

**Testimony of Jake Lachance**

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**Before the Joint Standing Committee on Labor and Housing**

**In Opposition to LD 373 “An Act to Ensure Maine Employer and Employee Harmony in Climate and Energy Jobs”**

Sen. Tipping, Rep. Roeder, and members of the Joint Standing Committee on Labor and Housing, my name is Jake Lachance, and I am a Government Relations Specialist for the Maine State Chamber of Commerce, which advocates for over 5,000 large and small businesses across the State of Maine. I am here to give testimony in opposition to LD 373 “An Act to Ensure Maine Employer and Employee Harmony in Climate and Energy Jobs”.

The legislation requires employer and employee harmony agreements to be in place for clean energy development projects (to include all contractors and subcontractors), private installers or operators for broadband expansion or enhancements, and transportation projects and bids. This bill would massively expand on some of the provisions contained in LD 1969 of the 130th Legislature, which passed in May of 2022 without the Governor’s signature. For the same reasons as LD 1969, this legislation is problematic for the business community, but on a much wider scale. Including clean energy, broadband, and transportation projects within the same bill casts and umbrella that does not do justice for each individual field. Each has their own nuances in their trades, and they should be treated as such.

Furthermore, this bill drastically changes the way these three trade areas effectively compete for contracts, projects, and grants. Specifically, large construction companies and members of the Maine Motor Transport Association will have to adapt to this overwhelming change or run the risk of getting cut out of the project application process all together. The reality is, if the bill is enacted, Maine jobs and projects will be filled and controlled by outside entities that are able to abide by these stipulations.

The statistics that we see in the State of Maine back up this point. For example, as of 2022, approximately 5% of construction contractors in this State are unionized, proving these jobs will be outsourced to other states. Small businesses will be hit the hardest, as unionization favors bigger businesses, again favoring out of State bidders. Additionally, the prevalence of unionization overall in the state of Maine is decreasing. According to the Bureau of Labor Statistics, the percentage of Maine workers that were members of unions was 11.4%, and Maine workers represented by unions 13.5%. In 2023, those numbers decreased to 9.2% and 10.8%, respectively. The Maine State Chamber of Commerce supports all companies, union or otherwise, to compete for business. It makes our state

stronger and ultimately this competition sharpens our all Maine companies. However, this bill would reduce competition and results in fewer Maine projects being worked on by Maine workers.

In closing, the State of Maine has been striving to bolster the workforce, create a stable and growing economy, and has valued the importance of keeping jobs in the state of Maine. The Chamber believes that it would behoove the committee to think about the lasting impact this legislation will have on the workforce, and decisions like this should be made systematically and pragmatically, not with broad-sweeping changes. While the Chamber is in staunch opposition to this bill, having other joint committees with a stake in this bill will only serve to make everyone in the decision-making process more informed about the impacts. The big picture needs to be looked at, and opting to force businesses, large and small, to comply with these types of regulations will be a detriment. It is for these reasons that I urge committee members to oppose this legislation.