



April 1, 2015

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Chair McKelvey, Vice Chair Woodson, and Members of the Committee on Consumer Protection and Commerce

I am contacting you on behalf of the 750 individual members of the IEEE in Hawaii to express our support for provisions in SB1279, SD2 HD1, that prohibit the use of non-compete agreements for employees of technology businesses. This simple change to Hawaii's employment law would dramatically improve the flexibility and innovativeness of our state's economy, particularly in our most critical and high growth fields.

The IEEE (Institute of Electrical and Electronics Engineers) is the world's largest technical professional society. Founded by Alexander Graham Bell and Thomas Edison, we represent individual computer programmers, hardware designers, aerospace engineers and other technical professionals involved with the creation and development of advanced technologies. Hawaii's 750 IEEE members, part of the 436,000 IEEE members around the globe, are the very heart of our modern high-tech economy.

As such, we are acutely aware of how fast our dynamic high-tech economy advances. Technology is always changing, evolving, dying – and companies have to move fast just to keep up. Nobody would argue that restricting any company's ability to change product lines, business models or strategies is in anyone's best interest.

Yet that is exactly what employees are required to do when they sign a non-compete agreement. Such agreements are designed to prevent employees from being flexible and deny them the ability to respond to changing market conditions. In doing so, non-compete agreements reduce the overall flexibility of the Hawaii's economy – and thereby reduce our state's overall competitiveness.

Companies already have the means to keep talented employees -- provide appropriate, competitive compensation and a desirable work environment. Companies that are unable or unwilling to do that should have difficulty holding on to their employees. Employers have the right to choose whom to employ, but workers also ought to have the right to work for whichever companies they want. That is how the free market works.

We thank you for the opportunity to testify.

Sincerely,

John Borland
Chair, IEEE Hawaii Section