



**Testimony of Associated Builders and Contractors of Maine
in Opposition to LD 838**

" An Act to Explore Public Financing and Ownership of Electric Transmission and Distribution Infrastructure "

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology:

My name is Keith Herrick, and I am testifying today on behalf of the Associated Builders and Contractors of Maine (ABC Maine) in opposition to the amendment to LD 838, An Act to Explore Public Financing and Ownership of Electric Transmission and Distribution Infrastructure, establishing the Maine Clean Energy Authority.

ABC Maine represents more than 180 member companies employing thousands of Maine construction workers across the state. Roughly 90 percent of Maine's construction workforce is non-union, and our members reflect that reality. While we support reliable, affordable energy infrastructure and thoughtful grid modernization, we oppose LD 838 as written because it will increase costs, restrict workforce participation, and reduce competition in Maine's construction industry.

The concept draft amendment requires that projects receiving financial assistance from the proposed Authority be performed under project labor agreements. Experience has shown time and again that when these agreements are required, many qualified in-state contractors simply do not bid. The result is fewer bidders, less competition, and the exclusion of the majority of Maine's construction workforce. When Maine companies step aside, the work does not disappear — it is filled by out-of-state contractors, leaving Maine workers on the sidelines.

These mandates also come at a real and measurable cost. Project labor agreements are documented to increase construction costs by 12 to 20 percent. Under LD 838, those higher costs will ultimately be borne by ratepayers and taxpayers at a time when energy prices are already a serious concern for Maine families and employers. Creating a new authority with broad borrowing powers, tax exemptions, and no effective cap on outstanding debt, while simultaneously embedding cost-inflating labor mandates, removes critical cost controls from large-scale infrastructure development.

Additionally, LD 838 undermines the significant investments Maine's merit shop contractors have made in workforce development. Our members train thousands of workers through apprenticeships and on-the-job programs. When projects are restricted by mandated labor agreements, those training opportunities are reduced or lost entirely, limiting pathways into the trades for young Mainers and slowing workforce growth at a time when skilled labor is already in short supply.

ABC Maine supports Maine's energy goals and recognizes the need for transmission investment, but we believe those goals can and should be achieved through open competition, inclusive workforce policies, and responsible cost management. LD 838, as drafted, moves the state in the opposite direction.

For these reasons, on behalf of our members and the Maine workers they employ, ABC Maine respectfully urges the Committee to vote "Ought Not to Pass" on LD 838.

Thank you and I'd be happy to answer any questions you may have.