Division of Workforce Development and Adult Learning (DWDAL)

Policy Issuance

PI 2026-05 Maryland Lighthouse Industries and Artificial Intelligence (AI) Internship Program Policy
February 18, 2026

TO	Prospective Applicants and Division of Workforce Development and Adult Learning (DWDAL) staff
FROM	DWDAL Maryland Department of Labor (MD Labor)
SUBJECT	Maryland Lighthouse Industries and AI Internship
PURPOSE	To provide guidance for the Maryland Lighthouse Industries and AI Internship Program.
ACTION	DWDAL policies are available on the [MD Labor website](#).
EXPIRATION	Until Cancelled.
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EXECUTIVE SUMMARY

The Maryland Department of Labor's (MD Labor) Division of Workforce Development and Adult Learning (DWDAL)'s mission is to improve the lives of all Marylanders by implementing innovative, responsive practices that nurture a skilled workforce, connect people to good jobs, and ensure businesses have the skilled workforce they need to compete in a global economy.

Within DWDAL, the Office of Strategic Initiatives (OSI) oversees high-profile, cross-cutting initiatives that are responsive to workforce challenges including Labor's sector-based, industry-driven portfolio. OSI offers nimble and responsive solutions to address in-demand and emerging industry and jobseeker needs as they evolve over time.

This policy outlines the *Maryland Lighthouse Industries and AI Internship Program* within OSI. The purpose of this Program is to ensure Maryland's future workers are aware of and prepared for careers in industries critical to the State's economy. Internships play an integral role in the foundational development of young professionals' skillbase. The *Maryland Lighthouse Industries and AI Internship Program* is intended to foster internships in key industries.

TALENT INNOVATION PROGRAM AND FUND

In 2024, the Maryland General Assembly passed House Bill 1128[1] which created the Talent Innovation Program and Fund (TIF). The goal of the Program is to increase access to high-quality job training to help meet skill needs in the State's prominent and emerging industry sectors. Within the Talent Innovation Program is the Talent Innovation Fund. The Talent Innovation Program is jointly administered by DWDAL and the Governor's Workforce Development Board.

CYBER MARYLAND PROGRAM

In 2025, the Cyber Maryland program became part of MD Labor, following the passage of Senate Bill 867.[2] This program is designed to expand Maryland's talent pipeline in cyber, artificial intelligence (AI), information technology (IT), and related fields; connect talent with employers; serve as a hub for State workforce development programs in cyber; and coordinate cyber and research innovation in the state. There is also a Cyber Maryland Fund. The purposes of the Fund are to achieve the purposes of the Cyber Maryland Program and to support innovative approaches to meeting cybersecurity workforce needs.

MARYLAND LIGHTHOUSE INDUSTRIES AND AI INTERNSHIP PROGRAM

Through engagement with industry and key stakeholders, MD Labor and GWDB identified the need to increase the number of hands-on, experiential learning opportunities made available to students and prospective workers interested in careers in industries critical to the State's economy, or Maryland's "lighthouse industries." For the purposes of this program, the Lighthouse Industries are defined as:

- Life sciences (computational biology and bioinformatics; cell and gene therapy; biomanufacturing);
- Technology (quantum computing; information technology; cybersecurity; computer systems design; nanotechnology; software development; data analytics; artificial intelligence and machine learning);
- Aerospace and Defense (navigation systems; drones; space technology; aerospace data & intelligence; aerospace manufacturing); and
- Manufacturing (advanced manufacturing; food processing; production technology and heavy machinery; materials).

To ensure Maryland's future workers are aware of, and prepared for, careers in industries critical to the state's economy, MD Labor is leveraging TIF and Cyber Maryland to launch the Maryland Lighthouse Industries and AI Internship Program. This program allows eligible entities to apply for up to $150,000 to support career preparation opportunities such as internships, co-ops,[3] and fellowships for college seniors and recent graduates. Internships and similar programs ensure that students have the foundational training, career awareness, and professional networks needed to be most competitive for opportunities that exist today, as well as the opportunities that will emerge tomorrow.

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[1] MD. Code Ann., Labor and Employment Article §§ 11-1601 *et seq.*
[2] MD. Code Ann., Labor and Employment Article §§ 11-1701 *et seq.*
[3] Cooperative education programs, or co-ops, are typically longer in duration than internships, include paid part-time or full-time employment, and are typically well-integrated with the subject matter and schedule of a student's degree program.

ELIGIBLE APPLICANTS

Entities eligible to apply for Maryland Lighthouse Industries and AI Internship Program funding include, but are not limited to:

1. Employers;

2. Institutions of higher education;

3. Local Workforce Development Boards;

4. Nonprofit and community based organizations;

5. Local and regional economic development entities;

6. Public Agencies;

7. Registered Apprenticeship Sponsors;

8. Labor Unions; and

9. Other organizations as deemed allowable by MD Labor.

Applicants must be in good standing with the Maryland Department of Assessments and Taxation and Maryland Department of Labor Unemployment Insurance Agency. MD Labor reserves the option to deny applications that would not, in MD Labor's evaluation, fall into scope of one of the lighthouse industries and/or AI.

ALLOWABLE USE OF FUNDS

The Maryland Lighthouse Industries and AI Internship Program is a rolling, non-competitive program where eligible entities can apply for up to $150,000.

Specifically, funds must provide wages[4] for interns, up to $10,000 per intern.

In addition to intern wages, applicants may also utilize funds to:

- Offset a portion of the applicants' related internship administrative program costs up to 10% of the grant award; and
- Provide supportive services for interns funded through the program up to 10% of the grant award.

Supportive services for interns may include, but are not limited to:

- Transportation;
- Childcare;
- Individualized planning for successful internship completion;
- Identifying or locating potential employment opportunities;
- Deployment of long term strategies to encourage retention of participants in lighthouse industry careers; and

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[4] Wages must comply with relevant State and federal labor laws, including overtime laws. Interns must be paid at least the State minimum wage, see MD. Code Ann., Labor and Employment Article §3–413.

- Other wraparound support measures, as approved in writing by MD Labor.

Applicants may apply for up to $10,000 per intern, plus administrative and support services costs for new internships. Please note, applicants must apply for funds **prior** to hiring interns. Grant funds may not be used to reimburse applicants for interns hired and/or interns who have received offers of internship placement before the date of grant award. Additionally, applicants may also contribute funds to support their internship program, though no formal matching funds are required.

Applicants that have previously been awarded funds through a separate MD Labor grant program are eligible to apply to the Maryland Lighthouse Industries and AI Internship Program. Additionally, MD Labor encourages braiding funds to support the growth of key lighthouse sector industries and artificial intelligence workforce. For example, applicants may utilize Maryland Lighthouse Industries and AI Internship Program grant funds for intern wages while utilizing a different funding source to provide interns with supportive services. However, the same costs may only be covered one time. For instance, using Maryland Lighthouse Industries and AI Internship Program funds to cover intern wages and then using another funding stream to cover the same intern wages is strictly prohibited. In addition, if a grant or incentive is awarded to an applicant or employer under a different Maryland grant or incentive program in relation to a newly hired intern, the applicant or employer may not also apply for a grant under the Lighthouse Industries and AI Internship Program for the same intern.

ELIGIBLE INTERNS
The applicant is responsible for recruiting, screening, and selecting interns funded under this program. This process should commence immediately upon notification of the grant award. This opportunity is intended for individuals near completion of their schooling. Interns may be college seniors, or recent graduates who are not currently enrolled in a degree program. Recent graduates must be within two years of graduation from Associate's Degree, Bachelor's Degree, Master's Degree or Ph.D. programs. Interns must be enrolled in and attending a Maryland institution of higher education and/or a Maryland resident.

PROGRAM REQUIREMENTS

Applicants must demonstrate the following standards in their application for the Maryland Lighthouse Industries and AI Internship Program:

Work-Based Learning
The applicant shall clearly define learning objectives and goals of the internship program that are aligned with key lighthouse industries and AI. Applicants are also strongly encouraged to deliver internship programs that provide opportunities for interns to grow skills in using AI, machine learning (ML), and other emerging technologies and tools.

Position Description
The applicant must provide the position description for each internship opportunity. This must include:
- Projected start and end date of the internship;
- Minimum number of hours of work each week, as well as compensation details;
- Physical location of the work, as applicable; and any telework or remote work parameters.

The position description should also describe the skills that will be acquired in the lighthouse industry, the day-to-day responsibilities, and required and/or desired qualifications. Upon award, each intern must receive a written internship agreement or contract that outlines the terms and conditions of the internship.

Internship Commitments
Successful applicants must identify and select interns within 90 days of executing a grant award. Grantees must provide an interim report to MD Labor once candidates have been selected. The interim report must include the following information for each intern:
- The intern's first and last name;
- Position Title;
- Expected start and end date;
- Length of internship; and
- Estimated total wages to be paid.

As a requirement of the program, the applicant must provide an internship opportunity that is at least 400 hours in length. Whether remote or in-person, the internship position must take place within the State of Maryland with an employer based in the State of Maryland. Additionally, the applicant must commit to providing each intern with the equipment, facilities, mentorship, and other resources necessary to successfully perform responsibilities. All applicants must ensure that safe working conditions or environments are maintained in accordance with both State and federal requirements.

In regards to onboarding and offboarding, the applicant must commit to holding an orientation for each intern with training related to the employer's policies and procedures, as well as an exit interview with each intern. The applicant should also conduct a post-internship survey to inform the final report (see section on Reporting, below).

Supervision
The applicant shall identify a mentor with relevant expertise and educational or professional experience to directly supervise each intern, provide routine guidance and feedback, evaluate performance, and establish a cadence to meet regularly with the intern.

OSI will begin to accept applications on February 18, 2026. Applications will be reviewed on a rolling, first-come, first-served basis until funding is exhausted. Awardees may select to receive funds as an advanced payment or on a reimbursement basis upon submission of the Final Report. Applicants must specify their preference within the Program Application.

APPLICATION REVIEW

Applications may be submitted to the Maryland Lighthouse Industries and AI Internship Program email address: dlwdallighthouseinternship_labor@maryland.gov. A copy of the application is provided as *Attachment A: Sample Maryland Lighthouse Industries and AI Internship Program Application.* A copy of the budget form is provided as *Attachment B: Sample Maryland Lighthouse Industries and AI Internship Program Budget*. Additionally, applicants must submit a signed copy of their W-9 form.

Submitted applications will be reviewed in a timely manner by a state review team comprised of:
- Office of Strategic Initiatives Director, or designee;
- Governor's Workforce Development Board (GWDB) Executive Director, or designee; and
- MD Labor Cyber Maryland Senior Advisor, or designee.

To ensure compliance with the Public Ethics Law, MD Code Ann. Gen'l Provisions, § 5–501, all staff who participate in discretionary grant reviews are required to complete the DWDAL Reviewer Confidentiality and Conflict of Interest Form. Should a conflict of interest exist, staff must recuse themselves from application review and if staff becomes aware that a conflict may exist during the process, that person must immediately notify the DWDAL Assistant Secretary.

The review team must approve or deny submitted applications within 7 calendar days of receipt and must ensure that approved applications meet eligibility requirements.

APPLICATION APPROVAL OR DENIAL

If approved, OSI must provide the applicant with a grant agreement for signature. MD Labor will deny incomplete applications. If a grant application is denied, OSI will provide the applicant with a Grant Denial Notification containing feedback on the application.

RISK ASSESSMENT

MD Labor prioritizes grantees' financial integrity and responsible stewardship of public funds. Applicants should be aware that the Department reserves the right to exclude any organization from consideration for funding if, through the Department's due diligence review, the organization is determined to pose a significant risk to the proper execution and oversight of the grant agreement. This assessment may involve a thorough review of the applicant's previous program and fiscal monitoring reports, public financial statements, audit reports, tax filings, organizational solvency, prior grant management history, and any other relevant indicators. The goal of this process is to ensure that grant funds are awarded to organizations with the necessary financial stability and capacity to meet the programmatic and fiscal responsibilities outlined in the grant solicitation and subsequent agreement.

Organizations deemed to present an unacceptable financial risk, including but not limited to those with a history of material audit/monitoring findings, significant financial instability, pending litigation that threatens solvency, or a demonstrable inability to properly manage federal or State funds, may be deemed ineligible for an award, or the Department may otherwise take the entity's financial risk into account in administering grants or selecting grantees.

MD Labor may also take into consideration an organization's status concerning any current or past obligations to the State of Maryland or the federal government, including but not limited to unpaid taxes or Unemployment Insurance obligations. Submission of an application constitutes the applicant's acknowledgment of this financial risk assessment policy and the applicant's commitment to provide all necessary and accurate financial documentation upon request to facilitate this determination. Failure to meet MD Labor's standards for financial responsibility may result in disqualification from the funding opportunity.

REPORTING

Because the Maryland Lighthouse Industries and AI Internship Program is a one-time payment model, regular monthly reporting is not a requirement for awardees. Applicants must commit to completing a final report to be submitted three months after the final intern(s) complete the program. MD Labor will supply the template for this report. The final report must provide:

- A summary of the internship program;
- The names of all participating interns, and their educational and/or work affiliations as of the time of the report;
- Whether each participating intern completed the internship program;
- A description of what each intern accomplished, including a written demonstration of proficiency of lighthouse industry skills identified in the position description submitted to MD Labor;
- A description of supportive services provided and administrative costs incurred;
- Completed exit surveys for each intern; and
- Details and/or data on employer experience and satisfaction.

If a business is unable to fully spend a grant, funds must be promptly returned to MD Labor and written notification must be sent via email to brittney.hansen@maryland.gov. The Department will work with the grantee to ensure the funds are properly returned. Additionally, MD Labor may recapture funds from organizations that fail to comply with terms and conditions of their grant agreement. This may include, but is not limited to, failure to submit required reporting. A grantee's failure to produce evidence of permissible expenses (i.e., payroll records, receipts, etc.), making purchases outside of the approved grant agreement, or spending grant dollars on prohibited costs may also result in recapture.

MONITORING

MD Labor may conduct fiscal and programmatic monitoring of the project to ensure that grantees are following policies and meeting expectations, including nondiscrimination and equal opportunity provisions. Monitoring may include desk and/or on-site monitoring. Failure of MD Labor to supervise, evaluate, or to provide guidance and direction shall not relieve the grantee of any liability to comply with the terms of the grant or award agreement.[5]

RECORD RETENTION

Applicants must maintain records for at least three years of all persons who participate in the Maryland Lighthouse Industries and AI Internship Program, indicating whether or not the applicant:

1. Met internship program qualifications; and
2. Completed the internship program.

All records, both electronic and physical, must be maintained in accordance with DWDAL's policy concerning privacy and data security. Personally Identifiable Information (PII) is participant-level and employee data that either by itself or combined with other data can link to a specific individual or identity.

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[5] DWDAL's Policy Issuance on monitoring can be found here: http://www.labor.maryland.gov/employment/mpi/.

When emailing documents containing PII, all awardees and MD Labor staff must use password-protection, encryption-preferred, strong authentication procedures, or other security controls to make the information unusable by unauthorized individuals. Physical records must be kept in locked offices or file rooms. If the file room is shared with other programs, and/or staff other than staff authorized for this program have access to that room, then the files must be maintained in locked cabinets.

FAIR PRACTICES AND ACCESSIBILITY

It is MD Labor's policy that all persons have equal opportunity and access to services and facilities without regard to race, religion, color, sex (including pregnancy, childbirth and related medical conditions, transgender status, gender identity, and sexual orientation), marital status, genetic information, age, national origin or ancestry (including Limited English Proficiency), disability, veteran status, political affiliation or belief, or, for the beneficiaries, applicants, and participants only, on the basis of citizenship status, or participation in a program. Interested parties may refer to MD Labor's Non-Discrimination Plan[6] and Language Access Plan[7] for more information on accommodations and services.

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[6] MD Labor's Non-Discrimination Plan can be found here: http://www.labor.maryland.gov/employment/ndp/
[7] MD Labor's Language Access Plan can be found here: http://www.labor.maryland.gov/employment/wioa-access.pdf

REFERENCES

LAW

- Md. Ann. Code, Labor and Emp. Art., Title 11, [Division of Workforce Development and Adult Learning](#).

OTHER RESOURCES

- [DWDAL Policy Issuance Page](#);
- [Language Access Plan](#);
- [MD Labor's Non-Discrimination Plan](#).

ATTACHMENTS

Attachment A: Sample Maryland Lighthouse Industries and AI Internship Program Application
Attachment B: Sample Maryland Lighthouse Industries and AI Internship Program Budget