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House Government, Labor, and Elections Committee
February 5, 2026
House Bill 203 – *Labor and Employment – Training Repayment Agreements – Prohibition*
POSITION: OPPOSE

On behalf of the LifeSpan Network, the Maryland-National Capital Homecare Association, and the Maryland Association for Medical Adult Day Services, we **respectfully oppose** House Bill 203. This bill prohibits employers from requiring, as a condition of employment, employees or prospective employees to enter into training repayment agreements, which are defined as an agreement that requires 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 with the employer.

For those employers that provide care through the State's Medicaid Program, a prohibition on training repayment agreements will cause even greater fiscal challenges. It is important to note that over the last two years, despite costs increasing, the State has not provided **ANY** rate increases to providers. Providers are experiencing cost increases across the board, including higher labor, energy, insurance premiums, and food costs. Unlike other businesses, these costs must be absorbed by providers and cannot be passed on to consumers, which has led many to restrict operations and negatively impacts the delivery of care.

To bring on a new employee, the State requires the employee to be trained in several areas, often requiring the provider to engage third-party vendors to conduct the training or send the employee to an off-site training program. The inability to recoup those costs if an employee leaves will further strain the provider's finances. Hiring a new employee is an investment, especially when the employee will be providing care to our State's most frail and vulnerable residents. The State should resist measures that could disincentivize employers from offering advanced training or hiring more employees due to financial constraints. In addition, this legislation could have a chilling effect on advancements. Many providers offer employees cost offsets to help them advance their careers, such as a certified nursing assistant taking courses to become a licensed practical nurse. The inability to recoup these costs could hinder employees' career advancement.

For these reasons, we urge an unfavorable report.

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