
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 884 Session of
2025

INTRODUCED BY MADSEN, PIELLI, SIEGEL, HOWARD, KINKEAD, HILL-
EVANS, KHAN, FLEMING, FIEDLER, GREEN AND WAXMAN,
MARCH 11, 2025

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 11, 2025

AN ACT

1 Establishing the Four-Day Workweek Pilot Program; providing for
2 tax credits to qualifying employers; and imposing duties on
3 the Department of Labor and Industry and the Department of
4 Revenue.

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

3 CHAPTER 1

4 GENERAL PROVISIONS

5 Section 101. Short title.

6 This act shall be known and may be cited as the Four-Day
7 Workweek Act.

8 Section 102. Definitions.

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

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

14 "Governmental unit." The following:

15 (1) The Commonwealth.

16 (2) A county, municipal corporation or other political
17 subdivision of the Commonwealth.

18 (3) A unit of the State government or of a political
19 subdivision.

20 "Program." The Four-Day Workweek Pilot Program established
21 under section 302.

22 "Qualifying employer." An employer that enters into an
23 agreement to participate in the program under section 303.

24 CHAPTER 3

25 FOUR-DAY WORKWEEK PILOT PROGRAM AND TAX CREDIT

26 Section 301. Purpose.

27 The purpose of the program is to promote, incentivize and
28 support the study of the use of a four-day workweek by private
29 and public employers in this Commonwealth.

30 Section 302. Program and administration.

1 (a) Establishment.--The Four-Day Workweek Pilot Program is
2 established in the department.

3 (b) Duties of department.--The department shall:

4 (1) Coordinate with the Department of Revenue to
5 administer the program, including the tax credit authorized
6 under section 304.

7 (2) Encourage governmental units to institute a four-day
8 workweek.

9 (3) Study and gather information on the impact of the
10 program on qualifying employers and governmental units.

11 (4) Conduct and promote research on four-day workweeks
12 that exist outside the program, including four-day workweeks
13 established internationally.

14 (5) Facilitate public discussion with qualifying
15 employers and governmental units that have instituted a four-
16 day workweek.

17 (c) Information required.--A qualified employer or
18 governmental unit that institutes a four-day workweek shall
19 provide any information requested by the department for the
20 purpose of the department complying with subsection (b) (3).
21 Section 303. Application.

22 (a) Application.--An employer may apply to participate in
23 the program with the department on a form provided by the
24 department.

25 (b) Contents of application.--The application shall include:

26 (1) A proposal to transition the applicant's workforce
27 or a division of the applicant's workforce from a five-day
28 workweek to a four-day workweek, which shall:

29 (i) Apply to at least 30 employees.

30 (ii) Affirm the applicant's commitment to the

1 program requirements and agree to submit any required
2 surveys or reports as requested by the department.

3 (2) Any other information required by the department.

4 (c) Agreement.--The department may approve an application
5 for participation in the program if the applicant enters an
6 agreement that:

7 (1) Provides that an employee transitioning to a four-
8 day workweek will not receive a reduction in pay or benefits.

9 (2) Allows the department to research the impact of
10 transitioning to a four-day workweek through employee
11 surveys, interviews and other information gathering.

12 Section 304. Certificate of completion.

13 (a) Department duties and restrictions.--

14 (1) Before issuing a certificate for completion of the
15 program, the department shall confirm that the qualifying
16 employer maintained compliance with its proposal to
17 participate in the program.

18 (2) The department shall determine the amount of the tax
19 credit approved for each qualifying employer receiving a
20 certificate. The amount determined under this paragraph shall
21 be stated on a certificate issued under this section.

22 (3) The department shall determine the amount of the tax
23 credit stated on a certificate through the use of:

24 (i) a fixed dollar amount for each qualifying
25 employer, not exceeding \$250,000; or

26 (ii) a \$5,000 tax credit for each employee of the
27 qualifying employer participating in the program.

28 (4) The department may not issue certificates for credit
29 amounts in the aggregate totaling more than \$15,000,000 per
30 fiscal year.

1 (5) If the aggregate amount of tax credit certificates
2 issued during a fiscal year totals less than the maximum
3 amount under paragraph (4), any excess amount may be issued
4 in a subsequent fiscal year.

5 (b) Issuance of certificate.--Upon the completion of the
6 program, the department shall provide a certificate to a
7 qualifying employer demonstrating that the qualifying employer
8 successfully completed the program and met the following
9 requirements:

10 (1) Participated in the program for at least one year.

11 (2) Submitted:

12 (i) All reports, surveys and other required
13 documentation for the program, including information
14 pertaining to:

15 (A) Overall satisfaction with the program.

16 (B) Problems with implementation or the
17 continuation of the program.

18 (C) Reasons for discontinuing the program.

19 (D) Description of efficiencies produced by the
20 program.

21 (E) Description of any revenue savings that were
22 a result of the program.

23 (F) Comparison of use of leave under the program
24 and in previous years.

25 (G) Likelihood of continuing the program.

26 (H) Improvements or decreases in employee
27 mental, physical and emotional health.

28 (I) If employees were more likely to be retained
29 or if there was an increase in employees leaving as a
30 result of the program.

1 (J) Any other information deemed necessary by
2 the department.

3 (ii) Proof that the qualifying employer has not
4 decreased the salaries or the benefits of the employees
5 who participated in the program.

6 (iii) Any other documentation required by the
7 department.

8 (c) Submission to Department of Revenue.--Upon receipt of
9 the certificate, a qualifying employer may submit the
10 certificate to the Department of Revenue and claim a credit
11 against the State income tax in the amount stated on the
12 certificate.

13 (d) Guidelines.--The department shall adopt guidelines that
14 establish criteria and procedures for:

15 (1) Issuing certificates.

16 (2) Determining the amount of a tax credit approved for
17 each qualifying employer that was issued a certificate under
18 this section.

19 Section 305. Reports.

20 (a) Report on certificates.--On or before January 31 of each
21 year, the department shall submit a report to the General
22 Assembly that identifies each qualified employer that was issued
23 a certificate during the immediately preceding year and the
24 amount of the tax credit stated on each certificate.

25 (b) Program status report.--On or before December 1 of each
26 year, the department shall submit a report to the Governor and
27 the General Assembly on the status of the program, which shall
28 include:

29 (1) The number of employers participating in the
30 program.

