



M. Teresa Paiva Weed  
President

March 27, 2024

The Honorable Arthur J. Corvese  
House Labor Committee  
Rhode Island State House  
82 Smith Street  
Providence, Rhode Island 02903

Re: AMENDMENT - H. 8059

Dear Chairman Corvese:

The Hospital Association of Rhode Island (HARI) and its members oppose H.8059, an act which prohibits noncompete agreements except for noncompete agreements between a seller and buyer of a business.

Noncompete agreements serve an important role in protecting intellectual property and proprietary information for hospitals and health systems. They are essential tools, particularly at the executive level, for maintaining a competitive edge in today's healthcare economy. By restricting former employees' ability to work for competitors for a reasonable period after leaving their current employment, noncompete agreements help safeguard against unfair competition and ensure a return on investments in training, research, and development.

In addition, the Federal Trade Commission (FTC) is currently reviewing whether to ban non-compete clauses. The comment period for this review has recently ended, and while there is no hard deadline for the FTC to rule, many anticipate that a decision may come as early as April. Given this ongoing federal review, it would be premature and potentially disruptive to enact state-level legislation that could conflict with any forthcoming federal regulations or guidelines.

For these reasons HARI opposes H.8059. We appreciate your consideration of this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa P. Tomasso", written in a cursive style.

Lisa P. Tomasso  
Senior Vice President