

SENATE BILL 673

P2

6lr1704
CF HB 1165

By: **Senator A. Washington**

Introduced and read first time: February 6, 2026

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2026

CHAPTER _____

1 AN ACT concerning

2 **State Procurement – Apprenticeship Program Accountability and Completion**

3 FOR the purpose of requiring certain apprenticeship programs utilized in certain State
4 procurements to have at least a certain completion rate, as determined by the
5 Maryland Department of Labor; and generally relating to the use of apprentices in
6 State procurement.

7 BY repealing and reenacting, with amendments,

8 Article – State Finance and Procurement

9 Section ~~14–801, 14–802, 17–201, 17–205, 17–601(b), and 17–6A–01(f)~~ 17–601, and
10 17–6A–01

11 Annotated Code of Maryland

12 (2021 Replacement Volume and 2025 Supplement)

13 BY repealing and reenacting, without amendments,

14 Article – State Finance and Procurement

15 Section ~~17–601(a), (c), (f), (g), and (h)~~, 17–602, 17–603(a), 17–604(a), ~~17–6A–01(a),~~
16 ~~(d), and (e)~~, and 17–6A–02(a)

17 Annotated Code of Maryland

18 (2021 Replacement Volume and 2025 Supplement)

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

21 **Article – State Finance and Procurement**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 14-801.

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

3 **(B) “APPRENTICESHIP COHORT” MEANS A GROUP OF APPRENTICES**
 4 **REGISTERED WITH A SPECIFIC APPRENTICESHIP PROGRAM DURING A 1-YEAR**
 5 **PERIOD, EXCLUDING ANY APPRENTICES TERMINATED DURING THEIR**
 6 **PROBATIONARY PERIOD.**

7 **(C) “COMPLETION RATE” MEANS:**

8 **(1) FOR GROUP NONJOINT APPRENTICESHIP PROGRAMS, THE**
 9 **PERCENTAGE OF AN APPRENTICESHIP COHORT PER EMPLOYER THAT RECEIVES A**
 10 **CERTIFICATE OF APPRENTICESHIP COMPLETION WITHIN 1 YEAR AFTER THE**
 11 **PROJECTED COMPLETION DATE; OR**

12 **(2) FOR GROUP JOINT, INDIVIDUAL NONJOINT, INDIVIDUAL JOINT,**
 13 **AND WAIVER APPRENTICESHIP PROGRAMS, THE PERCENTAGE OF AN**
 14 **APPRENTICESHIP COHORT FOR THE PROGRAM THAT RECEIVES A CERTIFICATE OF**
 15 **APPRENTICESHIP COMPLETION WITHIN 1 YEAR AFTER THE PROJECTED**
 16 **COMPLETION DATE.**

17 ~~(b)~~ **(D)** “Covered procurement” means a procurement contract that:

18 (1) meets the criteria established by the Chief Procurement Officer, in
 19 consultation with the Secretary and, for contracts subject to Title 3.5 of this article, the
 20 Secretary of Information Technology, under § 14-802 of this subtitle; and

21 (2) is not a public work contract subject to § 17-202 of this article.

22 ~~(e)~~ **(E)** “Department” means the Maryland Department of Labor.

23 ~~(d)~~ **(F)** “Eligible internship program” means an internship program that
 24 requires a contractor or other entity to provide paid internships that meet standards
 25 established by the Secretary.

26 ~~(e)~~ ~~“Registered apprenticeship program” means an apprenticeship program that:~~

27 ~~(1) is registered with and approved by the Division of Workforce~~
 28 ~~Development and Adult Learning; AND~~

29 ~~(2) HAS A COMPLETION RATE OF AT LEAST 25%, AS DETERMINED BY~~
 30 ~~THE DEPARTMENT.~~

1 **(G) “GROUP JOINT APPRENTICESHIP PROGRAM” MEANS AN**
2 **APPRENTICESHIP PROGRAM THAT HAS A COMMITTEE, COMPOSED OF AN EQUAL**
3 **NUMBER OF REPRESENTATIVES OF EMPLOYERS AND EMPLOYEES, THAT HAS BEEN**
4 **JOINTLY ESTABLISHED BY AN EMPLOYER OR GROUP OF EMPLOYERS AND A**
5 **COLLECTIVE BARGAINING AGENT OR AGENTS.**

6 **(H) “GROUP NONJOINT APPRENTICESHIP PROGRAM” MEANS AN**
7 **APPRENTICESHIP PROGRAM SPONSORED BY TWO OR MORE EMPLOYERS WITHOUT**
8 **THE PARTICIPATION OF A COLLECTIVE BARGAINING AGENT.**

9 **(I) “INDIVIDUAL JOINT APPRENTICESHIP PROGRAM” MEANS AN**
10 **APPRENTICESHIP PROGRAM SPONSORED BY ONE EMPLOYER WITH THE**
11 **PARTICIPATION OF A COLLECTIVE BARGAINING AGENT.**

12 **(J) “INDIVIDUAL NONJOINT APPRENTICESHIP PROGRAM” MEANS AN**
13 **APPRENTICESHIP PROGRAM SPONSORED BY ONE EMPLOYER WITHOUT THE**
14 **PARTICIPATION OF A COLLECTIVE BARGAINING AGENT.**

15 **(K) “REGISTERED APPRENTICESHIP PROGRAM” MEANS AN**
16 **APPRENTICESHIP PROGRAM THAT:**

17 **(1) IS REGISTERED WITH AND APPROVED BY THE DIVISION OF**
18 **WORKFORCE DEVELOPMENT AND ADULT LEARNING; AND**

19 **(2) IF THE PROGRAM HAS GRADUATED AT LEAST ONE**
20 **APPRENTICESHIP COHORT, HAS A COMPLETION RATE OF AT LEAST 25%, AS**
21 **VERIFIED BY THE DEPARTMENT.**

22 ~~(L)~~ **(L)** “Secretary” means the Secretary of Labor.

23 **(M) “WAIVER APPRENTICESHIP PROGRAM” MEANS AN APPRENTICESHIP**
24 **PROGRAM SPONSORED BY AN INDIVIDUAL OR GROUP OF EMPLOYERS WHERE THE**
25 **APPLICABLE COLLECTIVE BARGAINING AGENT WAIVED PARTICIPATION.**

26 14-802.

27 (a) This subtitle applies to a covered procurement made by a unit.

28 (b) A contractor awarded a covered procurement with an estimated total dollar
29 value of \$1,000,000 or more shall utilize **A REGISTERED APPRENTICESHIP PROGRAM OR**
30 an eligible internship program.

31 (c) [A contractor awarded a covered procurement shall utilize a registered
32 apprenticeship program.

1 (d) The Chief Procurement Officer, in consultation with the Secretary and, for
2 contracts subject to Title 3.5 of this article, the Secretary of Information Technology:

3 (1) shall adopt regulations establishing the definition of “covered
4 procurement”; and

5 (2) may adopt:

6 (i) regulations to improve the recruitment or skills of employees of
7 vendors; or

8 (ii) other regulations necessary to carry out this subtitle, including
9 waiver processes.

10 17–201.

11 (a) In this subtitle, unless the context indicates otherwise, the following words
12 have the meanings indicated.

13 (b) “Apprentice” means an individual who:

14 (1) is at least 16 years old;

15 (2) has signed with an employer or employer’s agent, an association of
16 employers, an organization of employees, or a joint committee from both, an agreement
17 including a statement of:

18 (i) the trade, craft, or occupation that the individual is learning; and

19 (ii) the beginning and ending dates of the apprenticeship; and

20 (3) is registered in a program of the Council or the Office of Apprenticeship
21 of the United States Department of Labor.

22 (c) “APPRENTICESHIP COHORT” HAS THE MEANING STATED IN § 14–801 OF
23 THIS ARTICLE.

24 (D) “Commissioner” means:

25 (1) the Commissioner of Labor and Industry;

26 (2) the Deputy Commissioner of Labor and Industry; or

27 (3) an authorized representative of the Commissioner.

1 **(E)** “COMPLETION RATE” HAS THE MEANING STATED IN § 14-801 OF THIS
2 ARTICLE.

3 **[(d)] (F)** “Construction” includes all:

4 (1) building;

5 (2) reconstructing;

6 (3) improving;

7 (4) enlarging;

8 (5) painting and decorating;

9 (6) altering;

10 (7) maintaining;

11 (8) repairing; and

12 (9) services provided under a mechanical systems service contract.

13 **[(e)] (G)** “Council” means the Apprenticeship and Training Council.

14 **[(f)] (H)** (1) “Employee” means an apprentice or worker employed by a
15 contractor or subcontractor under a public work contract.

16 (2) “Employee” does not include an individual employed by a public body.

17 **(I)** “GROUP JOINT APPRENTICESHIP PROGRAM” HAS THE MEANING
18 STATED IN § 14-801 OF THIS ARTICLE.

19 **(J)** “GROUP NONJOINT APPRENTICESHIP PROGRAM” HAS THE MEANING
20 STATED IN § 14-801 OF THIS ARTICLE.

21 **(K)** “INDIVIDUAL JOINT APPRENTICESHIP PROGRAM” HAS THE MEANING
22 STATED IN § 14-801 OF THIS ARTICLE.

23 **(L)** “INDIVIDUAL NONJOINT APPRENTICESHIP PROGRAM” HAS THE
24 MEANING STATED IN § 14-801 OF THIS ARTICLE.

25 **[(g)] (M)** (1) “Locality” means the county in which the work is to be performed.

26 (2) If the public work is located within 2 or more counties, the locality
27 includes all counties in which the public work is located.

1 ~~[(h)] (N)~~ “Mechanical systems service contract” means a contract for:

2 (1) HVAC systems, including heating, ventilation, ductwork, and
3 cooling/air-conditioning equipment;

4 (2) refrigeration systems;

5 (3) plumbing systems, including pipes, tanks, fittings, and other elements
6 that control the water and gas supply, heating, and sanitation of a building;

7 (4) electrical systems, including electrical components that supply,
8 distribute, generate, and use electrical power, overhead and underground lines, poles,
9 transformers, and other related equipment; and

10 (5) elevator systems, including escalators, moving walkways, and other
11 conveyances.

12 ~~[(i)] (O)~~ “Prevailing wage rate” means the hourly rate of wages paid in the
13 locality as determined by the Commissioner under § 17-208 of this subtitle.

14 ~~[(j)] (P)~~ (1) “Public body” means:

15 (i) the State;

16 (ii) except as provided in paragraph (2)(i) of this subsection, a unit of
17 the State government or instrumentality of the State;

18 (iii) any political subdivision, agency, person, or entity with respect
19 to the construction of any public work for which 25% or more of the money used for
20 construction is State money;

21 (iv) notwithstanding paragraph (2)(ii) of this subsection, a political
22 subdivision if its governing body:

23 1. provides by ordinance or resolution that the political
24 subdivision is covered by this subtitle; and

25 2. gives written notice of that ordinance or resolution to the
26 Commissioner; and

27 (v) the Washington Suburban Sanitary Commission.

28 (2) “Public body” does not include:

1 (i) except as provided in paragraph (1)(v) of this subsection, a unit
2 of the State government or instrumentality of the State funded wholly from a source other
3 than the State; or

4 (ii) any political subdivision, agency, person, or entity with respect
5 to the construction of any public work for which less than 25% of the money used for
6 construction is State money.

7 **[(k)] (Q)** (1) Subject to paragraph (2) of this subsection, “public work” means
8 a structure or work, including a bridge, building, ditch, road, alley, waterwork, or sewage
9 disposal plant, that:

10 (i) is constructed for public use or benefit; or

11 (ii) is paid for wholly or partly by public money.

12 (2) “Public work” does not include:

13 (i) unless let to contract, a structure or work whose construction is
14 performed by a public service company under order of the Public Service Commission or
15 other public authority regardless of:

16 1. public supervision or direction; or

17 2. payment wholly or partly from public money; or

18 (ii) a capital project that receives State funds in the annual State
19 capital budget as:

20 1. a local House of Delegates initiative; or

21 2. a local Senate initiative.

22 **[(l)] (R)** “Public work contract” means a contract for construction of a public
23 work.

24 **(S)** “WAIVER APPRENTICESHIP PROGRAM” HAS THE MEANING STATED IN §
25 14-801 OF THIS ARTICLE.

26 **[(m)] (T)** “Worker” means a laborer or mechanic.

27 17-205.

28 (a) A contractor or subcontractor under a public work contract subject to this
29 subtitle:

1 (1) shall employ only competent workers and apprentices who qualify
2 under subsection (b) of this section;

3 (2) may not employ any individual classified as a helper or trainee; and

4 (3) may refuse to employ a worker who is a resident of another state if the
5 Commissioner finds that the other state enforces a law that prohibits a resident of this
6 State from employment as a worker under a public work contract in that state, unless:

7 (i) the refusal is in conflict or otherwise inconsistent with a federal
8 law applicable to the public work;

9 (ii) the federal government is to pay wholly or partly for the public
10 work; and

11 (iii) the inconsistency with federal law jeopardizes the availability of
12 federal funds for the public work.

13 (b) An apprentice under a public work contract shall be part of and used in
14 accordance with an apprenticeship program **THAT:**

15 **(1) IS registered with the Council and approved by the Office of**
16 **Apprenticeship of the United States Department of Labor; AND**

17 **(2) IF THE PROGRAM HAS GRADUATED AT LEAST ONE**
18 **APPRENTICESHIP COHORT, HAS A COMPLETION RATE OF AT LEAST 25%, AS**
19 **DETERMINED BY THE MARYLAND DEPARTMENT OF LABOR.**

20 ~~17-601.~~

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

22 ~~(b) "Apprenticeship training program" means an apprenticeship training~~
23 ~~program that:~~

24 ~~(1) is registered with, and approved by, the Apprenticeship and Training~~
25 ~~Council or the U.S. Department of Labor; AND~~

26 ~~(2) HAS A COMPLETION RATE OF AT LEAST 25%, AS DETERMINED BY~~
27 ~~THE DEPARTMENT.~~

28 ~~(c) "Department" means the Maryland Department of Labor.~~

29 ~~(f) "Fund" means the State Apprenticeship Training Fund established under §~~
30 ~~17-602 of this subtitle.~~

~~(g) "Participates in an apprenticeship training program" means that a contractor or subcontractor makes regular financial contributions for each covered craft to apprenticeship training programs for covered crafts during the term of the covered project that are at least equal to the hourly fringe benefit contribution rates required for apprenticeship training by the applicable prevailing wage determination for the project, as specified by the Secretary.~~

~~(h) "Secretary" means the Secretary of Labor.~~

17-601.

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

(b) "APPRENTICESHIP COHORT" HAS THE MEANING STATED IN § 14-801 OF THIS ARTICLE.

(C) "Apprenticeship training program" means an apprenticeship training program that:

(1) is registered with, and approved by, the Apprenticeship and Training Council or the U.S. Department of Labor; AND

(2) IF THE PROGRAM HAS GRADUATED AT LEAST ONE APPRENTICESHIP COHORT, HAS A COMPLETION RATE OF AT LEAST 25%, AS VERIFIED BY THE DEPARTMENT.

(D) "COMPLETION RATE" HAS THE MEANING STATED IN § 14-801 OF THIS ARTICLE.

~~[(c)] (E) "Covered craft" means a classification of workers listed in the prevailing wage determination applicable to the covered project.~~

~~[(d)] (F) "Covered project" means a project for the construction of a public work, as defined under § 17-201 of this title, that is valued at \$500,000 or more.~~

~~[(e)] (G) "Department" means the Maryland Department of Labor.~~

~~[(f)] (H) "Fund" means the State Apprenticeship Training Fund established under § 17-602 of this subtitle.~~

(I) "GROUP JOINT APPRENTICESHIP PROGRAM" HAS THE MEANING STATED IN § 14-801 OF THIS ARTICLE.

(J) "GROUP NONJOINT APPRENTICESHIP PROGRAM" HAS THE MEANING STATED IN § 14-801 OF THIS ARTICLE.

1 **(K) “INDIVIDUAL JOINT APPRENTICESHIP PROGRAM” HAS THE MEANING**
 2 **STATED IN § 14-801 OF THIS ARTICLE.**

3 **(L) “INDIVIDUAL NONJOINT APPRENTICESHIP PROGRAM” HAS THE**
 4 **MEANING STATED IN § 14-801 OF THIS ARTICLE.**

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

11 **[(h)] (N) “Secretary” means the Secretary of Labor.**

12 **(O) “WAIVER APPRENTICESHIP PROGRAM” HAS THE MEANING STATED IN §**
 13 **14-801 OF THIS ARTICLE.**

14 17-602.

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

16 (b) The Fund consists of:

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

19 (2) penalties collected as a result of violations of this subtitle and Subtitle
 20 6A of this title; and

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

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

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

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

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

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

3 17-603.

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

6 (1) the contractor participates in an apprenticeship training program for
7 each covered craft in which it will employ persons for the covered project;

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

9 (3) the contractor will make payments in amounts determined under §
10 17-605 of this subtitle to a registered apprenticeship program or to an organization that
11 has registered apprenticeship programs for the purpose of supporting these programs.

12 17-604.

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

16 (1) the subcontractor participates in an apprenticeship training program
17 for each covered craft in which it will employ persons for the covered project;

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

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

22 ~~17-6A-01.~~

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

24 ~~(d) "Department" means the Maryland Department of Labor.~~

25 ~~(e) "Fund" means the State Apprenticeship Training Fund established under §~~
26 ~~17-602 of this title.~~

27 ~~(f) "Registered apprenticeship program" means an apprenticeship program that:~~

28 ~~(1) is registered with, and approved by, the Department or the United~~
29 ~~States Department of Labor; AND~~

1 ~~(2) HAS A COMPLETION RATE OF AT LEAST 25%, AS DETERMINED BY~~
 2 ~~THE DEPARTMENT.~~

3 17-6A-01.

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

5 **(B)** “APPRENTICESHIP COHORT” HAS THE MEANING STATED IN § 14-801 OF
 6 THIS ARTICLE.

7 **(C)** “COMPLETION RATE” HAS THE MEANING STATED IN § 14-801 OF THIS
 8 ARTICLE.

9 **[(b)] (D)** “Construction” includes:

10 (1) building;

11 (2) reconstructing;

12 (3) improving;

13 (4) enlarging;

14 (5) painting and decorating;

15 (6) altering;

16 (7) maintaining; and

17 (8) repairing.

18 **[(c)] (E)** (1) “Covered contract” means a contract:

19 (i) for a capital construction project funded with at least \$1,000,000
 20 of funds in the State capital budget;

21 (ii) entered into by the recipient of the funding in the State capital
 22 budget and a contractor, or the contractor and a subcontractor; and

23 (iii) for an amount of \$500,000 or more.

24 (2) “Covered contract” does not include a contract for a covered project as
 25 defined in § 17-601(d) of this title.

26 **[(d)] (F)** “Department” means the Maryland Department of Labor.

1 [(e)] (G) "Fund" means the State Apprenticeship Training Fund established
2 under § 17-602 of this title.

3 (H) "GROUP JOINT APPRENTICESHIP PROGRAM" HAS THE MEANING
4 STATED IN § 14-801 OF THIS ARTICLE.

5 (I) "GROUP NONJOINT APPRENTICESHIP PROGRAM" HAS THE MEANING
6 STATED IN § 14-801 OF THIS ARTICLE.

7 (J) "INDIVIDUAL JOINT APPRENTICESHIP PROGRAM" HAS THE MEANING
8 STATED IN § 14-801 OF THIS ARTICLE.

9 (K) "INDIVIDUAL NONJOINT APPRENTICESHIP PROGRAM" HAS THE
10 MEANING STATED IN § 14-801 OF THIS ARTICLE.

11 [(f)] (L) "Registered apprenticeship program" means an apprenticeship
12 program that:

13 (1) is registered with, and approved by, the Department or the United
14 States Department of Labor; AND

15 (2) IF THE PROGRAM HAS GRADUATED AT LEAST ONE
16 APPRENTICESHIP COHORT, HAS A COMPLETION RATE OF AT LEAST 25%, AS
17 VERIFIED BY THE DEPARTMENT.

18 [(g)] (M) "Secretary" means the Secretary of Labor.

19 (N) "WAIVER APPRENTICESHIP PROGRAM" HAS THE MEANING STATED IN §
20 14-801 OF THIS ARTICLE.

21 17-6A-02.

22 (a) Except as provided in subsection (b) of this section, each contractor or
23 subcontractor awarded a covered contract shall:

24 (1) (i) be affiliated with a registered apprenticeship program; and

25 (ii) use apprentices from a registered apprenticeship program for
26 each craft or trade in which the contractor or subcontractor employs persons to complete
27 the covered contract;

28 (2) make payments to the Fund; or

29 (3) make payments in amounts determined under § 17-6A-03 of this
30 subtitle to a registered apprenticeship program for the purpose of supporting the program.

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.