

# CIANBRO

## **LD-373, “An Act to Ensure Maine Employer and Employee Harmony in Climate and Energy Jobs” (2-6-2024)**

Good afternoon Senator Tipping, Representative Roeder and Members of the Joint Standing Committee on Labor and Housing. My name is Peter Cianchette, I am a Vice President of CIANBRO and a resident of Falmouth. CIANBRO is a 100% employee-owned construction services firm headquartered in Pittsfield, Maine and routinely operates in over 40 States, employing over 4,000 team members, over 1,300 of which are Maine residents.

I am providing testimony today on behalf of the company in opposition to LD-373, “An Act to Ensure Maine Employer and Employee Harmony in Climate and Energy Jobs”.

As the State’s largest General Contractor, you can imagine we employ thousands of skilled craft professionals and support teams, all of whom are challenged to be problems solvers. When we identify a problem, we work to develop a strategy to “correct, fix or improve” a situation. After reading and analyzing this legislation, we are at a loss to understand its purpose and more importantly, what problem it is trying to correct, fix or improve. It can’t be about creating more jobs, as unemployment rates are exceptionally low right now; and there are already statutory mechanisms in place to manage wage rates, so that can’t be the issue. Also, most, if not all, of the State agencies have procurement standards in place, making sure the taxpayer gets quality results by the respective contractor; and with regards to jobsite safety, although there is always room for improvement, federal and state oversight agencies are working in close collaboration with industry more than ever before to ensure the safest workplace standards are adhered to.

By requiring a Harmony Agreement, which is just another name for a Project Labor Agreement (PLA), on all the work captured in this legislation, a strong case could be made that the actual outcome will be far from harmonious. In fact, we believe the adverse impact would be realized. Placing PLAs on this work will ensure that over 90% of Maine’s construction workforce, who “choose” to work in a non-union capacity, will be locked out of working on these projects, work that in many cases is funded by their own tax dollars.

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As you likely know, a Project Labor Agreement (PLA) is a bargaining agreement with one or more labor organizations that establishes the employment terms and conditions for a specific construction project. PLAs often require that employees hired for the project must be hired through the union halls; that nonunion workers are forced to pay union dues for the length of the project; and that the contractor must follow union rules on pensions, work conditions and dispute resolution. These exclusive union procurement and project restrictions discourage open-shop contractors from pursuing work where PLAs are engaged. In Maine where the open-shop construction workforce is overwhelming in numbers compared to that of organized labor's ranks, if this bill were to pass, revenue the State derives from these jobs would be a staggering loss, as most workers and contractors would come from out-of-state, taking their money with them when they leave for home. Another point of reference, over the years PLAs have surfaced by several alternative names, including, but not limited to: Community Workforce Agreements; Pre-hire Collective Bargaining Agreements; Responsible Contractor Agreements; Project Stabilization Agreements; etc.

In closing, we'd like to leave you with this perspective. Respectfully, we believe rather than promoting the passage of bills like this, Maine would benefit more from legislation that seeks to foster a triple-win situation, where the State wins by fostering a competitive procurement environment; the workforce wins by enjoying better pay and benefits as a result of a competitive marketplace; and the company contracting the work wins by being able to continue to operate in a competitive market. This would put Maine on the path of long-term stability and economic prosperity.

Thank you for your time and consideration of our position on this matter.