# COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

#### FISCAL NOTE

<u>L.R. No.</u>: 1607-02 <u>Bill No.</u>: SB 381

<u>Subject</u>: Employees - Employers; Contracts

<u>Type</u>: Original

Date: February 12, 2001

## **FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS							
FUND AFFECTED	FY 2002	FY 2003	FY 2004				
None	\$0	\$0	\$0				
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0				

ESTIMATED NET EFFECT ON FEDERAL FUNDS							
FUND AFFECTED	FY 2002	FY 2003	FY 2004				
None	\$0	\$0	\$0				
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0				

ESTIMATED NET EFFECT ON LOCAL FUNDS						
FUND AFFECTED	FY 2002	FY 2003	FY 2004			
<b>Local Government</b>	\$0	\$0	\$0			

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

#### FISCAL ANALYSIS

#### **ASSUMPTION**

Officials from the Office of Administration - Division of Personnel, Office of Administration - Division of Design and Construction, Office of Attorney General, Department of Labor and Industrial Relations and Office of State Courts Administrator assume the proposed legislation would have no fiscal impact on their agencies.

FISCAL IMPACT - State Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
FISCAL IMPACT - Local Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

#### FISCAL IMPACT - Small Business

This proposal could affect hiring practices of small businesses.

#### **DESCRIPTION**

This proposal makes written non-solicitation agreements enforceable. These agreements will not be considered restraints of trade if they are: 1) between two or more business entities seeking to protect workforce stability or protection against misuse of trade secrets; 2) between employers and employees seeking to protect trade secrets or customer relationships; or 3) between employers and employees and have a post-employment duration of less than one year. This proposal will apply prospectively and retrospectively.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### **SOURCES OF INFORMATION**

AK:LR:OD (12/00)

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Department of Labor and Industrial Relations Office of Administration - Division of Design and Construction Office of Administration - Division of Personnel Office of Attorney General Office of State Courts Administrator

> Jeanne Jarrett, CPA Director

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