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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 421 Session of  
2025

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INTRODUCED BY KHAN, GREEN, SIEGEL, HADDOCK, MUNROE, POWELL,  
RABB, VENKAT, PIELLI, SANCHEZ, HILL-EVANS, GIRAL, FIEDLER,  
PARKER, WARREN, FREEMAN, FRANKEL, OTTEN AND KENYATTA,  
JANUARY 30, 2025

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REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, JANUARY 30, 2025

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AN ACT

1 Protecting workers from training repayment agreement provisions;  
2 conferring powers and imposing duties on the Department of  
3 Labor and Industry; and imposing penalties.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Protect  
8 Workers from Training Repayment Agreement Provisions Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Department." The Department of Labor and Industry of the  
14 Commonwealth.

15 "Employee." An individual employed by an employer.

16 "Employer." As follows:

17 (1) As defined in section 3(g) of the act of January 17,

1 1968 (P.L.11, No.5), known as The Minimum Wage Act of 1968.

2 (2) The term does not include a governmental or quasi-  
3 governmental body.

4 "Training repayment agreement." As follows:

5 (1) An agreement requiring an employee to pay an  
6 employer, or a training provider or other third party, a sum  
7 of money if the employee voluntarily or involuntarily leaves  
8 employment with the employer, including an agreement  
9 requiring the employee to reimburse the employer, training  
10 provider or other third party for training previously  
11 provided to the employee.

12 (2) The term does not include a cash advance to an  
13 employee, a payment for equipment sold or leased to an  
14 employee, an educational sabbatical leave contract or a  
15 training repayment agreement entered into as part of a  
16 collective bargaining agreement.

17 Section 3. Training repayment agreement.

18 (a) Prohibition.--An employer may not require, as a  
19 condition of employment, an employee or prospective employee to  
20 enter into a training repayment agreement.

21 (b) Effect.--A training repayment agreement involving an  
22 employee is void, and the employee shall not be obligated to  
23 make any payment under the training repayment agreement.

24 Section 4. Enforcement.

25 The department shall enforce this act and may conduct  
26 investigations as it deems necessary for enforcement.

27 Section 5. Penalties.

28 (a) Civil penalty for violation.--An employer found to be in  
29 violation of any provision of this act is subject to a civil  
30 penalty of not more than \$25,000 for each violation.

1 (b) Subsequent violation.--For each subsequent violation of  
2 any provision of this act, an employer is subject to an  
3 additional civil penalty of \$25,000 per employee.

4 Section 6. Applicability.

5 This act shall apply to a training repayment agreement  
6 entered into on or after the effective date of this section.

7 Section 7. Effective date.

8 This act shall take effect in 60 days.