



MAINE AFL-CIO

A Union of Unions Standing for Maine Workers
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Testimony of Maine AFL-CIO Legislative & Political Director, Adam Goode, to Support L.D. 1983, "An Act to Establish the Maine Buy American and Build Maine Act"

Senator Nangle, Representative Stover and members of the Joint Standing Committee on State and Local Government, my name is Adam Goode. I'm the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 1983.

The Maine AFL-CIO supports LD 1983, "An Act to Establish the Maine Buy American and Build America Act". We all share a goal of passing legislation that will create manufacturing jobs in the United States. Manufacturing is an important part of a healthy economy. These are jobs that have been a core of our small towns and the middle class in Maine.

The long-term trend of transitioning manufacturing jobs overseas is a lose-lose for Maine workers and communities. Companies that manufacture overseas present a challenge to workers, their families and their neighborhoods.

Requiring that state contracts contain provisions that any manufactured goods valued over \$5,000 supplied in the performance of the contract must be manufactured in the United States is the right thing to do, helps Maine and American workers and is consistent with other state and federal actions to promote procurement preferences for American-made goods when they are available in a sufficient quality and quantity at a price that is competitive in the global marketplace.

It makes no sense for a state like Maine to send hard earned tax dollars to countries like China, India, and Russia when companies and workers here at home are ready to do the work at a comparable price. In the last decade, states like Colorado, Illinois, Pennsylvania, New York, New Jersey, Texas and New Hampshire have all joined the movement to give U.S. companies and their workers the first shot at supplying the steel, iron, and manufactured goods used in our bridges, sewer systems, schools, and other public works projects.

As we develop infrastructure and procure goods needed for government functions, we want to avoid penalizing domestic producers and accidentally encourage production overseas. Unfortunately, that is exactly what happens when tax dollars are used to purchase products made overseas. Our government rewards companies that moved their operations, investment dollars, and jobs to foreign countries where they can disregard environmental and safety regulations with impunity, where inefficient energy processes are the norm, and where unfair trade practices tilt the playing field against U.S. workers.

This bill helps make sure that Maine does our best to encourage U.S. production and investment. As companies continue to invest in their U.S. operations, they modernize plants to make them safe and efficient, and create jobs in the process. Reinvesting tax dollars in the local and national economy creates more job opportunities for middle-class Americans and ensures that compliance with environmental and labor standards is the standard for doing business.

Buy America policies are a longstanding practice in the federal government and many state governments. Our federal laws date back to 1933, were expanded in the 1940s to cover defense procurement, and again in the 1980s by former

President Ronald Reagan to cover highway and transit spending. The 2021 Build America Buy America Act invested \$1.2 trillion in infrastructure, aiming to ensure that the U.S. reinvests infrastructure tax money back into American workers, manufacturers, and communities. Maine is already accustomed to working within a Buy America structure when running programs funded by federal grants.

More and more states are enacting domestic preferences in their statute, and they are on solid legal ground in doing so. Indiana, New Hampshire, New York, Ohio, Pennsylvania, West Virginia and Texas all have laws like this in statute. When a state government, through its agencies or local subdivisions, procures goods or services for its own use, it is considered to be a market participant similar to a private party. This means a state enjoys the same rights that a private purchaser does in choosing its suppliers to carry out contracts, rights which have been affirmed by federal courts.

It is not right that companies manufacture overseas in order to avoid being held to the same standards as local companies. These standards include basic rules around workplace safety, child labor and environmental protection. Manufacturing overseas often results in working people being exploited through unsafe and shameful conditions at their job. Why would we use taxpayer dollars to reward companies that have moved their operations, investment dollars, and jobs away to foreign countries that lack or completely disregard basic environmental and workplace safety rules?

We ask that you follow the lead of the federal government and many other states and pass this legislation supporting manufacturers and workers.