

STATE OF MAINE DEPARTMENT OF TRANSPORTATION 16 STATE HOUSE STATION AUGUSTA, MAINE 04333-0016

Bruce A. Van Note COMMISSIONER

May 9, 2023

Testimony of Nina Fisher Maine Department of Transportation Before the 131st Legislature, Joint Standing Committee on Labor and Housing

In Opposition to LD 1818

An Act Regarding Port Facilities Relating to Offshore Wind Power Projects

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing, I am Nina Fisher, Deputy Commissioner at MaineDOT. MaineDOT is in opposition to LD 1818, *An Act Regarding Port Facilities Relating to Offshore Wind Power Projects*.

LD 1818 requires that any public port facility constructed to serve an offshore wind power project employ project labor agreements. It requires that any offshore wind power project that involves the lease of a port facility owned by the state use project labor agreements for all on-site construction of materials for the project and requires that "labor peace agreements" be implemented for all full-time employees involved in the manufacturing, fabrication, operation and maintenance of the facility. The bill also requires a development plan that must ensure collaboration and recruitment within the state's trade and labor unions. The plan must include details of how project contractors will use workers from the Maine Apprenticeship Program, how they will promote a diverse workforce, and a description of how costs of the wind project will be reduced using labor peace agreements.

MaineDOT has several concerns with this proposed legislation. Currently MaineDOT does not require project labor agreements for highway, bridge, airport, rail, or marine port facilities. These projects are performed by qualified Maine companies. The success of these companies is dependent on the ability to bid and perform the type of work that MaineDOT advertises. The requirements set forth within LD 1818 would limit their ability to do so and limit the number of contractors able to bid any offshore wind power projects. This makes the environment for bidding on these projects less competitive and will likely be an upwards cost driver for constructing offshore wind port facilities.

The development plan that is required under section one, part four of this bill, discusses the use of zero-emission port equipment and technology. We assume this language to include cranes, delivery vessels, tugs, barges, etc. While a worthy goal, zero-emission port equipment is a relatively new concept making this requirement unrealistic and extremely costly. Requiring costly and potentially underperforming port equipment will be an upwards cost driver that will make a Maine based offshore wind port facility less competitive.

In an effort to entice more contractors to bid our work, MaineDOT has made significant efforts over the past few years to make contracting more streamlined. Competition results in lower construction costs and a better value for the Maine taxpayer. Passage of this bill would negatively impact this effort. The end result will be that the State of Maine will either lose out on opportunities to develop a windport and the economic benefits it would create and/or pay more for offshore wind port development projects.

It is for these reasons that we urge the committee to vote ought not to pass on LD 1818. Thank you.