



House Bill 203

Date: February 5, 2026

Committee: House Government, Labor, and Elections

Position: Unfavorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

House Bill 203 (HB 203) would prohibit employers from requiring employees or prospective employees, as a condition of employment, to enter into a training repayment agreement. The bill defines a “training repayment agreement” as any agreement requiring an employee to pay an employer or a third party, such as a training provider, a sum of money if the employee voluntarily or involuntarily leaves employment. HB 203 provides that any such agreement is null and void as being against the public policy of the State.

Maryland employers strongly support workforce development and routinely invest in tuition assistance, certifications, apprenticeships, and on-the-job training to help employees advance their skills. Training repayment agreements are a common, reasonable tool to ensure employers can achieve a return on significant investments when an employee voluntarily leaves shortly after receiving employer-funded education or training. Without this limited protection, employers—particularly small and mid-sized businesses—will be far less likely to offer these opportunities.

The bill will disproportionately impact industries that rely on structured training pipelines, including the skilled trades. Apprenticeships and employer-sponsored training are essential for transforming non-skilled workers into licensed, skilled professionals. Restricting these arrangements will reduce access to training and worsen workforce shortages.

HB 203 is also unnecessary and overly broad. Federal law already places strict limits on training repayment arrangements under the Fair Labor Standards Act, and federal agencies have issued [guidance](#) warning that certain practices may violate antitrust laws. In addition, the bill’s private right of action increases litigation risk, even for reasonable, voluntary agreements.

Finally, this proposal would make Maryland an outlier in the region, adding another regulatory hurdle for employers deciding where to locate or expand operations—particularly as states that have enacted similar laws are already revisiting them due to unintended consequences.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **HB 203**.