



2026 Maryland General Assembly Wrap-Up

Report to Members

ABC Advocacy Demonstrates Strength in a High-Stakes Election Year Session

Much like last year's challenging session, 2026 proved equally demanding. Over 2,400 bills were introduced across both the House and Senate, with 884 passing and now awaiting the Governor's signature.

The summary below highlights key priority legislation that ABC either supported or successfully opposed. These outcomes reflect the strong leadership and coordinated efforts of our Joint Legislative Committee, lobbying team, and engaged members who took action throughout the 90-day session. A comprehensive bill tracking report is available upon request.

TAXES

Unemployment Insurance Modernization Act of 2026 (HB 188 / SB 3)

ABC Position: **Opposed**

Status: **Died in Committee**

This legislation proposed significant changes to Maryland's unemployment insurance (UI) system, including revising how benefits are calculated and how the system is funded. The bill would have tied weekly benefits to wages, increased the maximum benefit to 40% of the state's average weekly wage by 2027, and adjusted the taxable wage base used for employer contributions. It also required the state to calculate and publish average wages to determine benefit and contribution levels, while modifying partial unemployment benefit rules.

ABC Concerns: Increased maximum benefits and expanded employer funding requirements.

Prince George's County – Tax Increment Financing (HB 1247)

ABC Position: Supported
Status: Passed

This legislation expands tax increment financing (TIF) tools in Prince George's County by broadening the definition of an extraordinary development district to include major immersive entertainment venues. It also allows bond proceeds to support acquisition, construction, and rehabilitation of such projects.

ABC successfully defeated proposed Project Labor Agreement (PLA) language during House and Senate debate. The bill now moves to the County Council, where ABC will continue advocating to keep PLA requirements out of major projects, including the proposed Sphere development.

Commercial Financing Transparency (SB 881 / HB 1007)

ABC Position: Opposed
Status: Died in Committee

This bill aimed to increase transparency in commercial financing through standardized APR disclosures. However, it failed to distinguish between merchant cash advances and equipment financing relied upon by contractors and small businesses.

Applying consumer-style APR calculations to equipment financing would have misrepresented costs, particularly for financing structures with seasonal payments or project-based terms.

ABC Position: Supported a targeted amendment to exempt equipment financing.

BUSINESS REGULATION

Maryland Transit and Housing Opportunity Act (SB 389 / HB 894)

ABC Position: Support with Amendments
Status: Passed with Amendments

This bill will leverage at least 300 acres of station-adjacent land, enabling the production of more than 7,000 new housing units and unlocking nearly \$1.4 billion in state and local tax revenue.

The bill prioritizes state investments in high-capacity rail corridors to advance transit-oriented developments—proposing targeted zoning reforms around high-density rail stations and extending robust financial incentives to spur expedited development. The legislation also extends financial incentives, including designating certain transit-oriented developments as Enterprise Zones and prioritizing MEDCO financing loan program projects for transit-oriented developments.

ABC successfully removed PLA language that would have restricted fair competition for merit shop contractors.

LABOR & EMPLOYMENT

Maryland Worker Freedom Act (HB 45 / SB 117)

ABC Position: Oppose

Status: Passed the House and Died in Senate

This bill would have prohibited employers from requiring employees to attend meetings involving political or union-related matters.

ABC Concerns: Restrictions on employer free speech, potential conflicts with federal labor law, and negative impacts on Maryland’s business climate.

Prevailing Wage Enforcement Expansion (HB 299 / SB 60)

ABC Position: Oppose

Status: Died in Senate

This bill represents the most significant threat to the Merit Shop this session. The bill significantly expands prevailing wage requirements and enforcement in Maryland. It increases penalties, broadens investigations, and makes general contractors responsible not just for their own compliance, but also for violations anywhere down the subcontracting chain.

HB 299/SB 60 imposed sweeping joint and several liability on general contractors for the actions of subcontractors, regardless of control, knowledge, or contractual relationship. In practice, this means contractors could be held legally responsible for decisions they do not make and cannot realistically oversee. General contractors do not control subcontractors’ hiring, payroll, or internal operations, and there is no reliable way to verify internal records or detect potential violations.

This approach would also have significant unintended consequences. To limit risk, contractors would be forced to work only with larger subcontractors that have the financial capacity to

absorb potential liability, reducing opportunities for small and minority-owned businesses across the state. At the same time, Maryland already has enforcement tools in place to address wage violations. This bill would create significant new challenges while doing nothing to strengthen enforcement or ensure fair pay.

ABC built a broad coalition to oppose this legislation, including the Maryland Chamber of Commerce, IEC, subcontractor organizations, MTBMA, NFIB, and numerous other industry partners. This bill timed out on the last day of session. We expect this bill to be re-introduced next year.

PROCUREMENT

State Procurement – Transparency and Procedures (HB 193 / SB 213)

ABC Position: Support
Status: Passed

This bill improves transparency and consistency in state contracting by requiring debriefings for unsuccessful bidders, updating conflict-of-interest rules, standardizing contract provisions related to legal changes, and clarifying procedures for change orders.

Prompt Payment Protections (HB 1336 / SB 671)

ABC Position: Support
Status: Died in Committee

This bill SB 671 represents an important and necessary step toward strengthening Maryland's procurement system and protecting contractors and subcontractors who perform work on public projects. SB 671 provided clear standards in many ways.

- Requiring timely payment of undisputed amounts, mandating written notice with reasonable specificity when payments are withheld
- Establishing meaningful interest penalties for late payments, extending these protections to projects involving local government owners

These provisions create fairness, transparency, and accountability in public contracting. The 2% monthly interest provision ensures that payment obligations are taken seriously and discourages unnecessary delay, while the written notice requirement promotes communication and dispute resolution before problems escalate.

WORKFORCE DEVELOPMENT

Maryland Workforce Apprenticeship Utilization Act (SB 964 / HB 864)

ABC Position: Support with Amendments

Status: Passed

This bill strengthens Maryland's construction workforce pipeline by increasing the use of registered apprentices on public projects.

ABC successfully secured amendments to:

- Refine apprentice-to-journey worker ratios
- Remove unnecessary business size thresholds
- Ensure funding is directed to legitimate construction workforce programs
- Reinstate audit requirements for apprenticeship programs
- Require participation or fund contribution when apprentices are unavailable

Incarcerated Individual Apprenticeship Program (HB 194)

ABC Position: Support

Status: Passed House / Died in Senate

This legislation proposed creating apprenticeship opportunities for incarcerated individuals in skilled trades. Participants would work as paid apprentices for public or private employers, with wages administered through the Department of Public Safety and Correctional Services.

The 2026 session reinforced the importance of sustained advocacy and coalition building. ABC's engagement ensured that merit shop contractors continue to have a strong voice in Annapolis, successfully shaping outcomes on key issues impacting the construction industry.