

HOUSE BILL 864

P2

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HB 1017/25 – ECM

By: **Delegates Wells, Coley, Addison, Alston, Boafo, Ivey, J. Long, Palakovich Carr, Pasteur, Roberson, Roberts, Ruff, Ruth, Solomon, Stinnett, Turner, Wims, Woods, and Young**

Introduced and read first time: February 4, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

2 **Public Works Contracts – Apprenticeship Requirements**
3 **(Maryland Workforce Apprenticeship Utilization Act)**

4 FOR the purpose of altering certain apprenticeship requirements relating to public works
5 contracts to require certain contractors and subcontractors to employ a certain
6 number of qualified apprentices or journeyworkers necessary to meet a certain
7 applicable percentage for the project; altering which projects are subject to certain
8 apprenticeship requirements; repealing certain provisions of law that authorize
9 contractors and subcontractors to make certain payments to a certain apprenticeship
10 program in lieu of employing certain apprentices; requiring the Secretary of Labor
11 to annually establish a certain applicable percentage; authorizing the Secretary to
12 waive certain requirements under certain circumstances; establishing that certain
13 apprenticeship requirements apply to the University System of Maryland and
14 Baltimore City Community College; and generally relating to apprenticeship
15 requirements for public works contracts.

16 BY repealing and reenacting, with amendments,
17 Article – State Finance and Procurement
18 Section 11–203(e), 17–601, 17–603, 17–604, and 17–606
19 Annotated Code of Maryland
20 (2021 Replacement Volume and 2025 Supplement)

21 BY adding to
22 Article – State Finance and Procurement
23 Section 17–601.1, 17–602.1, 17–604.1, 17–605.1, and 17–607
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2025 Supplement)

26 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Finance and Procurement
2 Section 17–602
3 Annotated Code of Maryland
4 (2021 Replacement Volume and 2025 Supplement)

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
6 That the Laws of Maryland read as follows:

7 **Article – State Finance and Procurement**

8 11–203.

9 (e) (1) In this subsection, “University” means the University System of
10 Maryland, Morgan State University, or St. Mary’s College of Maryland.

11 (2) Except as otherwise provided in this subsection, this Division II does
12 not apply to the University System of Maryland, Morgan State University, St. Mary’s
13 College of Maryland, or Baltimore City Community College.

14 (3) (i) A procurement by a University or Baltimore City Community
15 College shall comply with the policies and procedures developed by the University or
16 Baltimore City Community College and approved by the Board of Public Works and the
17 Administrative, Executive, and Legislative Review Committee of the General Assembly in
18 accordance with:

19 1. § 12–112 of the Education Article for the University
20 System of Maryland;

21 2. § 14–109 of the Education Article for Morgan State
22 University;

23 3. § 14–405(f) of the Education Article for St. Mary’s College
24 of Maryland; or

25 4. § 16–505.3 of the Education Article for Baltimore City
26 Community College.

27 (ii) 1. The review and approval of the Board of Public Works
28 shall be required for the following types of contracts with a value that exceeds \$1,000,000
29 for a University or \$500,000 for Baltimore City Community College:

30 A. capital improvements; and

31 B. services.

32 2. In its review of a contract for services or capital
33 improvements with a value that exceeds \$1,000,000, the Board of Public Works may request

1 the comments of the appropriate agencies, including the Department of Budget and
2 Management and the Department of General Services.

12 (4) The policies of a University or Baltimore City Community College shall:

15 (ii) promote the purposes of the regulations adopted by the
16 Department of General Services governing the procurement of architectural and
17 engineering services;

20 (iv) to the maximum extent practicable, be similar to § 13–218.1 of
21 this article; and

22 (v) to the maximum extent practicable, require the procurement of
23 food in accordance with Title 14, Subtitle 7 of this article.

27 1. § 11–205 of this subtitle (“Collusion”);

32 4. § 13–225 of this article (“Retainage”);

20 (6) (i) The State Board of Contract Appeals shall have authority over
21 contract claims related to procurement contracts awarded by:

22 1. the University System of Maryland before July 1, 1999;

23 2. Morgan State University before July 1, 2004; and

3. Baltimore City Community College before July 1, 2021.

25 (ii) At the election of the Board of Regents of the University System
26 of Maryland and subject to the approval of the Board of Public Works, the State Board of
27 Contract Appeals shall have authority over contract claims related to procurement
28 contracts awarded by the University after June 30, 1999.

1 (iv) At the election of the Board of Trustees of St. Mary's College of
2 Maryland and subject to the approval of the Board of Public Works, the State Board of
3 Contract Appeals shall have authority over contract claims related to procurement
4 contracts awarded by St. Mary's College of Maryland after June 30, 2006.

5 (v) At the election of the Board of Trustees of Baltimore City
6 Community College and subject to the approval of the Board of Public Works, the State
7 Board of Contract Appeals shall have authority over contract claims related to procurement
8 contracts awarded by Baltimore City Community College after June 30, 2021.

(7) Except with regard to the provisions of § 15–113 of this article, paragraphs (3), (4), and (5) of this subsection do not apply to:

21 (ii) procurement by a University in support of enterprise activities
22 for the purpose of:

5 17-601.

6 (a) In this subtitle the following words have the meanings indicated.

7 (B) "APPLICABLE PERCENTAGE" MEANS THE PERCENTAGE OF TOTAL
8 LABOR HOURS OF WORK ON A COVERED PROJECT, INCLUDING CONSTRUCTION,
9 ALTERATION, AND REPAIR WORK, PERFORMED BY AN APPRENTICE OR A
10 JOURNEYWORKER ESTABLISHED UNDER § 17-602.1 OF THIS SUBTITLE.

11 [b] (c) "Apprenticeship training program" means an apprenticeship training
12 program that:

15 (2) COMPLIES WITH THE REQUIREMENTS OF 29 C.F.R. PART 29 AND
16 PART 30.

17 [(c)] (D) “Covered craft” means a classification of workers listed in the prevailing
18 wage determination applicable to the covered project.

19 [(d)] (E) “Covered project” means a project for the construction of a public work[,
20 as defined under § 17–201 of this title, that is valued at \$500,000 or more] THAT IS
21 SUBJECT TO SUBTITLE 2 OF THIS TITLE.

22 [(e)] (F) "Department" means the Maryland Department of Labor.

23 [f] (G) "Fund" means the State Apprenticeship Training Fund established
24 under § 17–602 of this subtitle.

25 (H) "LABOR HOURS" MEANS THE TOTAL NUMBER OF HOURS DEVOTED TO
26 THE PERFORMANCE OF CONSTRUCTION, ALTERATION, OR REPAIR WORK BY ANY
27 INDIVIDUAL AND EXCLUDES HOURS WORKED BY:

28 (1) FOREMEN;

29 (2) SUPERINTENDENTS:

30 (3) OWNERS: OR

4 [(g)] (I) “Participates in an apprenticeship training program” means that a
5 contractor or subcontractor makes regular financial contributions for each covered craft to
6 apprenticeship training programs for covered crafts during the term of the covered project
7 that are at least equal to the hourly fringe benefit contribution rates required for
8 apprenticeship training by the applicable prevailing wage determination for the project, as
9 specified by the Secretary.

10 (J) "QUALIFIED APPRENTICE OR JOURNEYWORKER" MEANS AN
11 INDIVIDUAL WHO IS PARTICIPATING IN AN APPRENTICESHIP TRAINING PROGRAM.

12 [(h)] (K) “Secretary” means the Secretary of Labor.

13 17-601.1.

14 (A) THIS SUBTITLE APPLIES ONLY TO CONTRACTORS AND
15 SUBCONTRACTORS WHO EMPLOY FOUR OR MORE INDIVIDUALS TO PERFORM WORK
16 ON A COVERED PROJECT.

17 (B) NOTHING IN THIS SUBTITLE MAY PREEMPT A LOCAL LAW OR POLICY
18 PROVIDING FOR ADDITIONAL SKILLED AND TRAINED WORKFORCE REQUIREMENTS
19 ON PUBLIC WORKS PROJECTS.

20 17-602.

21 (a) There is a State Apprenticeship Training Fund in the Department.

22 (b) The Fund consists of:

23 (1) payments made by contractors or subcontractors in accordance with
24 this subtitle and Subtitle 6A of this title;

25 (2) penalties collected as a result of violations of this subtitle and Subtitle
26 6A of this title; and

27 (3) penalties collected as a result of violations of Title 14, Subtitle 8 of this
28 article.

29 (c) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of this
30 article.

31 (d) The State Treasurer shall hold the Fund separately, and the Comptroller shall
32 account for the Fund.

(e) The Secretary shall use money in the Fund to:

(1) promote preapprenticeship programs and other workforce development programs in the State's public secondary schools and community colleges that assist students in preparing for and entering apprenticeship training programs; and

(2) pay any costs associated with carrying out the provisions of this subtitle and Subtitle 6A of this title or Title 14, Subtitle 8 of this article.

7 17-602.1.

8 (A) FOR CONSTRUCTION ON A COVERED PROJECT FOR WHICH A PUBLIC
9 BODY ADVERTISES FOR BIDS OR PROPOSALS FOR A PUBLIC WORKS CONTRACT ON
10 OR AFTER JANUARY 1, 2027, THE APPLICABLE PERCENTAGE IS 20%.

14 (C) THE SECRETARY MAY ALTER THE APPLICABLE PERCENTAGE FOR A
15 COVERED PROJECT TO MEET ANY RATIO REQUIREMENTS NECESSARY FOR
16 APPRENTICE OR JOURNEYWORKER SUPERVISION IN THE COVERED CRAFT.

17 17-603.

18 (a) A contractor that is awarded a procurement contract for a covered project shall
19 provide to a unit, as a condition of receiving the contract, written verification that:

25 (2) the contractor will make payments to the Fund]; or

26 (3) the contractor will make payments in amounts determined under §
27 17–605 of this subtitle to a registered apprenticeship program or to an organization that
28 has registered apprenticeship programs for the purpose of supporting these programs].

29 (b) The written verification required under subsection (a) of this section shall be
30 provided by a contractor to the unit responsible for the project before the contractor
31 commences performance under the procurement contract.

1 [(c) Organizations that have registered apprenticeship programs and receive
2 funds from contractors under subsection (a)(3) of this section shall certify to the Secretary
3 that all funds received are used solely for the purpose of improving or expanding
4 apprenticeship training in the State.]

5 (d) The Secretary shall adopt regulations to establish a process for auditing
6 organizations that provide registered apprenticeship programs to ensure that all funds
7 received under subsection (a)(3) of this section are used solely to improve and expand
8 apprenticeship programs in the State.]

9 17–604.

10 (a) A subcontractor that performs work at a value exceeding the small
11 procurement amount specified in § 13–109 of this article for a covered project shall provide
12 to a unit written verification that:

13 (1) the subcontractor [participates in an apprenticeship training program
14 for each covered craft in which it will employ persons] **IS EMPLOYING THE NUMBER OF
15 QUALIFIED APPRENTICES OR JOURNEYWORKERS FOR A COVERED PROJECT
16 NECESSARY TO MEET THE APPLICABLE PERCENTAGE** for the covered project; OR

17 (2) the subcontractor will make payments to the Fund[; or

18 (3) the subcontractor will make payments in amounts determined under §
19 17–605 of this subtitle to a registered apprenticeship program or to an organization that
20 has registered apprenticeship programs for the purpose of supporting these programs].

21 (b) The written verification required under subsection (a) of this section shall be
22 provided by a subcontractor to the unit responsible for the project before the subcontractor
23 commences performance under the procurement contract.

24 [(c) Organizations that have registered apprenticeship programs and receive
25 funds from contractors under subsection (a)(3) of this section shall certify to the Secretary
26 that all funds received are used solely for the purpose of improving or expanding
27 apprenticeship training in the State.]

28 (d) The Secretary shall adopt regulations to establish a process for auditing
29 organizations that provide registered apprenticeship programs to ensure that all funds
30 received under subsection (a)(3) of this section are used solely to improve and expand
31 apprenticeship programs in the State.]

32 17–604.1.

33 (A) **IN THIS SECTION, “ALL APPLICABLE APPRENTICESHIP TRAINING
34 PROGRAMS” MEANS EACH APPRENTICESHIP TRAINING PROGRAM THAT HAS A
35 GEOGRAPHIC AREA OF OPERATION THAT INCLUDES THE LOCATION OF THE**

1 COVERED PROJECT AND HAS A USUAL AND CUSTOMARY BUSINESS PRACTICE OF
2 ENTERING INTO AGREEMENTS WITH EMPLOYERS FOR THE PLACEMENT OF
3 APPRENTICES IN THE COVERED CRAFT.

4 (B) THE SECRETARY MAY WAIVE THE REQUIREMENTS UNDER § 17–603 OR
5 § 17–604 OF THIS SUBTITLE IF A CONTRACTOR OR SUBCONTRACTOR SUBMITS A
6 WRITTEN WAIVER APPLICATION, INCLUDING ANY SUPPORTING DOCUMENTATION
7 REQUIRED BY THE SECRETARY, DEMONSTRATING THAT THE CONTRACTOR OR
8 SUBCONTRACTOR:

9 (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, HAS REQUESTED
10 QUALIFIED APPRENTICES FROM ALL APPLICABLE APPRENTICESHIP TRAINING
11 PROGRAMS; AND

12 (2) FOR EACH REQUEST:

13 (I) THE REQUEST HAS BEEN DENIED FOR A REASON THAT IS
14 NOT THE RESULT OF A REFUSAL BY THE CONTRACTOR OR SUBCONTRACTOR TO
15 COMPLY WITH THE ESTABLISHED STANDARDS AND REQUIREMENTS OF THE
16 APPRENTICESHIP TRAINING PROGRAM; OR

17 (II) THE APPRENTICESHIP TRAINING PROGRAM HAS FAILED TO
18 RESPOND TO THE REQUEST WITHIN 10 BUSINESS DAYS AFTER THE DATE ON WHICH
19 THE APPRENTICESHIP TRAINING PROGRAM RECEIVED THE REQUEST.

20 (C) TO REQUEST QUALIFIED APPRENTICES FROM AN APPRENTICESHIP
21 TRAINING PROGRAM, A CONTRACTOR OR SUBCONTRACTOR SHALL SUBMIT:

22 (1) A REQUEST BY TELEPHONE AND IN WRITING SENT
23 ELECTRONICALLY AND BY REGISTERED MAIL; AND

24 (2) A REQUEST TO AN APPRENTICESHIP TRAINING PROGRAM WITH
25 WHICH THE CONTRACTOR OR SUBCONTRACTOR DOES NOT HAVE AN EXISTING
26 PARTICIPATION AGREEMENT, AT LEAST 90 CALENDAR DAYS BEFORE THE DATE THE
27 CONTRACTOR OR SUBCONTRACTOR EXPECTS TO USE APPRENTICE LABOR.

28 17–605.1.

29 (A) WHILE CONSTRUCTION ACTIVITY ON A COVERED PROJECT IS ONGOING,
30 EACH CONTRACTOR AND SUBCONTRACTOR PERFORMING WORK ON THE COVERED
31 PROJECT SHALL SUBMIT A MONTHLY REPORT TO THE DEPARTMENT THAT
32 INCLUDES:

(1) FOR EACH APPRENTICE OR JOURNEYWORKER:

(I) THE NAME OF THE APPRENTICE OR JOURNEYWORKER;

(II) THE NAME OF THE ASSOCIATED APPRENTICESHIP TRAINING

4 PROGRAM; AND

(III) THE APPRENTICE REGISTRATION OR IDENTIFICATION

11 **(B) WITHIN 60 DAYS AFTER COMPLETING WORK ON A COVERED PROJECT,**
12 EACH CONTRACTOR AND SUBCONTRACTOR SHALL SUBMIT TO THE DEPARTMENT:

19 (c) THE DEPARTMENT SHALL MAINTAIN ON ITS WEBSITE:

20 (1) DATA AGGREGATED FROM THE REPORTS RECEIVED UNDER
21 SUBSECTIONS (A) AND (B) OF THIS SECTION SHOWING THE USE OF QUALIFIED
22 APPRENTICES AND JOURNEYWORKERS ON COVERED PROJECTS; AND

25 17-606.

26 (a) A contractor or subcontractor that fails to meet the requirements of this
27 subtitle shall be liable for an amount equal to:

(2) Any person, firm, or corporation that is found to have made willfully a false or fraudulent representation or omission regarding a material fact in connection with prevailing wage records required by this section shall be liable for a civil penalty in an amount of up to \$1,000 for each employee and each falsified record.

12 (c) (1) The Secretary shall adopt regulations to establish administrative
13 procedures for the collection of payments under this subtitle.

14 (2) (i) The Secretary may file suit to enforce this section in any court of
15 competent jurisdiction.

19 17-607.

20 THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO CARRY OUT THE
21 REQUIREMENTS OF THIS SUBTITLE.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2026.