



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FINAL FISCAL NOTE

Drafting Number:	LLS 18-0562	Date:	September 24, 2018
Prime Sponsors:	Sen. Zenzinger Rep. Kennedy	Bill Status:	Signed into Law
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Bill Topic: PHYSICIAN NONCOMPETE EXEMPTION FOR RARE DISORDER

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue (<i>minimal</i>)	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill excludes physicians treating patients with rare disorders from non-competition agreements that otherwise prohibit the physician from treating former or prospective patients after leaving a group practice. This may minimally decrease state revenue and expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Summary of Legislation

Under current law, a non-competition agreement may prohibit a physician from treating former or prospective patients after he or she leaves a group practice. This bill excludes physicians treating patients with rare disorders from such non-competition agreements and outlines the process for continuing or offering to continue treatment of patients with rare disorders.

State Revenue and Expenditures

To the extent that this bill reduces the number of lawsuits between physicians arising from disputes concerning non-competition agreements, cash fund revenue to the Judicial Department from court filing fees will decrease starting in FY 2018-19. Similarly, it will reduce workload for the trial courts to hear these cases. The Division of Professions and Occupations in the Department of Regulatory Agencies may have a minimal increase in workload to update rules and conduct outreach with physicians. Any revenue and workload decrease under the bill is assumed to be minimal and no change in appropriations is required.

Effective Date

The bill was signed into law by the Governor and took effect on April 2, 2018. It applies to conduct occurring on or after this effective date.

State and Local Government Contacts

Information Technology
Law

Judicial
Regulatory Agencies