

Department of Legislative Services
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2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 194
(Delegate Metzgar)
Government, Labor, and Elections

Incarcerated Job Training Act

This bill requires the Department of Public Safety and Correctional Services (DPSCS) to establish an Incarcerated Individual Apprenticeship Program (Apprenticeship Program), as an independent program that is separate from Maryland Correctional Enterprises (MCE), to provide incarcerated individuals the opportunity to serve as paid apprentices in an agency or a unit of State or local government or with a private entity. The bill establishes requirements for DPSCS and participating employers, including the requirement to determine the wage paid to an incarcerated individual that is not less than the State minimum wage. In addition, if an incarcerated individual successfully completes the program, within 30 days after the scheduled release of the incarcerated individual, DPSCS must provide the incarcerated individual with a certificate demonstrating successful completion of the program.

Fiscal Summary

State Effect: General fund expenditures increase by at least \$297,300 in FY 2027; future years reflect annualization, inflation, and minimum ongoing costs. Revenues are not affected.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	297,300	345,700	362,000	378,500	395,000
Net Effect	(\$297,300)	(\$345,700)	(\$362,000)	(\$378,500)	(\$395,000)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Potential minimal increase in expenditures for local governments that choose to participate in the Apprenticeship Program. Otherwise, the bill is enabling in nature and does not materially affect local finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: The Apprenticeship Program must prioritize employment in skilled trades, with the purpose of assisting incarcerated individuals to develop marketable job skills and to provide incarcerated individuals with the opportunity to earn money that can be used once the incarcerated individual is released from incarceration. An incarcerated individual participating in the program is entitled to the same deductions or allowances for good behavior, observance of discipline and rules, and diligent and faithful labor, and is subject to the same forfeitures or punishments for bad behavior and other violations that otherwise apply to incarcerated individuals under State laws.

DPSCS must assign Apprenticeship Program participants to eligible employers who are participating in the program. An employer may reject the department's proposed assignment or cease participation in the program at any time.

An employer who is an Apprenticeship Program participant must pay to DPSCS the amount agreed on, as part of the agreement for the program, for each day that an incarcerated individual is employed as part of the program. From the payments received, DPSCS must credit the amount held to the incarcerated individual's account, as determined by the department. If DPSCS finds that the spouse, child, or other dependent of an incarcerated individual needs financial support, DPSCS may pay all or part of the payments made under the program, as DPSCS considers proper, to the spouse, child, or other dependent.

The Division of Correction must provide or make arrangements that it considers to be adequate and proper to provide for the guarding, transporting, lodging, feeding, clothing, and medical and other care of an incarcerated individual while the incarcerated individual is participating in the Apprenticeship Program. If an incarcerated individual is assigned to an agency or a unit of State government as a participant in the program, the State must pay the expenses incurred. If an incarcerated individual is assigned to a municipality, county, or private entity, the municipality, county, or private entity must pay the expenses incurred under arrangements made with or satisfactory to DPSCS.

DPSCS may adopt regulations to carry out the bill's provisions.

Current Law: For an overview of registered apprenticeship programs in the State, see the **Appendix – Apprenticeship**.

Maryland Correctional Enterprises: MCE provides work and job training for incarcerated individuals in State correctional facilities. MCE produces goods and supplies services at a cost that does not exceed the prevailing average market price. These goods and services

are used by local, State, and federal agencies. These goods are also available for use by charitable, civic, educational, fraternal, or religious organizations.

Management Council: The MCE Management Council is responsible for advising MCE on its specific proposals to establish new industries and improve the quality and quantity of job training programs and recommending the establishment and maintenance of industrial plants and service centers, as specified. In addition, the council must:

- review the operation of MCE programs to determine (1) whether there is undue competition with private enterprise and recommend necessary adjustments to prevent undue competition and (2) whether there is any negative impact on workers in the State, including wage depression or job displacement;
- review the standards for goods and services and the pricing schedules as recommended by the Chief Executive Officer of MCE;
- review the occupational health and safety record of programs and other working conditions of incarcerated individuals in MCE programs;
- review the success of MCE in (1) meeting the employability development needs of incarcerated individuals and (2) coordinating work programs with other rehabilitative programs;
- solicit and review information pertaining to concerns of participating incarcerated individuals;
- recommend changes as necessary to meet the goals and objectives of MCE;
- solicit ideas, proposals, and suggestions from business representatives, nonprofit organizations, government entities, and members of the public as to how MCE could enhance the work experience of incarcerated individuals and increase the ability of incarcerated individuals to obtain gainful employment after release;
- review and recommend opportunities with private sector employers to expand the Prison Industries Enhancement Program;
- review and identify ways to improve the business practices of MCE in its sales, marketing, inventory, warehousing, and product line operations;
- monitor customer satisfaction with price, quality, delivery, and after delivery service; and
- review and comment on MCE operating and capital budgets, including cash forecasts.

Council members may not receive compensation but are entitled to reimbursement for expenses, as specified.

State Expenditures: General fund expenditures increase by at least \$297,310 in fiscal 2027, which accounts for the bill's October 1, 2026 effective date. This estimate

reflects the cost of hiring one program coordinator, one administrative aide, and two correctional officers to develop and implement the Apprenticeship Program, including supervising the apprentices when they are at their workplace. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	4.0
Salaries and Fringe Benefits	\$260,747
Operating Expenses	<u>36,563</u>
Minimum FY 2027 State Expenditures	\$297,310

Future year expenditures – which reflect minimum costs – reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

This estimate does not include any costs for transporting program participants to participating employers (which may involve the purchase of new vehicles). In addition, this estimate assumes that the Apprenticeship Program is established and operated at one DPSCS correctional facility. DPSCS advises that it operates six facilities classified as pre-release with individuals who may meet the criteria for participation in the Apprenticeship Program. However, at this time, the need to establish and operate the program at multiple DPSCS facilities is unclear. To the extent that the program is implemented in additional facilities, the need for additional staff and transportation increases, and general fund expenditures increase further. To the extent that private employers participate, some costs may be mitigated since the employer must pay all security, transportation, and related costs.

This estimate also does not include any costs for any State agencies that elect to participate in the program, as employers, to pay wages to participating incarcerated individuals. Accordingly, State expenditures (multiple fund types) could increase further.

DPSCS can adopt regulations with existing budgeted resources.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 289 of 2025 and HB 1405 of 2024.

Designated Cross File: None.

Information Source(s): Maryland Environmental Service; Howard and Prince George's counties; Maryland Municipal League; Maryland Department of Agriculture; Maryland HB 194/ Page 4

Department of the Environment; Department of Housing and Community Development; Maryland Department of Labor; Department of Natural Resources; Department of Public Safety and Correctional Services; Maryland Department of Transportation; Department of Legislative Services

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Appendix – Apprenticeship

Generally, apprenticeship is a voluntary, industry-sponsored system that prepares individuals for occupations typically requiring high-level skills and related technical knowledge. Apprenticeships are sponsored by one or more employers or jointly by a labor-management committee. An apprentice receives supervised, structured, on-the-job training under the direction of a skilled journeyperson and related technical instruction in a specific occupation. Apprenticeships are designed to meet the workforce needs of the program sponsor. Many industry sponsors use apprenticeship as a method to train employees in the knowledge necessary to become a skilled worker. This also means the number of apprenticeships available is dependent on the current workforce needs of the industry and the capacity and willingness of employers or employer groups to supervise them.

Apprenticeships are available to individuals age 16 and older; an employer, however, may set a higher entry age. By law, individuals must be age 18 to apprentice in hazardous occupations, although there are some exemptions available to minors who are registered as apprentices. Time-based apprenticeships last from one to six years and involve a minimum of 144 hours of related technical instruction and at least 2,000 hours per year of on-the-job training.

A national apprenticeship and training program was established in federal law in 1937 with the passage of the National Apprenticeship Act, also known as the Fitzgerald Act. The purpose of the Act was to promote national standards of apprenticeship and to safeguard the welfare of apprentice workers.

Along with [more than half of other states and the District of Columbia](#), Maryland has chosen to operate its own apprenticeship programs under the federal law. The Division of Workforce Development and Adult Learning (DWDAL) within the Maryland Department of Labor (MD Labor) is responsible for the daily oversight of State apprenticeship programs. More specifically, DWDAL approves new apprenticeship programs as well as changes to current programs and ensures compliance with State and federal requirements. The approval process involves assessing the appropriateness of an apprenticeship program in a proposed industry, the education that will be provided to the apprentice, the current staffing level of the entity proposing the program to determine whether adequate supervision can be provided, recruitment and retention efforts, and the overall operations of the entity. The Maryland Apprenticeship and Training Council serves in an advisory role for legislation and regulations, recommending changes to update apprenticeship laws. Additionally, Chapter 2 of 2025 (discussed further below) established the Maryland Office of Registered Apprenticeship Development (MORAD) within DWDAL's Maryland

Apprenticeship and Training Program (MATP) for the purpose of scaling registered apprenticeships across industries and occupations to meet the needs of the State's economy.

According to MD Labor and as of September 2025, the total number of registered apprenticeships in Maryland is over 13,000, with over 1,400 apprentices graduating from their programs during 2025.

In addition to registered apprenticeship, MD Labor, in collaboration with the Maryland State Department of Education, also operates a parallel youth apprenticeship program aimed at connecting students to paid employment and training opportunities called the Apprenticeship Maryland Program. As of May 2024, there were 1,045 active youth apprenticeships participating in the program.

Apprenticeship 2030 Commission

Chapter 168 of 2023 established the Apprenticeship 2030 Commission. The purpose of the commission is to examine and make recommendations to reduce skill shortages in high-demand occupations and provide affordable training for career pathways for young people by:

- expanding registered apprenticeships in industry sectors with skill shortages;
- growing the number of registered apprentices to at least 60,000 by 2030; and
- reaching the Blueprint for Maryland's Future goal for 45% of high school graduates completing the high school level of a registered apprenticeship.

The Apprenticeship 2030 Commission met four times in 2023, ten times in 2024, and once in 2025 and published [interim](#) and [final](#) reports January 2024 and March 2025, respectively. Additionally, the University of Baltimore Schafer Center, as part of its contract to provide support staff to the commission, undertook a [Survey of Employers and Labor Unions](#) and published findings on the prevalence of, barriers to, and benefits of apprenticeships in February 2025.

Registered Apprenticeship Investments for a Stronger Economy (RAISE) Act

Chapter 2, the RAISE Act, operationalized multiple recommendations from the Apprenticeship 2030 Commission's interim and final reports. Specifically, Chapter 2 establishes (1) MORAD within MATP to scale registered apprenticeships across industries to meet the needs of the State's economy; (2) the Registered Apprenticeship Qualified Intermediary Program within MATP to increase apprenticeship awareness, connect employers and labor organizations with partners, and provide technical assistance to launch and expand apprenticeships; (3) the Registered Apprenticeship Development Advisory

Board to advise MORAD on the strategy to achieve its mission of expanding registered apprenticeship opportunities in the State; and (4) the Maryland Pay Per Apprentice Program and associated special fund to provide grants to employers and sponsors to develop a well-trained, productive workforce that meets the needs of the State's economy and help offset apprenticeship costs.

Recent Reports and Publications

In response to Chapters 307 and 308 of 2024, MD Labor released a report on analyzing the apprenticeship mentoring ratio for all nontraditional apprenticeable occupations in the State. The [report](#) indicates that, for fiscal 2024, there were approximately 694 apprentices employed by 119 employers in nontraditional apprenticeships (those outside the traditional building trades).

The 2022 *Joint Chairmen's Report* (JCR) outlined concerns with workforce shortages among government employees in the public safety, health, and transportation sectors. The report directed MD Labor to convene workgroups to study and report on the short-term and long-term needs in each respective sector, as specified. Pursuant to the 2022 JCR, MD Labor released reports from a [Healthcare Apprenticeship Workgroup](#), [Transportation Apprenticeship Workgroup](#), and [Public Safety Apprenticeship Workgroup](#).

The 2024 and 2025 JCR directed multiple agencies to collect data relevant to apprenticeship in the State in accordance with the interim and final recommendations of the Apprenticeship 2030 Commission. This included reports from:

- the Maryland [Department of Public Safety](#) and [Department of Juvenile Services](#) on Public Safety Apprenticeship;
- the Maryland Health Services Cost Review Commission on [Apprenticeships in Maryland Hospitals](#);
- the Maryland Insurance Administration on [Efforts to Support Insurance Industry Apprenticeships](#);
- the Maryland Department of Health on a [Registered Nurse Degree Apprenticeship Program Study](#);
- the Public Service Commission of Maryland on [Apprenticeships Within Public Service Companies](#); and
- the Maryland Department of Budget and Management on [Public Service Registered Apprenticeships within State Government](#).