



**SENATOR
SANDRA R. WILLIAMS**
21ST DISTRICT

Committees
Public Utilities - *Ranking Member*
Finance - Sub-Committee on Workforce
Development, *Vice Chair*
Criminal Justice
Education
Energy and Natural Resources
Insurance
Medicaid
Ways and Means

Senate Bill 228 Sponsor Testimony
Transportation, Commerce and Labor Committee
May 4, 2016

Chairman LaRose, Vice Chair Manning, Ranking Member Cafaro and members of the Senate Transportation, Commerce and Labor Committee, thank you for the opportunity to present sponsor testimony on Senate Bill 228.

Senate Bill 228 would prohibit the use of non-compete provisions in employment contracts in the broadcast industry. This legislation was introduced on behalf of Ohio broadcasters who would like the flexibility to continue to work and live in Ohio immediately after leaving an employer without taking a hiatus from the broadcast industry.

Certain employers in the broadcast industry have boiler-plate contracts that contain non-compete clauses. Around the state there are approximately 60 television stations and 618 radio stations across media markets. The number of parent companies that control Ohio markets are significantly low; which limits who broadcasters, radio, or television personalities can work for. When we as a state condone this practice by allowing corporations to place limitations on where someone can work, we are essentially determining winners and losers. As some individuals have suggested, a potential employee should be savvy enough to negotiate-out any non-compete clause before agreeing to employment, however, for those who are fresh out of school or are in a small media market there may not be many options.

By allowing non-compete clauses, a broadcast employee has a few choices, either move to another media market not in direct competition, or, not work in the field. This can cause great stress and uncertainty to the employee and their family.

There are eight states and the District of Columbia that have enacted some form of legislation barring non-compete agreements in the broadcast industry: California, Connecticut, Montana, Illinois, North Dakota, Maine, Massachusetts, and New York.

Non-compete agreements inhibit competition, and serves to tie an employee to an employer without regards for the employee's true market value. By not taking any action in this area, and by way sanctioning these agreements, the government is essentially putting its thumb on the free market scale. The open market requires robust and uninhabited competition to act most efficiently.

Mr. Chairman and members of the committee, this is why I ask favorable consideration of Senate Bill 228, and with that, I will be happy to answer any questions you might have.