



# **AGC MAINE**

THE CONSTRUCTION ASSOCIATION

## **Testimony of Matt Marks Against LD 2231**

*Resolve, to Promote Access to Education and Workforce Development by Transferring  
Ownership of the Hutchinson Center Property in Belfast to the City of Belfast*

Joint Committee on Education and Cultural Affairs

Wednesday, March 6, 2024

Senator Rafferty, Representative Brennan, and distinguished members of the Joint Standing Committee on Education and Cultural Affairs, my name is Matt Marks, I am a Principal at Cornerstone Government Affairs and here on behalf of AGC Maine to testify against LD 2231.

AGC Maine is a commercial construction trade association chartered in 1951 with AGC America. The association membership includes contractors, suppliers, and service providers. The Chapter offers continuing education, apprenticeship training, regulatory assistance, and safety training.

The UMaine system designed a systematic approach to addressing the deferred maintenance backlog that exceeds \$1.6 billion. More than half of the facilities and three-quarters of the residence halls have not been meaningfully renovated in more than 50 years. Higher education institutions are in a competitive market to attract students, and it's widely recognized that the facility conditions are a major consideration when a student and parent(s) select their college. As a parent of a graduating senior, I can personally share that the campus infrastructure is certainly a consideration when selecting the right fit and we applaud the UMaine system for their approach in facility management.

In 2020, a "Report of the Task Force to Recommend a Sustainable Funding Model for Maintaining Maine's Public Higher Education Infrastructure" carefully and thoughtfully reviewed the needs and funding mechanisms of our public systems. The report noted the critical role of higher education to draw additional students into Maine as K-12 enrollment declined. A copy of that report is available in this Committee's documents.

The UMaine system has been diligent in the evaluation of its facilities and that evaluation has led to the demolition of some structures and in this case, the sale of the Hutchinson Center to focus on facilities that continue adding value to its mission. While we understand and sympathize with the residents of Belfast and applaud their desire to retain the facility UMaine must have the opportunity to capitalize on assets that can be sold or leased to continue chipping away at their growing backlog of facility needs.

It's our understanding that the UMaine system has existing debt at the Belfast campus. With limited funding available, it's critical that Maine continue to focus on higher education solutions that provide the best benefit statewide. UMaine, working with Gordian and Sightlines, produces a technical evaluation of all facilities with the added benefit of comparing their system with others across the country.

That ensures Maine remains competitive and committed to facilities that can offer the best student learning experience possible, including the growing demand for online learning. Certainly, since the pandemic online solutions have accelerated, and UMaine has also felt those direct impacts. While that might not be the best case for all programs and services, the enrollment demands here and nationally demonstrate that downsizing physical infrastructure should reflect the trend. According to the report, the system density of students attending a physical location has declined since 2017.

Selling assets like the Hutchingson Center is vital to meeting the capital needs in the tremendous backlog. While we are not privy to the current sale and interested parties, it's clear that offering the center at no cost will increase the existing financial pressure and limit planned investment.

I urge the Committee to support the fiscal responsibility of the UMaine System's approach to managing aging facilities and thank you for allowing us to share our views on this proposed bill. I am happy to answer any questions.