EMPLOYMENT AGENCY LAW
Act No. 261, July 31, 1941, P.L. 616, as amended
May 22, 1953, June 16, 1972 and October 16, 1972

AN ACT

Defining, regulating and providing for the licensing and registration of employment agents, and their representatives, including private employment agents, theatrical employment agencies and nurses’ registries; providing for revocation and suspension of licenses and registrations subject to appeal and for their reinstatement; defining the powers and duties of the Department of Labor and Industry and the Department of Public Instruction; providing penalties, and repealing existing laws.

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

Section 1. This act shall be known and may be cited as the "Employment Agency Law".

Section 2. Definitions. — The following terms shall, unless the context otherwise indicates, have the following respective meaning:

(1) "Department" shall mean the Department of Labor and Industry of this Commonwealth.

(2) "Emergency engagement" means and includes any engagement that is to be performed within forty-eight (48) hours of the time such application was made by an employer.

(3) "Employe" as used in this act means any person performing or seeking to perform work or service of any kind or character whatsoever for hire.

(4) "Employer" as used in this act means any person employing or seeking to employ any person for hire.

(5) "Employment agent" shall mean every person, copartnership, association or corporation engaged in, or maintaining as owner, agent, manager-contractor, subcontractor or in any other capacity, an intelligence office, domestic and commercial employment agency, theatrical or entertainment employment agency, general employment bureau, shipping agency, nurses’ registry or any other agency or office for the purpose of procuring or attempting to procure help or employment or engagements for persons seeking employment or engagements, or for the registration of persons seeking such help, employment or engagement, or of giving information as to where and of whom such help, employment or engagement may be procured, where a fee or other valuable consideration is charged for such services, whether such business is conducted in a building or on the street or elsewhere. The term shall include any person, copartnership, association or corporation which by advertisement or otherwise offers as one of the main objects or purposes to secure employment for any person who will pay for its services or that collects dues, membership or registration fees of any sort, where the main object of the person paying the same is to secure employment: Provided, however, That nothing contained in this act shall be construed to apply to any agent, agency or department of any firm, copartnership, corporation or association intended and established for the purpose of procuring or attempting to procure help, employment or engagement for persons seeking employment or engagement with said firm, copartnership, corporation or association, where no fee is charged, either directly or indirectly.

(6) "Fee" means and includes any money or other valuable consideration paid or promised to be paid for services rendered or to be rendered by any person conducting an employment agency of any kind under the provisions of this act. Such term includes any excess of money received by any such person over what has been paid out by him for the transportation, transfer of baggage or board and lodging for any applicant for employment. Such term also includes the difference between the amount of money received by any such person who furnishes employees, performers or entertainers for circus, fair, vaudeville, theatrical and other entertainments, exhibitions or performances and the amount paid by him to the said employees, performers or entertainers whom he hires or provides for such entertainments, exhibitions or performances.
(7) "Nurses' registry" means and includes the business of conducting any agency, bureau, office or any other place for the purpose of procuring, offering, promising or attempting to provide employment or engagements for nurses of any kind.

(8) "Person" shall include an individual, copartnership, association, corporation, society and his or its manager, agents and employes.

(9) "Private employment agent" shall mean every person, copartnership, association or corporation who for hire or with a view of profit shall undertake to secure employment or help or through the medium of a card, circular, pamphlet or any other medium whatsoever or through the display of a sign or a bulletin offers to secure employment or help or give information as to where employment or help may be secured. Charitable institutions making no charge for such services are not included.

(10) "Privilege" as used in this act means and includes the furnishing of food, supplies, tools or shelter to contract laborers, commonly known as commissary privileges.

(11) "Representative" or "counselor" as used in this act shall mean an employe who solicits business or interviews applicants or refers them to prospective employers for employment. ((11 amended Oct. 16, 1972, P.L.917, No.220)

(12) "Secretary" shall mean the Secretary of Labor and Industry of the Department of Labor and Industry of this Commonwealth.

(13) "Theatrical employment agency" means and includes the business of conducting an agency, bureau, office or any other place for the purpose of procuring or offering, promising or attempting to provide engagements for persons who want employment in the following occupations: circus, fair, vaudeville, musical, theatrical and other entertainment or exhibitions or performances; or of giving information as to where such engagements may be procured or provided, whether such business is conducted in a building, on the street or elsewhere.

(14) "Theatrical engagement" means and includes any engagement or employment of a person as an actor, performer, musician or entertainer in a circus, fair, vaudeville, theatrical or any other entertainment, exhibition or performance.

Section 3. The term "employment agent" as used in this act shall not apply to:

(1) Departments, associations or bureaus which are maintained solely for persons in this Commonwealth for the purpose of obtaining employes for themselves or their members and which charge no fee or other consideration to applicants for employment or registration.

(2) Theatrical or entertainment producers and managers assembling, managing and directing their own performances at their own expense and who charge no commissions or fees, directly or indirectly.

(3) Bureaus or agencies procuring employment for school teachers without charge.

(4) Bureaus or agencies conducted by registered medical institutions, duly incorporated hospitals, or registries conducted by duly incorporated alumnae associations of nurses procuring employment of nurses without charge.

(5) Employment bureaus maintained by this Commonwealth.

(6) Employment bureaus maintained by the United States of America within this Commonwealth.

(7) Employment bureaus or agencies maintained by any association of manufacturers within the Commonwealth for the purpose of obtaining employes for their members and which charge no fee to applicants for registration or employment: Provided, however, That persons excluded from licensure under this section shall not open, operate or maintain such agencies until they register with the department as hereinafter provided.
Section 4. It shall be unlawful for any employment agent to operate as such in this Commonwealth unless such employment agent is the holder of a license as in this act provided.

Section 5. (a) Every person desiring to operate as an employment agent shall file, for each physical location, an application for a license with the department. The original application shall be on a form furnished by the department and shall state:

1. The name and street address of the applicant.
2. The address of the place where the business is to be conducted.
3. The educational and business or employment history of the applicant.
4. Whether or not the applicant is pecuniarily interested in any other business of like nature and, if so, where.
5. Whether the applicant is the only person pecuniarily interested in the business to be carried on under the license.
6. If the applicant is a corporation, the names and addresses of the officers of said corporation.
7. If the applicant is a partnership, the names of all partners therein.
8. Whether the applicant has a criminal record.
9. That the applicant is fully aware of all applicable provisions of the act of October 27, 1955 (P.L.744), the "Pennsylvania Human Relations Act," as amended, and that the applicant has knowledge of the penalties that may be imposed for violation of this act.

(b) No licensed employment agent shall permit any person not mentioned in the original application for a license to become a partner, if such agency is a partnership, or an officer of the corporation, if such agency is a corporation, unless the written consent of the department shall first be obtained. Such consent may be withheld for any reason for which an original application might have been rejected if the person in question had been mentioned therein.

Section 6. Upon receipt of such application the department shall post in a conspicuous place on the premises at which the business is or is intended to be conducted, the name and address of the applicant, the place where the business is to be conducted and the fact that such application has been filed.

The department shall thereupon investigate the character and responsibility of the applicant and the location and premises at which the business is intended to be conducted.

Any person may file within one week after the posting by the department of the facts pertaining to the application as heretofore provided a protest with the department against the issuance of such license. Such protest shall be in writing and shall be signed by the person filing the same or his authorized agent or attorney and shall state the reasons why the license should not be granted.

If the investigation by the department is unsatisfactory, or in the event of a protest, the department shall, not less than fifteen days after the posting of the facts of application, hold a public hearing at a place designated by the department in the city, borough, town or township where the business is to be established. At least five days' notice of the time and place of such hearing shall be given by the department to the applicant and the protestants, if any.

The department shall have the power to issue subpoenas requiring the attendance of witnesses and the production of books and papers pertinent to any hearings which may be held under this act and to administer oaths to and examine such witnesses and to examine such books and papers.

Any witness who refuses to obey a subpoena issued hereunder, or who refuses to be sworn or affirmed, or to testify, or who is guilty of any contempt after summons to appear, may be punished as for contempt of court, and for this purpose an application may be made to any court of common pleas within whose territorial jurisdiction the offense was committed,
for which purpose such court is hereby given jurisdiction.

**Section 7.** The department may refuse to issue licenses whenever, after due investigation and hearing by the department, it finds that the character of the applicant makes him unfit to be an employment agent, or that the proposed plan of business is unjust or unfair under the terms of this act, or that the applicant has been guilty of unethical business practice, or that the applicant being heretofore an employment agent has failed to comply with the existing laws relating thereto, or that the place where the business is to be conducted is not a suitable place therefor, and such places, as well as for other proper reasons, shall be deemed unsuitable if it is to be conducted in rooms used for living purposes, or where boarders or lodgers are kept, or where meals are served, or where persons sleep, or in connection with a building or premises where intoxicating liquors are sold or reputed to be sold (excepting cafes or restaurants in office buildings and hotels which maintain regular office suites), or in a house of ill repute, or in a neighborhood deemed unsatisfactory by the department. No theatrical employment agency shall be conducted in a private home.

**Section 8.** In all other cases the department, upon the compliance by the applicant with the provisions of this act, shall grant such applicant a license for a period of one year. In all cases, whether the license shall be granted or refused, the department shall make such final decision and take such action within (30) days after the filing of the application.

Licenses may be renewed from year to year upon application, payment of license fees and filing of bonds as in the case of original applications.

**Section 9.** No such license shall be granted until the applicant has filed with the secretary a bond of a duly authorized surety company, to be approved by the department, in the penal sum of three thousand ($3,000) dollars payable to the Commonwealth of Pennsylvania, conditioned that the applicant will comply with the provisions of this act and shall pay all damages occasioned to any person by reason of any misstatement, misrepresentation, fraud or deceit or any unlawful act or omission of any such person, his agent or employes, while acting within the scope of their employment, made, committed or omitted in the business conducted under such license, or caused by any other violation of this act in carrying on such business.

All actions upon bonds given under this act shall be in the same manner as actions upon official bonds.

(9 amended Oct. 16, 1972, P.L.917, No.220)

**Section 10.** No person shall open, keep or carry on any employment agency in the Commonwealth of Pennsylvania unless every such person shall have obtained a license to do so.

(1) Licenses to be known as class "1" shall be required for employment agents performing services leading a person to employment, payment for such service being entirely contingent upon the employer offering and the applicant accepting employment and the obligation for payment therefore being made in whole or in part by the applicant. The annual license fee shall be the sum of three hundred ($300) dollars.

(2) Licenses to be known as class "2" shall be required for all modeling and theatrical service agents or bureaus. The annual license fee shall be the sum of three hundred ($300) dollars.

(10 added Oct. 16, 1972, P.L.917, No.220)

**Section 11.** Each applicant for a license shall file with the application a schedule of fees, charges and commissions which he intends to charge and collect for his services, together with a copy of all forms and contracts to be used in the operation of the agency. Such schedule of fees, charges and commissions may thereafter be changed by filing with the department an amended or supplemental schedule showing such changes at least fifteen (15) days before the change is to become effective. Any change in forms or contracts must be filed with the department at least fifteen (15) days before such change is to become effective. Such schedule of fees to be charged shall be posted in a conspicuous place in such agency.

It shall be unlawful for any employment agency to charge, collect or receive a greater compensation for any service performed by it than is specified in the schedule filed with the department.
Section 12. It shall be unlawful for any person to act or assume to act as an employment agent, counselor or representative without first registering with the department and successfully completing an examination covering the provisions of this act and regulations pertaining thereto.

Registrations shall be effective and the test satisfactorily completed within thirty (30) days from date of employment with the agency. In the event of failure of the examination, provisions shall be made for retesting within a time specified by the department.

A counselor-in-training may perform whatever duties the agency deems necessary to enable the counselor-in-training to become a registered counselor. However, a counselor-in-training may not actually place applicants nor may that counselor-in-training be paid commissions for making such placements.

A fee of fifty ($50) dollars shall accompany an application for registration. A registration may be renewed each year for an additional fee of ten ($10) dollars.

It shall be the responsibility of the employment agent and the counselor or representative to maintain current registration.

(12 added Oct. 16, 1972, P.L.917, No.220)

Section 13. The department, upon its own motion, or upon the filing with it by any person or by any authority, board or commission of the Commonwealth of Pennsylvania of a verified complaint, accompanied by such evidence, documentary or otherwise, as makes out a prima facie case that any registered counselor has violated this act or the regulations pertaining thereto in the performance of his duties, may hold a hearing to determine his continued eligibility for registration.

Any person who violates any provisions of this section or who testifies falsely as to any matter required by the provisions of this section or of this act shall, upon conviction thereof in a summary proceeding, be sentenced to pay a fine of not less than ten ($10) dollars, nor more than one hundred ($100) dollars, or upon nonpayment thereof, to undergo imprisonment for a period of not more than thirty (30) days.

(13 added Oct. 16, 1972, P.L.917, No.220)

Section 14. It shall be the duty of every employment agent to keep a record of every applicant, job order and job placement. Such records shall be kept in a manner acceptable to the department and shall be open during office hours to inspection by the department and its duly authorized agents. No employment agent or his employes shall knowingly make any false entry in such records.

(14 added Oct. 16, 1972, P.L.917, No.220)

Section 15. It shall be the duty of the employment agent whenever possible to communicate orally or in writing with at least one of the persons mentioned as reference by any applicant for work in private families or to be employed in a fiduciary capacity, and the result of such investigation shall be kept on file in such agency: Provided, That if the applicant for help voluntarily waives in writing such investigation of references the employment agent shall not be required so to do.

(15 added Oct. 16, 1972, P.L.917, No.220)

Section 16. Every employment agent shall post in conspicuous place in his agency such sections of this act as may be required by the department, copies of which shall be supplied by the department. He shall also post his license in the main room of the agency. He shall further post the notice entitled, 'Employment Provisions-Pennsylvania Human Relations Act' copies of which can be obtained from the Pennsylvania Human Relations Commission.

Every employment agent shall, under rules to be prescribed by the department, furnish the department upon request statements showing the number of applicants and the number and characters of placements and job orders.
Section 17. If, after verbal and written warnings, an employment agent persists in violating sections 14, 15 and 16 of this act, he shall be charged with a summary offense and, upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred ($100) dollars nor more than five hundred ($500) dollars, or upon nonpayment thereof, to undergo imprisonment for a period of not more than thirty (30) days.

Section 18. Every employment agent conducting a theatrical employment agency, before making a theatrical engagement, except an emergency engagement, shall have a bona fide contract in writing for an employe with any employer for services in any such engagement and shall prepare and file in such agency a written statement signed and verified by the employment agent setting forth how long such employer has been engaged in the theatrical business. Every such statement shall be kept for the period of one (1) year and shall set forth whether or not such employer, while financially interested in a theatrical business, has failed to pay salaries or has "left stranded" any company, group or employe during the two (2) years preceding the date of application and further shall set forth the names of at least two persons as references. If such employer is a corporation, such statement shall set forth the names of the officers and directors thereof, the length of time such corporation or any of its officers have been engaged in the theatrical business and the amount of the paid up capital stock. If the employer conducts a cabaret or night club the agent shall include in such statement the name and address of the owner or owners and whether they have failed to pay salaries to employes within the past two (2) years. If any allegations in such written verified statement is made upon information and belief the person verifying this statement shall set forth the sources of his information and the reasons for his belief. Such statement shall be kept on file for the benefit of any employes whose services are sought by any such employers.

Every employment agent conducting a theatrical employment agency who shall procure for or offer to an applicant a theatrical engagement or any kind of employment as an entertainer shall have executed in triplicate a numbered contract containing the name, address and signature of the applicant, the name and address and signature of the employer and that of the employment agency acting for such employer in employing or furnishing such applicant for employment, the character of the entertainment to be given or services to be rendered, the number and time of performances to be given per day or per week, time of rehearsal, by whom the transportation, if any, is to be paid, and, if it is to be paid by the applicant, either the cost of the transportation between the places where said entertainment or services are to be given or rendered or the average cost of such transportation. The contract shall state from whom said applicant is to receive his or her salary, board and lodging, the amount of salary promised and the gross commissions or fees to be paid by the applicant and to whom such gross commissions or fees are to be paid. The original contract shall be given to the applicant for employment; the duplicate contract shall be given to the employer, and the triplicate contract shall be kept on file in the office of the agency for a period of one (1) year.

Such numbered contracts shall contain no other conditions and provisions except such as are equitable among the parties thereto and do not constitute an unreasonable restriction of business.

Section 19. Every employment agent conducting a nurses’ registry shall cause every applicant for employment to fill out an application form giving the following information: the name and address and qualifications of such applicant; the names and places of the hospitals wherein the applicant has studied or has been employed; the length of time of service therein or other experiences in nursing if not in a hospital; and whether such applicant is a graduate trained, certified, registered, undergraduate or practical nurse or trained attendant. There shall be stated on such application the number and date of the certificate issued to such nurse or trained attendant by the Department of Education. Such application form shall be kept on file in the office of the registry and shall be open to the inspection of the Department of Labor and Industry and the Department of Education.

Section 20. (a) No employment agent shall induce or attempt to induce any employe to leave his employment with a view to obtaining other employment through such employment agent.
(b) No employment agent or his representative shall demand, divide, or offer to divide or share directly or indirectly any fees, charge or compensation, received or to be received from any employe, with any employer or person in any way connected with the business thereof.

(c) No employment agency shall accept promissory notes or any other evidence of indebtedness without recourse. No subsequent holder shall be deemed a holder in due course. A violation of this section shall constitute a summary offense under this act.

(d) No employment agent shall publish or cause to be published any false or fraudulent or misleading information, representation, notice or advertisement. All advertisements shall indicate that a fee will be charged whenever the employment agent charges an applicant a fee for its services under the provisions of subsection (m). All advertisements of such employment agent by means of cards, circulars or signs and in newspapers or other publications, and all letterheads, receipts and blanks shall be printed and contain the name and address of such employment agent and the words "employment agency." ((d) amended Dec. 7, 1994, P.L.702, No.105)

(e) No employment agent shall give any false information or make any false promise or false representation concerning an engagement or employment to any employer or to any applicant who shall register or apply for an engagement or employment or help.

(f) No employment agent shall send or cause to be sent any person as a servant, employe, entertainer or performer, to any place of bad repute, house of ill fame, or assignation house, or to any house or place of amusement kept for immoral purposes, or place resorted to for the purpose of prostitution, or gambling house, the character of which the employment agent could have ascertained upon reasonable inquiry.

(g) No employment agent shall send out any applicant for employment without making a reasonable effort to investigate the character of the employer.

(h) No such employment agent shall send out any applicant for employment without having obtained a bona fide order therefor. For the purposes of this act, a bona fide job order shall include the following information:

1. Name and address of employer seeking applicant.
2. Full name and position of person giving job order.
3. Name of person accepting job order on behalf of employment agent.
4. Date on which job order is accepted.
5. Location for which applicant is requested.
7. Job description.
8. Starting salary range (commissions, bonuses, draw).
9. Fee policy of employer.
10. Educational and experience requirements for particular position.

(i) No employment agent shall advertise any position unless such employment agent has a bona fide job order for said position.

(j) No employment agent or his representatives shall send any applicant to any place where a strike, a lock out or other labor trouble exists without first notifying the applicant of such conditions, and shall in addition thereto enter a complete statement of such facts upon the receipt given to such applicant.

(k) No employment agent or representative shall, when acting in the capacity of either an employer or an employment agent or representative, engage in any policies or practices deemed to be unlawful discriminatory practices by the act of October 27, 1955 (P.L.744), the "Pennsylvania Human Relations Act," as amended.

(l) Every employment agent shall give to each applicant who signs a contract, a copy of said contract at the time of application.
(m) No employment agent shall charge a fee for its services until the applicant has accepted a position. "Accept a position" shall mean that an applicant has actually reported for work having met all of the conditions of employment, or has a definite agreement with an employer concerning starting date, starting salary (including bonuses, commissions, etc.) and duties.

For a position known to be of a duration of ten (10) weeks or less or for a position that the applicant loses within a period of ten (10) weeks after the starting date, the fee will be a maximum of ten (10%) percent of the amount earned, except if the applicant fails to report as agreed or resigns to accept employment elsewhere, then the agency shall be entitled to its full fee.

(n) No employment agent shall charge a registration fee. Any person who violates any provision of this section is guilty of a summary offense and, upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred ($100) dollars nor more than five hundred ($500) dollars, or, in default of payment, shall undergo imprisonment for a period of not more than thirty (30) days.

(20 added Oct. 16, 1972, P.L.917, No.220)

Section 21. If, after conviction of any violation of this act or the rules and regulations pertaining thereto, an employment agent persists in violating this act and the rules and regulations pertaining thereto, by three (3) or more convictions in any twenty-four-month period, the department may suspend the license of said agent after hearing upon due notice to the holder of such license. The period of such suspension shall be at the discretion of the department, but in any case shall not be less than ten (10) calendar days nor exceed ninety (90) days. Upon order of suspension of the license, the employment agent shall immediately deliver the license to the department and shall cease and desist all activity as an employment agent for the duration of the suspension.

Any person who violates the provision of this section is guilty of a summary offense and upon conviction thereof shall be sentenced to pay a fine of not less than two hundred ($200) dollars, nor more than five hundred ($500) dollars and in addition thereto, the license of such employment agent may be revoked at the request of the department.

(21 added Oct. 16, 1972, P.L.917, No.220)

Section 22. Any person who violates any provision of this act or the rules and regulations pertaining thereto for which no other specific penalty is provided shall be guilty of a summary offense and upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred ($100) dollars nor more than five hundred ($500) dollars, or to, on default in the payment thereof, undergo imprisonment for a period of not more than thirty (30) days.

(22 added Oct. 16, 1972, P.L.917, No.220)

Section 23. As an alternative, supplemental and additional remedy in cases of unlawful practices, the department may institute proceedings in the court asking for the revocation of such license. (Par. repealed in part Apr. 28, 1978, P.L.202, No.53)

Whenever a license shall be revoked, the department shall not, within one (1) year, of such revocation, issue another license to such person. No such person shall be employed during such period by any other employment agent.

(23 added Oct. 16, 1972, P.L.917, No.220)

Section 24. There is hereby created in the Department of Labor and Industry an Employment Agency Advisory Council consisting of seven (7) members to be appointed for a term of two (2) years by the secretary to assist him in carrying out his duties under this act and for the purpose of conducting public hearings at the request of the secretary to recommend rules and regulations for the implementation of this act.

The members of the advisory council shall, insofar as possible, be geographically representative of the various segments of the private employment agency business, one from the Eastern Pennsylvania area, one from the Central
Pennsylvania area, one from the Western Pennsylvania area, one from the Bureau of Consumer Protection, one from the Department of Labor and Industry and two citizens of the Commonwealth of good repute. The council shall organize and elect a chairman and thereafter meet upon the call of the chairman or a majority of the members. Each member of the council shall receive thirty ($30) dollars per day plus necessary expenses for each day actually spent in the performance of his duty.

The council shall have the power and duty to:

1. Consult with the secretary concerning any matter arising under the administration of this act.
2. Conduct hearings at the request of the secretary to develop rules and regulations for the implementation of this act.
3. Advise the secretary on matters pertaining to the private employment agency industry.

(24 added Oct. 16, 1972, P.L.917, No.220)

Section 25. The secretary shall be charged with the enforcement of the provisions of this act and shall have power to make and enforce such reasonable rules and regulations for the conduct of the business of employment agents as may be necessary to carry out the laws relating thereto. For the purpose of enforcing this act, the secretary shall appoint inspectors who shall have power to execute and serve all warrants and processes of law issued by any justice of the peace, alderman and magistrate or by any court of competent jurisdiction in the same manner as sheriffs, constables or police officers may serve and execute such processes. Such inspectors may arrest on view and without warrant any unlicensed person detected by them violating any of the provisions of this act and may take such person so offending before any justice of the peace, alderman or magistrate and there make a complaint against him.

(25 added Oct. 16, 1972, P.L.917, No.220)

Section 26. All registers, books, records and other papers required by this act to be kept by any employment agent shall be open at all reasonable hours to the inspection of the department and its inspectors. An auditor may be sent to the office of any employment agent by the department at least once a year, or more often if necessary, to obtain information for the use of the department.

(26 added Oct. 16, 1972, P.L.917, No.220)

Section 27. All moneys or fees required to be paid under this act shall be collected by the department and by it paid into the State Treasury through the Department of Revenue.

(27 added Oct. 16, 1972, P.L.917, No.220)