

<b>LFC Requester:</b>	<b>Ginger Anderson</b>
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**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**AgencyAnalysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**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:  
**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date** 1.29.24  
**Bill No:** HB262

**Sponsor:** Joanne J Ferrary

**Agency Name and Code Number:** New Mexico Medical Board - 446

**Short Title:** Veterinary Non-Compete Provisions

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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

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

**SECTION III: NARRATIVE**  
**BILL SUMMARY**

Synopsis:

HB262 Proposes to render unenforceable any noncompete provision in a written contract to which a veterinarian or veterinary technician is a party. Also voids provisions related to applicability or enforcement under the laws of another state. Enforceability of other provisions is unimpaired.

HB262 states that the noncompete clause becomes unenforceable upon termination of the agreement or upon termination of employment with a party seeking enforcement. The measure further voids and makes unenforceable any provision subjecting such an agreement to the laws of another state or that requires litigation arising from the agreement to be conducted in another state.

Still enforceable are:

- provisions requiring a veterinarian or vet tech who has worked for an employer for an initial period of less than two years to repay all or a portion of (a) a loan; (b) relocation expenses; (c) signing bonus or other inducement to practice in a specified geographical area; or (d) recruiting, education and training expenses
- a nondisclosure provisions relating to confidential information and trade secrets
- any other provision not in violation of law.

DEFINITIONS. As used in the bill:

- “agreement” means a written contract to which a veterinarian or veterinary technician is a party
- “non-compete provision” means a provision in an agreement that restricts the right of a veterinarian or vet tech to provide veterinary care in the state.

Applicable to agreements, renewals and extensions of agreements executed on or after July 1, 2024.

**FISCAL IMPLICATIONS**

None for the New Mexico Medical Board

**SIGNIFICANT ISSUES**

None for the New Mexico Medical Board

**PERFORMANCE IMPLICATIONS**

None for the New Mexico Medical Board

**ADMINISTRATIVE IMPLICATIONS**

None for the New Mexico Medical Board

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None found

**TECHNICAL ISSUES**

None for the New Mexico Medical Board

**OTHER SUBSTANTIVE ISSUES**

None for the New Mexico Medical Board

**ALTERNATIVES**

None for the New Mexico Medical Board

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

None for the New Mexico Medical Board

**AMENDMENTS**

None for the New Mexico Medical Board