

SENATE BILL 494

P2, K3

5lr2856
CF 5lr0790

By: **Senator Ellis**

Introduced and read first time: January 23, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Procurement Contracts and Public–Private Partnerships – Project Labor**
3 **Agreements, Community Benefit Agreements, and Use of Registered**
4 **Apprentices**

5 FOR the purpose of establishing requirements related to project labor agreements,
6 community benefit agreements, and the use of registered apprentices under
7 procurement contracts and public–private partnerships; and generally relating to
8 procurement and public–private partnerships.

9 BY repealing and reenacting, without amendments,
10 Article – State Finance and Procurement
11 Section 10A–101(a), (f), and (g), 11–101(a), (f), and (y), 11–203(a), (b)(1)(x), and (e)(1)
12 and (2), and 17–201(a) and (k)
13 Annotated Code of Maryland
14 (2021 Replacement Volume and 2024 Supplement)

15 BY adding to
16 Article – State Finance and Procurement
17 Section 10A–103.1 and 10A–103.2; and 17–1001 through 17–1005 to be under the
18 new subtitle “Subtitle 10. Project Labor Agreements and Community Benefit
19 Agreements”
20 Annotated Code of Maryland
21 (2021 Replacement Volume and 2024 Supplement)

22 BY repealing and reenacting, with amendments,
23 Article – State Finance and Procurement
24 Section 11–203(c), (e)(5), (g), (i), (j), and (k)
25 Annotated Code of Maryland
26 (2021 Replacement Volume and 2024 Supplement)

27 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government
2 Section 20–601(a) and (i)
3 Annotated Code of Maryland
4 (2021 Replacement Volume and 2024 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 10A–101.

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

10 (f) (1) “Public–private partnership” means a method for delivering public
11 infrastructure assets using a long–term, performance–based agreement between a
12 reporting agency and a private entity where appropriate risks and benefits can be allocated
13 in a cost–effective manner between the contractual partners in which:

14 (i) a private entity performs functions normally undertaken by the
15 government, but the reporting agency remains ultimately accountable for the public
16 infrastructure asset and its public function; and

17 (ii) the State may retain ownership in the public infrastructure asset
18 and the private entity may be given additional decision–making rights in determining how
19 the asset is financed, developed, constructed, operated, and maintained over its life cycle.

20 (2) “Public–private partnership” does not include:

21 (i) a short–term operating space lease entered into in the ordinary
22 course of business by a unit of State government and a private entity and approved under
23 § 4–321 or § 12–204 of this article;

24 (ii) a procurement governed by Division II of this article;

25 (iii) public–private partnership agreements entered into by the
26 University System of Maryland, St. Mary’s College of Maryland, Morgan State University,
27 or Baltimore City Community College, where no State funds are used to fund or finance
28 any portion of a capital project; or

29 (iv) a revenue–producing transportation facility under
30 21.01.03.03B.(1)(d) of the Code of Maryland Regulations that is not a public–private
31 partnership as defined under paragraph (1) of this subsection.

32 (g) “Reporting agency” means:

33 (1) the Department of General Services;

- 1 (2) the Maryland Department of Transportation, for public infrastructure
2 assets of any of its modal administrations;
- 3 (3) the Maryland Transportation Authority;
- 4 (4) the University System of Maryland;
- 5 (5) Morgan State University;
- 6 (6) St. Mary's College of Maryland; and
- 7 (7) the Baltimore City Community College.

8 **10A-103.1.**

9 **(A) IN THIS SECTION, "REGISTERED APPRENTICESHIP PROGRAM" HAS THE**
10 **MEANING STATED IN § 17-1001 OF THIS ARTICLE.**

11 **(B) (1) A REPORTING AGENCY SHALL CONSIDER WHETHER IT IS IN THE**
12 **BEST INTEREST OF THE STATE TO USE CONTRACTORS WHO PARTICIPATE IN**
13 **REGISTERED APPRENTICESHIP PROGRAMS AND OFFER A RELIABLE PLAN FOR**
14 **LABOR STAFFING ON A PUBLIC-PRIVATE PARTNERSHIP.**

15 **(2) A DECISION TO REQUIRE OR ENCOURAGE THE USE OF**
16 **CONTRACTORS WHO PARTICIPATE IN REGISTERED APPRENTICESHIP PROGRAMS**
17 **AND OFFER A RELIABLE PLAN FOR LABOR STAFFING ON A PUBLIC-PRIVATE**
18 **PARTNERSHIP:**

19 **(I) SHALL BE MADE ON A PROJECT-BY-PROJECT BASIS AND**
20 **BEFORE SELECTING THE METHOD OF CONTRACTING THE PUBLIC-PRIVATE**
21 **PARTNERSHIP; AND**

22 **(II) MAY BE MADE ONLY IF THE AGREEMENT ADVANCES THE**
23 **STATE'S INTERESTS REGARDING COST, EFFICIENCY, QUALITY, SAFETY, HEALTH,**
24 **TIMELINESS, A SKILLED LABOR FORCE, AND LABOR STABILITY.**

25 **(3) IN MAKING THE DECISION DESCRIBED IN PARAGRAPH (2) OF THIS**
26 **SUBSECTION, THE REPORTING AGENCY SHALL CONSIDER THE TOTALITY OF THE**
27 **CIRCUMSTANCES, INCLUDING:**

28 **(I) THE NUMBER OF TRADES AND CRAFTS ANTICIPATED TO BE**
29 **USED ON THE PUBLIC-PRIVATE PARTNERSHIP;**

1 **(II) THE SIZE, COMPLEXITY, AND URGENCY OF AND NEED FOR**
2 **THE PUBLIC-PRIVATE PARTNERSHIP;**

3 **(III) THE POTENTIAL HARM TO THE PUBLIC IF A DELAY OCCURS;**

4 **(IV) THE IMPACT, IF ANY, ON PROJECT COSTS AND THE STATE'S**
5 **OBLIGATION TO ENCOURAGE MAXIMUM PRACTICABLE COMPETITION FAVORING**
6 **OPEN COMPETITIVE BIDDING DURING THE PROCUREMENT PROCESS;**

7 **(V) THE IMPACT ON THE STATE'S SOCIOECONOMIC**
8 **PROCUREMENT PROGRAM POLICIES INCLUDING THE POLICY TO ADVANCE**
9 **WOMEN- AND MINORITY-OWNED BUSINESSES AND THEIR ABILITY TO COMPETE; AND**

10 **(VI) THE IMPACT ON WORKFORCE DEVELOPMENT AND**
11 **CONSTRUCTION AND THE POTENTIAL FOR GENERATING SKILLS TRAINING AND**
12 **EMPLOYMENT OPPORTUNITIES FOR STATE RESIDENTS.**

13 **(4) FOR EACH PUBLIC-PRIVATE PARTNERSHIP, THE REPORTING**
14 **AGENCY SHALL RECORD THE DECISION MADE UNDER THIS SUBSECTION IN WRITING.**

15 **(5) IF A REPORTING AGENCY MAKES THE DECISION TO REQUIRE OR**
16 **ENCOURAGE THE USE OF CONTRACTORS WHO PARTICIPATE IN REGISTERED**
17 **APPRENTICESHIP PROGRAMS AND OFFER A RELIABLE PLAN FOR LABOR STAFFING**
18 **ON A PUBLIC-PRIVATE PARTNERSHIP, THE APPLICABLE PROCUREMENT**
19 **DOCUMENTS SHALL:**

20 **(I) SPECIFY WHETHER THE QUALIFICATIONS ARE MANDATORY**
21 **OR WILL BE USED AS AN EVALUATION FACTOR IN ESTABLISHING THE**
22 **PUBLIC-PRIVATE PARTNERSHIP; AND**

23 **(II) STATE ANY APPLICABLE APPRENTICESHIP UTILIZATION**
24 **TARGETS OR THRESHOLDS THAT WILL BE CONSIDERED IN THE DETERMINATION**
25 **REGARDING THE ESTABLISHMENT OF THE PUBLIC-PRIVATE PARTNERSHIP**
26 **AGREEMENT.**

27 **(6) (I) A SUCCESSFUL BIDDER SHALL DEMONSTRATE ACCESS TO A**
28 **RELIABLE SUPPLY OF PROPERLY TRAINED PERSONNEL WHO HAVE THE REQUIRED**
29 **SKILL AND SAFETY TRAINING TO ENSURE SUCCESSFUL COMPLETION OF THE**
30 **PUBLIC-PRIVATE PARTNERSHIP BY:**

31 **1. SPONSORING AN APPRENTICESHIP PROGRAM THAT**
32 **WILL SUPPLY APPRENTICES; OR**

1 **2. REACHING AN AGREEMENT WITH AN ENTITY THAT**
2 **OPERATES A REGISTERED APPRENTICESHIP PROGRAM THAT CAN SUPPLY THE**
3 **APPRENTICES.**

4 **(II) THE MARYLAND DEPARTMENT OF LABOR SHALL**
5 **DETERMINE WHETHER A REGISTERED APPRENTICESHIP PROGRAM THAT WILL**
6 **SUPPLY APPRENTICES ON THE PUBLIC-PRIVATE PARTNERSHIP IS IN COMPLIANCE**
7 **WITH APPLICABLE PROGRAM REQUIREMENTS BEFORE THE REPORTING AGENCY**
8 **MAY ESTABLISH THE PUBLIC-PRIVATE PARTNERSHIP.**

9 **(III) THE REPORTING AGENCY SHALL APPROVE THE BIDDER'S**
10 **FULFILLMENT OF THE REQUIREMENTS REGARDING THE USE OF APPRENTICES ON**
11 **THE PUBLIC-PRIVATE PARTNERSHIP.**

12 **10A-103.2.**

13 **(A) IN THIS SECTION, "COMMUNITY BENEFIT AGREEMENT" HAS THE**
14 **MEANING STATED IN § 17-1001 OF THIS ARTICLE.**

15 **(B) (1) IF A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT HAS A**
16 **PROJECTED COST EXCEEDING \$5,000,000, THE REPORTING AGENCY SHALL**
17 **CONSIDER:**

18 **(I) WHETHER ALL OR A SUBSTANTIAL PART OF THE PROJECT IS**
19 **LOCATED IN AN AREA WITH HIGHER THAN AVERAGE UNEMPLOYMENT; AND**

20 **(II) IF SO, WHETHER IT IS IN THE STATE'S BEST INTEREST TO**
21 **CONSIDER WHETHER A BIDDER VOLUNTARILY SUBMITS A COMMUNITY HIRING,**
22 **TRAINING, OR OUTREACH PLAN FOR HIGH UNEMPLOYMENT AREAS AS A FACTOR IN**
23 **THE PROCUREMENT PROCESS OR PUBLIC NOTICE.**

24 **(2) IF THE REPORTING AGENCY DETERMINES, BASED ON A TOTALITY**
25 **OF THE CIRCUMSTANCES, THAT IT IS IN THE BEST INTEREST OF THE STATE TO**
26 **ENCOURAGE THE VOLUNTARY SUBMISSION OF A COMMUNITY BENEFIT AGREEMENT**
27 **ON A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT, THE REPORTING AGENCY**
28 **SHALL:**

29 **(I) RECORD THE DECISION IN WRITING; AND**

30 **(II) INCLUDE IN THE RECORD:**

31 **1. A DEFINITION OF "HIGH UNEMPLOYMENT AREA";**

1 **2. A DESCRIPTION OF THE HIGH UNEMPLOYMENT AREA**
2 **FOR PURPOSES OF THE PROCUREMENT OR PUBLIC NOTICE OF SOLICITATION; AND**

3 **3. AN EXPLANATION OF HOW THE PROFFER OF A**
4 **COMMUNITY HIRING, TRAINING, OR OUTREACH PLAN WILL BE EVALUATED IN THE**
5 **PROCUREMENT PROCESS OR PUBLIC NOTICE OF SOLICITATION.**

6 11-101.

7 (a) In this Division II the following words have the meanings indicated unless:

8 (1) the context clearly requires a different meaning; or

9 (2) a different definition is provided for a particular title or provision.

10 (f) (1) "Construction" means the process of building, altering, improving, or
11 demolishing an improvement to real property.

12 (2) "Construction" includes any major work necessary to repair, prevent
13 damage to, or sustain existing components of an improvement to real property.

14 (3) "Construction" does not include the maintenance or routine operation
15 of an existing improvement to real property, or activities related to an energy performance
16 contract.

17 (y) (1) "Unit" means an officer or other entity that is in the Executive Branch
18 of the State government and is authorized by law to enter into a procurement contract.

19 (2) "Unit" does not include:

20 (i) a bistate, multistate, bicounty, or multicounty governmental
21 agency; or

22 (ii) a special tax district, sanitary district, drainage district, soil
23 conservation district, water supply district, or other political subdivision of the State.

24 11-203.

25 (a) Except as provided in subsection (b) of this section, this Division II does not
26 apply to:

27 (1) procurement by:

28 (i) the Blind Industries and Services of Maryland;

29 (ii) the Maryland State Arts Council, for the support of the arts;

1 (iii) the Maryland Health and Higher Educational Facilities
2 Authority, if no State money is to be spent on a procurement contract;

3 (iv) the Maryland Industrial Training Program or the Partnership
4 for Workforce Quality Program in the Department of Commerce, for training services or
5 programs for new or expanding businesses or industries or businesses or industries in
6 transition;

7 (v) the Maryland Food Center Authority, to the extent the Authority
8 is exempt under Title 10, Subtitle 2 of the Economic Development Article;

9 (vi) the Maryland Public Broadcasting Commission:

10 1. for services of artists for educational and cultural
11 television productions; or

12 2. when planning for or fulfilling the obligations of grants or
13 cooperative agreements that support the educational and cultural activities of the
14 Commission;

15 (vii) public institutions of higher education, for cultural,
16 entertainment, and intercollegiate athletic procurement contracts;

17 (viii) the Maryland State Planning Council on Developmental
18 Disabilities, for services to support demonstration, pilot, and training programs;

19 (ix) the Maryland Historical Trust for:

20 1. surveying and evaluating architecturally, archeologically,
21 historically, or culturally significant properties; and

22 2. other than as to architectural services, preparing historic
23 preservation planning documents and educational material;

24 (x) the University of Maryland, for Global Campus Overseas
25 Programs, if the University adopts regulations that:

26 1. establish policies and procedures governing procurement
27 for Global Campus Overseas Programs; and

28 2. promote the purposes stated in § 11–201(a) of this subtitle;

29 (xi) the Department of Commerce, for negotiating and entering into
30 private sector cooperative marketing projects that directly enhance promotion of Maryland
31 and the tourism industry where there will be a private sector contribution to the project of

1 not less than 50% of the total cost of the project, if the project is reviewed by the Attorney
2 General and approved by the Secretary of Commerce or the Secretary's designee;

3 (xii) the Rural Maryland Council;

4 (xiii) the Maryland State Lottery and Gaming Control Agency, for
5 negotiating and entering into private sector cooperative marketing projects that directly
6 enhance promotion of the Maryland State Lottery and its products, if the cooperative
7 marketing project:

8 1. provides a substantive promotional or marketing value
9 that the lottery determines acceptable in exchange for advertising or other promotional
10 activities provided by the lottery;

11 2. does not involve the advertising or other promotion of
12 alcohol or tobacco products; and

13 3. is reviewed by the Attorney General and approved by the
14 Maryland Lottery Director or the Director's designee;

15 (xiv) the Maryland Health Insurance Plan established under Title 14,
16 Subtitle 5 of the Insurance Article;

17 (xv) the Maryland Energy Administration, when negotiating or
18 entering into grants or cooperative agreements with private entities to meet federal
19 specifications or solicitation requirements related to energy conservation, energy efficiency,
20 or renewable energy projects that benefit the State;

21 (xvi) the Maryland Developmental Disabilities Administration of the
22 Maryland Department of Health for family and individual support services, and individual
23 family care services, as those terms are defined by the Maryland Department of Health in
24 regulation;

25 (xvii) the Department of General Services for the rehabilitation of a
26 structure that is listed in or eligible for listing in the National Register of Historic Places,
27 to the extent the procurement is necessary to preserve the historic fabric of the structure
28 impacted by the rehabilitation, as determined by the Department of General Services in
29 consultation with the Maryland Historical Trust;

30 (xviii) the Department of Natural Resources, for:

31 1. negotiating or entering into grants, agreements, or
32 partnerships with nonprofit entities related to conservation service opportunities; and

33 2. negotiating or entering into pay-for-success contracts in
34 accordance with § 13-112.1 of this Division II; and

1 (xix) the State Archives for preservation, conservation, proper care,
2 restoration, and transportation of fine art or decorative art that is:

3 1. in the custody of the Commission on Artistic Property; and

4 2. owned by or loaned to the State;

5 (2) procurement by a unit from:

6 (i) another unit;

7 (ii) a political subdivision of the State;

8 (iii) an agency of a political subdivision of the State;

9 (iv) a government, including the government of another state, of the
10 United States, or of another country;

11 (v) an agency or political subdivision of a government; or

12 (vi) a bistate, multistate, bicounty, or multicounty governmental
13 agency; or

14 (3) procurement in support of enterprise activities for the purpose of:

15 (i) direct resale; or

16 (ii) remanufacture and subsequent resale.

17 (b) (1) The following provisions of this Division II apply to each procurement
18 enumerated in subsection (a) of this section:

19 (x) Title 17 of this article (“Special Provisions – State and Local
20 Subdivisions”).

21 (c) Except as provided in Title 12, Subtitle 4 and Title 14, Subtitle 3 of this article
22 and except for §§ 15–112 and 15–113 **AND TITLE 17, SUBTITLE 10** of this article, this
23 Division II does not apply to the Maryland Stadium Authority.

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

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

1 (5) (i) Except as provided in paragraph (7) of this subsection, the
 2 following provisions of Division II of this article apply to a University and to Baltimore City
 3 Community College:

- 4 1. § 11–205 of this subtitle (“Collusion”);
- 5 2. § 11–205.1 of this subtitle (“Falsification, concealment,
 6 etc., of material facts”);
- 7 3. § 13–219 of this article (“Required clauses –
 8 Nondiscrimination clause”);
- 9 4. § 13–225 of this article (“Retainage”);
- 10 5. Title 14, Subtitle 3 of this article (“Minority Business
 11 Participation”);
- 12 6. Title 14, Subtitle 7 of this article (“Certified Local Farm
 13 and Fish Program”);
- 14 7. Title 15, Subtitle 1 of this article (“Procurement Contract
 15 Administration”);
- 16 8. § 15–226 of this article (“Policy established; timing of
 17 payments; notice upon nonpayment; disputes; appeals”); [and]
- 18 9. Title 16 of this article (“Suspension and Debarment of
 19 Contractors”); **AND**

20 **10. TITLE 17, SUBTITLE 10 OF THIS ARTICLE (“PROJECT**
 21 **LABOR AGREEMENTS AND COMMUNITY BENEFIT AGREEMENTS”).**

22 (ii) If a procurement violates the provisions of this subsection or
 23 policies adopted in accordance with this subsection, the procurement contract is void or
 24 voidable in accordance with the provisions of § 11–204 of this subtitle.

25 (g) **[This] EXCEPT FOR TITLE 17, SUBTITLE 2 OF THIS ARTICLE, THIS**
 26 **Division II does not apply to a contract or grant awarded by a unit of State government to**
 27 **the Chesapeake Bay Trust for a project involving the restoration or protection of the**
 28 **Chesapeake Bay and other aquatic and land resources of the State.**

29 (i) (1) Except as provided in paragraph (2) of this subsection, this Division II
 30 does not apply to the Maryland Corps Program established under Title 24, Subtitle 11 of
 31 the Education Article.

**SUBTITLE 10. PROJECT LABOR AGREEMENTS AND COMMUNITY BENEFIT
AGREEMENTS.**

17-1001.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "COMMUNITY BENEFIT AGREEMENT" MEANS A CONTRACT SIGNED BY ONE OR MORE RECOGNIZED COMMUNITY ASSOCIATIONS AND A LABOR ORGANIZATION THAT REQUIRES THE LABOR ORGANIZATION TO PROVIDE SPECIFIC AMENITIES, MITIGATIONS, ECONOMIC IMPACTS, LOCAL WORKFORCE TRAINING GUARANTEES, OR OTHER BENEFITS IN EXCHANGE FOR COMMUNITY SUPPORT OF A PROJECT.

(C) "LABOR ORGANIZATION" MEANS A LABOR ORGANIZATION, AS DEFINED IN § 20-601 OF THE STATE GOVERNMENT ARTICLE, OF WHICH BUILDING AND CONSTRUCTION EMPLOYEES ARE MEMBERS.

(D) "LARGE-SCALE PUBLIC WORK CONTRACT" MEANS A CONTRACT FOR CONSTRUCTION OF A PUBLIC WORK, AS DEFINED IN § 17-201 OF THIS TITLE, FOR WHICH THE TOTAL MONEY COMMITTED BY THE STATE, INCLUDING DIRECT FUNDING, ISSUANCE OF BONDS, AND TAX INCREMENT FINANCING IS AT LEAST \$20,000,000.

(E) "PROJECT LABOR AGREEMENT" MEANS A PREHIRE COLLECTIVE BARGAINING AGREEMENT BETWEEN A SUCCESSFUL BIDDER ON A LARGE-SCALE PUBLIC WORK CONTRACT AND ONE OR MORE LABOR ORGANIZATIONS THAT ESTABLISHES TERMS AND CONDITIONS OF EMPLOYMENT FOR ALL TRADES AND CRAFTS PERFORMING WORK ON A SPECIFIC CONSTRUCTION PROJECT.

(F) "RECOGNIZED COMMUNITY ASSOCIATION" MEANS A COMMUNITY GROUP LOCATED IN AN AREA IMPACTED BY A LARGE-SCALE PUBLIC WORK CONTRACT THAT IS ORGANIZED COLLECTIVELY AROUND PARTICULAR INTERESTS FOR THE PURPOSE OF ADDRESSING ISSUES AND INTERESTS COMMON TO THAT COMMUNITY.

(G) "REGISTERED APPRENTICESHIP PROGRAM" MEANS A PROGRAM THAT IS REGISTERED WITH AND APPROVED BY THE U.S. DEPARTMENT OF LABOR OR THE MARYLAND DEPARTMENT OF LABOR AS EVIDENCED BY A CERTIFICATE OF REGISTRATION OR OTHER APPROPRIATE DOCUMENTATION MEETING APPRENTICESHIP STANDARDS.

1 **(H) “SOCIOECONOMIC PROCUREMENT PROGRAMS” MEANS THE MINORITY**
2 **BUSINESS ENTERPRISE PROGRAM, THE VETERAN-OWNED SMALL BUSINESS**
3 **ENTERPRISE PROGRAM, AND THE SMALL BUSINESS RESERVE PROGRAM.**

4 **(I) “SOCIOECONOMIC PROCUREMENT PROGRAM GOALS” MEANS THE**
5 **STATE’S GOAL OF DIRECTING 29% OF ALL PROCUREMENT EXPENDITURES TOWARD**
6 **CERTIFIED MINORITY BUSINESS ENTERPRISE FIRMS AND 1% TOWARD CERTIFIED**
7 **VETERAN-OWNED SMALL BUSINESS ENTERPRISE FIRMS.**

8 **17-1002.**

9 **(A) FOR EACH LARGE-SCALE PUBLIC WORK CONTRACT, THE UNIT SHALL**
10 **CONSIDER:**

11 **(1) REQUIRING THE USE OF A PROJECT LABOR AGREEMENT; OR**

12 **(2) INCLUDING THE USE OF A PROJECT LABOR AGREEMENT AS AN**
13 **EVALUATION FACTOR.**

14 **(B) A DECISION TO REQUIRE THE USE OF A PROJECT LABOR AGREEMENT**
15 **OR INCLUDE THE USE OF A PROJECT LABOR AGREEMENT AS AN EVALUATION**
16 **FACTOR:**

17 **(1) SHALL BE MADE ON A PROJECT-BY-PROJECT BASIS AND BEFORE**
18 **SELECTING THE METHOD OF SOURCE SELECTION;**

19 **(2) SHALL BE SUPPORTED BY WRITTEN FINDINGS THAT CLEARLY**
20 **DEMONSTRATE HOW THE USE OF THE PROJECT LABOR AGREEMENT WILL BE**
21 **COST-EFFECTIVE, EFFICIENT, AND SAFE AND WILL ENSURE QUALITY AND**
22 **TIMELINESS FOR THE BENEFIT OF THE PROJECT AND THE INTERESTS OF THE**
23 **PUBLIC AND THE STATE;**

24 **(3) SHALL BE SET FORTH IN THE REQUEST FOR PROPOSALS OR**
25 **INVITATION FOR BIDS; AND**

26 **(4) MAY BE MADE ONLY IF THE AGREEMENT ADVANCES THE STATE’S**
27 **INTERESTS REGARDING:**

28 **(I) COST;**

29 **(II) EFFICIENCY;**

30 **(III) QUALITY;**

- 1 (IV) SAFETY;
- 2 (V) HEALTH;
- 3 (VI) TIMELINESS;
- 4 (VII) A SKILLED LABOR FORCE; AND
- 5 (VIII) LABOR STABILITY.

6 (C) IN MAKING A DECISION DESCRIBED IN SUBSECTION (B) OF THIS
7 SECTION, THE UNIT SHALL CONSIDER THE FOLLOWING FACTORS:

- 8 (1) THE POTENTIAL FOR LABOR DISRUPTIONS, INCLUDING STRIKES,
9 LOCKOUTS, AND A REDUCTION IN LABOR, THAT COULD INTERFERE WITH THE
10 COMPLETION OF THE PROJECT;
- 11 (2) THE ANTICIPATED NUMBER OF TRADES AND CRAFTS NECESSARY
12 FOR THE PROJECT;
- 13 (3) THE COMPLEXITY, SIZE, AND URGENCY OF AND NEED FOR THE
14 PROJECT;
- 15 (4) THE POTENTIAL HARM TO THE PUBLIC IF A DELAY OCCURS;
- 16 (5) THE SOURCES OF FUNDING USED FOR THE PROJECT, INCLUDING
17 WHETHER FEDERAL FUNDS WILL BE USED;
- 18 (6) THE IMPACT, IF ANY, ON PROJECT COSTS AND THE STATE'S
19 OBLIGATION TO ENCOURAGE MAXIMUM PRACTICABLE COMPETITION FAVORING
20 OPEN COMPETITIVE BIDDING DURING THE PROCUREMENT PROCESS; AND
- 21 (7) THE IMPACT, IF ANY, ON THE STATE'S SOCIOECONOMIC
22 PROCUREMENT PROGRAM POLICIES, INCLUDING THE POLICY OF ADVANCING
23 WOMEN- AND MINORITY-OWNED BUSINESSES AND PROVIDING FOR FAIR
24 COMPETITION BETWEEN BUSINESSES.

25 (D) IF A UNIT DECIDES TO REQUIRE THE USE OF A PROJECT LABOR
26 AGREEMENT IN CONNECTION WITH A LARGE-SCALE PUBLIC WORK CONTRACT, THE
27 UNIT SHALL CONSIDER REQUIRING BIDDERS TO INCORPORATE A COMMUNITY
28 BENEFIT AGREEMENT.

1 **17-1003.**

2 **A PROJECT LABOR AGREEMENT FOR A LARGE-SCALE PUBLIC WORK**
3 **CONTRACT SHALL:**

4 **(1) ALLOW ALL CONTRACTORS, SUBCONTRACTORS, AND MATERIAL**
5 **SUPPLIERS WHO AGREE TO ABIDE BY THE TERMS OF THE PROJECT LABOR**
6 **AGREEMENT TO COMPETE FOR WORK TO BE PERFORMED AND MATERIALS TO BE**
7 **SUPPLIED WITHOUT REGARD TO WHETHER THEY ARE OTHERWISE PARTIES TO**
8 **COLLECTIVE BARGAINING AGREEMENTS;**

9 **(2) BIND ALL CONTRACTORS AND SUBCONTRACTORS ON THE**
10 **PROJECT THROUGH THE INCLUSION OF SPECIFICATIONS IN ALL RELEVANT**
11 **SOLICITATION PROVISIONS AND CONTRACT DOCUMENTS;**

12 **(3) INCLUDE EFFECTIVE, PROMPT, AND MUTUALLY BINDING**
13 **PROCEDURES FOR RESOLVING LABOR DISPUTES AND GRIEVANCES BEFORE THE**
14 **COMPLETION OF WORK;**

15 **(4) GUARANTEE AGAINST STRIKES, LOCKOUTS, AND SIMILAR**
16 **DISRUPTIONS;**

17 **(5) PROVIDE PROOF OF ACCESS TO A RELIABLE SOURCE OF**
18 **PROPERLY TRAINED LABOR WHO POSSESS THE REQUISITE SKILL AND SAFETY**
19 **TRAINING TO ENSURE SUCCESSFUL PROJECT DELIVERY;**

20 **(6) PROVIDE OTHER MECHANISMS FOR LABOR-MANAGEMENT**
21 **COOPERATION ON MATTERS OF MUTUAL CONCERN, INCLUDING PRODUCTIVITY,**
22 **QUALITY OF WORK, SAFETY, AND HEALTH;**

23 **(7) GUARANTEE EQUAL OPPORTUNITIES IN EMPLOYMENT AND**
24 **PROHIBIT DISCRIMINATION IN RECRUITMENT, INTERVIEWS, HIRING, UPGRADING,**
25 **SETTING WORKING CONDITIONS, OR DISCHARGING EMPLOYEES AS REQUIRED BY**
26 **FEDERAL AND STATE LAW;**

27 **(8) OUTLINE A PLAN FOR DIVERSITY THAT DETAILS EFFORTS AND**
28 **COMMITMENTS TO CONDUCT OUTREACH AND RECRUITMENT FOR EMPLOYMENT**
29 **AND APPRENTICESHIP POSITIONS FOR MINORITIES, WOMEN, AND MEMBERS OF**
30 **DISADVANTAGED COMMUNITIES;**

31 **(9) OUTLINE A PLAN THAT DETAILS HOW THE LARGE-SCALE PUBLIC**
32 **WORK CONTRACT WILL SUPPORT THE STATE'S SOCIOECONOMIC PROCUREMENT**
33 **PROGRAM GOALS; AND**

1 **(10) COMPLY WITH ALL FEDERAL AND STATE LAWS, REGULATIONS,**
2 **AND POLICIES.**

3 **17-1004.**

4 **(A) A UNIT SHALL CONSIDER WHETHER IT IS IN THE BEST INTEREST OF THE**
5 **STATE TO USE CONTRACTORS WHO PARTICIPATE IN REGISTERED APPRENTICESHIP**
6 **PROGRAMS AND OFFER A RELIABLE PLAN FOR LABOR STAFFING ON A PUBLIC**
7 **PROJECT.**

8 **(B) A DECISION TO REQUIRE OR ENCOURAGE THE USE OF CONTRACTORS**
9 **WHO PARTICIPATE IN REGISTERED APPRENTICESHIP PROGRAMS AND OFFER A**
10 **RELIABLE PLAN FOR LABOR STAFFING ON A PUBLIC PROJECT:**

11 **(1) SHALL BE MADE ON A PROJECT-BY-PROJECT BASIS AND BEFORE**
12 **SELECTING THE METHOD OF CONTRACTING THE PUBLIC PROJECT; AND**

13 **(2) MAY BE MADE ONLY IF THE AGREEMENT ADVANCES THE STATE'S**
14 **INTERESTS REGARDING COST, EFFICIENCY, QUALITY, SAFETY, HEALTH,**
15 **TIMELINESS, A SKILLED LABOR FORCE, AND LABOR STABILITY.**

16 **(C) IN MAKING THE DECISION DESCRIBED IN SUBSECTION (B) OF THIS**
17 **SECTION, THE UNIT SHALL CONSIDER THE TOTALITY OF THE CIRCUMSTANCES,**
18 **INCLUDING:**

19 **(1) THE NUMBER OF TRADES AND CRAFTS ANTICIPATED TO BE USED**
20 **ON THE PUBLIC PROJECT;**

21 **(2) THE SIZE, COMPLEXITY, AND URGENCY OF AND NEED FOR THE**
22 **PUBLIC PROJECT;**

23 **(3) THE POTENTIAL HARM TO THE PUBLIC IF A DELAY OCCURS;**

24 **(4) THE IMPACT, IF ANY, ON PROJECT COSTS AND THE STATE'S**
25 **OBLIGATION TO ENCOURAGE MAXIMUM PRACTICABLE COMPETITION FAVORING**
26 **OPEN COMPETITIVE BIDDING DURING THE PROCUREMENT PROCESS;**

27 **(5) THE IMPACT ON THE STATE'S SOCIOECONOMIC PROCUREMENT**
28 **PROGRAM POLICIES, INCLUDING THE POLICY TO ADVANCE WOMEN- AND**
29 **MINORITY-OWNED BUSINESSES AND THEIR ABILITY TO COMPETE; AND**

1 **(6) THE IMPACT ON WORKFORCE DEVELOPMENT AND CONSTRUCTION**
2 **AND THE POTENTIAL FOR GENERATING SKILLS TRAINING AND EMPLOYMENT**
3 **OPPORTUNITIES FOR STATE RESIDENTS.**

4 **(D) FOR EACH PUBLIC PROJECT, THE APPLICABLE UNIT SHALL RECORD**
5 **THE DECISION MADE UNDER SUBSECTION (B) OF THIS SECTION IN WRITING.**

6 **(E) IF A UNIT MAKES THE DECISION TO REQUIRE OR ENCOURAGE THE USE**
7 **OF CONTRACTORS WHO PARTICIPATE IN REGISTERED APPRENTICESHIP PROGRAMS**
8 **AND OFFER A RELIABLE PLAN FOR LABOR STAFFING ON A PUBLIC PROJECT, THE**
9 **APPLICABLE PROCUREMENT DOCUMENTS SHALL:**

10 **(1) SPECIFY WHETHER THE QUALIFICATIONS ARE MANDATORY OR**
11 **WILL BE USED AS AN EVALUATION FACTOR IN AWARDING THE PUBLIC PROJECT; AND**

12 **(2) STATE ANY APPLICABLE APPRENTICESHIP UTILIZATION TARGETS**
13 **OR THRESHOLDS THAT WILL BE CONSIDERED IN THE DETERMINATION REGARDING**
14 **THE AWARD OF THE PUBLIC PROJECT.**

15 **(F) (1) A SUCCESSFUL BIDDER SHALL DEMONSTRATE ACCESS TO A**
16 **RELIABLE SUPPLY OF PROPERLY TRAINED PERSONNEL WHO HAVE THE REQUIRED**
17 **SKILL AND SAFETY TRAINING TO ENSURE SUCCESSFUL COMPLETION OF THE PUBLIC**
18 **PROJECT BY:**

19 **(I) SPONSORING AN APPRENTICESHIP PROGRAM THAT WILL**
20 **SUPPLY APPRENTICES; OR**

21 **(II) REACHING AN AGREEMENT WITH AN ENTITY THAT**
22 **OPERATES A REGISTERED APPRENTICESHIP PROGRAM THAT CAN SUPPLY THE**
23 **APPRENTICES.**

24 **(2) THE MARYLAND DEPARTMENT OF LABOR SHALL DETERMINE**
25 **WHETHER A REGISTERED APPRENTICESHIP PROGRAM THAT WILL SUPPLY**
26 **APPRENTICES ON THE PUBLIC PROJECT IS IN COMPLIANCE WITH APPLICABLE**
27 **PROGRAM REQUIREMENTS BEFORE THE REPORTING AGENCY MAY AWARD THE**
28 **PUBLIC PROJECT.**

29 **(3) THE UNIT SHALL APPROVE THE BIDDER'S FULFILLMENT OF THE**
30 **REQUIREMENTS REGARDING THE USE OF APPRENTICES ON THE PUBLIC PROJECT.**

31 **17-1005.**

1 **(A) IF A PUBLIC PROJECT HAS A PROJECTED COST THAT EXCEEDS**
 2 **\$5,000,000, THE UNIT SHALL CONSIDER:**

3 **(1) WHETHER ALL OR A SUBSTANTIAL PART OF THE PROJECT IS**
 4 **LOCATED IN AN AREA WITH HIGHER THAN AVERAGE UNEMPLOYMENT; AND**

5 **(2) IF SO, WHETHER IT IS IN THE STATE'S BEST INTEREST TO**
 6 **CONSIDER WHETHER A BIDDER VOLUNTARILY SUBMITS A COMMUNITY HIRING,**
 7 **TRAINING, OR OUTREACH PLAN FOR HIGH UNEMPLOYMENT AREAS AS A FACTOR IN**
 8 **THE PROCUREMENT PROCESS OR PUBLIC NOTICE.**

9 **(B) IF THE UNIT DETERMINES, BASED ON A TOTALITY OF THE**
 10 **CIRCUMSTANCES, THAT IT IS IN THE BEST INTEREST OF THE STATE TO ENCOURAGE**
 11 **THE VOLUNTARY SUBMISSION OF A COMMUNITY BENEFIT AGREEMENT FOR A**
 12 **PUBLIC PROJECT, THE UNIT SHALL:**

13 **(1) RECORD THE DECISION IN WRITING; AND**

14 **(2) INCLUDE IN THE RECORD:**

15 **(I) A DEFINITION OF "HIGH UNEMPLOYMENT AREA";**

16 **(II) A DESCRIPTION OF THE HIGH UNEMPLOYMENT AREA FOR**
 17 **PURPOSES OF THE PROCUREMENT OR PUBLIC NOTICE OF SOLICITATION; AND**

18 **(III) AN EXPLANATION OF HOW THE PROFFER OF A COMMUNITY**
 19 **HIRING, TRAINING, OR OUTREACH PLAN WILL BE EVALUATED IN THE**
 20 **PROCUREMENT PROCESS OR PUBLIC NOTICE OF SOLICITATION.**

21 **Article – State Government**

22 20–601.

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

24 (i) (1) "Labor organization" means:

25 (i) a labor organization engaged in an industry; and

26 (ii) an agent of an organization described in item (i) of this
 27 paragraph.

28 (2) "Labor organization" includes:

1 (i) an organization of any kind, an agency, or an employee
2 representation committee, group, association, or plan:

3 1. in which employees participate; and

4 2. that exists, wholly or partly, for the purpose of dealing
5 with employers concerning grievances, labor disputes, wages, rates of pay, hours, or other
6 terms or conditions of employment; and

7 (ii) a conference, general committee, joint or system board, or joint
8 council that is subordinate to a national or international labor organization.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2025.