

To Governor Otter and Idaho Legislators –

We, the undersigned, represent a wide range of business interests in the great state of Idaho. We are extremely concerned about the growth of not only our own businesses, but of Idaho's economy generally. We want to see Idaho take its place as a hub of technology and other knowledge-based industries, and we are concerned that Idaho's laws are not currently fully supportive of that goal.

We ask that you act promptly to repeal HB 487, passed in the 2016 Legislative session. This legislation unduly restricts employee mobility in Idaho, which in turn stifles economic growth and entrepreneurship. HB 487 created far more draconian enforcement for non-compete agreements than would apply to ordinary contracts. It requires courts to find that employers who hold non-compete agreements suffer "irreparable harm" when an employee takes a job with a competitor, regardless of whether any actual harm occurs. In doing so, the law tilts the playing field heavily in favor of employers seeking to lock employees in place, and against employees seeking better work and the expanding businesses that would hire them.

We need employees to have a reasonable opportunity to leave a previous job so that new companies can grow and expand. We need a fair path for workers to leave a job and launch new businesses for Idaho's economy to thrive. We need investors to have confidence that they can invest in start-up companies without facing costly lawsuits in which the deck is stacked against them. The risk created by HB 487, when added to the usual uncertainties facing any new venture, makes investment in start-up companies in Idaho a much less attractive proposition.

Following the passage of HB 487, Idaho has been featured in influential business publications as being an undesirable location for new, innovative businesses. Headlines have included:

- "Quit Your Job for a Better One? Not If You Live in Idaho" (New York Times, 7/14/17)
- "Idaho's Non-Compete Legislation Harms Workers and Start-Ups" (American Institute for Economic Research, 7/17/17)
- "Have a Great Startup Idea? Don't Move to Idaho." (Inc.com, 7/17/17)

Such a reputation for our state discourages entrepreneurs from starting businesses in Idaho, and it discourages investment in Idaho companies. We ask that you move as soon as possible to support innovation and growth in Idaho by repealing HB 487, and that you support changes to the law that promote employee mobility and business expansion.

Signed,