreasonably large” are void. This language may be too vague and create potential for litigation in the future.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

N/A