OHIO LEGISLATIVE SERVICE COMMISSION

www.lsc.ohio.gov

Office of Research
and Drafting

Legislative Budget
Office

S.B. 126 135th General Assembly	**Fiscal Note & Local Impact Statement**
	Click here for S.B. 126's Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Johnson

Local Impact Statement Procedure Required: No

Ryan Sherrock, Economist

Highlights

- Court costs could increase if any civil actions are brought against a nonprofit hospital for violations of the bill's provisions. However, some costs may be at least partially offset if any court costs or fees were collected.

Detailed Analysis

The bill authorizes a nonprofit hospital to require a physician, physician assistant (PA), or advanced practice registered nurse (APRN) to enter into a post-employment noncompete agreement as a condition of employment if the noncompete terms are limited to six months and the surrounding 15-mile area. Otherwise, the bill prohibits a nonprofit hospital from requiring a post-employment noncompete agreement as a condition of employment for these practitioners. However, this does not prohibit a nonprofit hospital from requiring these practitioners to agree to refrain from obtaining employment during the term of their employment contract as long as certain topics are addressed in the agreement. Lastly, the bill authorizes a physician, PA, or APRN to commence a civil action against a nonprofit hospital if the practitioner believes that the hospital has violated the bill's provisions. A violating hospital is liable for damages, attorney's fees, and costs. County courts could see an increase in cases as a result of the bill. If this occurs, there would be an increase in costs to process and possibly adjudicate the cases. Any costs would depend on the number of cases, as well as the nature of each particular case. In addition, some costs may be at least partially offset by any fees and court costs collected. However, it is expected that the number of cases resulting from the bill will be few in number.