



**Oral Testimony of Chris Hicks**  
**Senior Policy Advisor at Protect Borrowers**  
**Before the Minnesota House Committee on Workforce, Labor, and Economic Development Finance**  
**and Policy**

Wednesday, March 11, 2026

Thank you for the chance to testify today Mister Chair. My name is Chris Hicks, and I am a Senior Policy Advisor at Protect Borrowers, a non-profit policy organization focused on household and consumer debt. We are proud to support HF 2567.

Increasingly, in our investigations, reporting, and litigation, we have found that employers are requiring workers to pay a fee if they have the audacity to quit their job. The most common example are Training Repayment Agreement Provisions, better known as “TRAPs.” TRAPs put workers on the hook for thousands of dollars in debt to repay employers’ for their so-called “training” costs if they leave their job before a fixed period of time. TRAPs let these businesses use the threat of debt collection or litigation to lock workers in place, limiting their mobility and bargaining power, and leveraging crushing financial penalties if a worker does dare to leave.

TRAPs gained national attention three years ago when a former PetSmart groomer sued the company, alleging that PetSmart was trapping workers, often earning minimum-wage, in stressful and grueling positions or requiring them to pay \$5,000 if they quit. These terms not only block employees from pursuing higher-paying better jobs, but can prevent workers from leaving to pursue higher education, starting a new business, or even taking care of a loved one. For the vast majority of workers, the threat of debt becomes a form of modern-day indentured servitude—trapping them in jobs with low wages and bad working conditions.

In other types of stay-or-pay contracts, employers have demanded that departing employees pay them for the cost of their replacement, liquidated damages, costs related to immigration, or even “lost profits.”

Immigration and visa fees used by third-party healthcare staffing agencies and hospitals have come under great scrutiny in particular. Consider the story of Jhane Engnan. She started working as a nurse at a skilled nursing facility. She was assigned 20 to 25 patients at a time and spent each shift praying that she wouldn’t make mistakes. After five months, Engnan decided that the toll chronic understaffing was taking on her mental health was too great, and she gave her notice. A week after her final shift, the company sued her for \$100,000, claiming breach of contract, fraud, expenses related to the immigration visa and other costs.

These nurses are forced to work in conditions no American wants to work in, and threatened with massive penalties if they try to quit. These contracts create dangerous conditions for Minnesota healthcare patients and line the pockets of companies undercutting American workers.

We also see stay-or-pay contracts used in aviation, technology, and transportation, among other industries. This bill would protect workers' ability to leave a job without penalty, benefiting workers and honest businesses across Minnesota. I applaud the sponsors and legislature for taking up this issue. Thank you for the chance to testify. I’d be happy to answer any questions.