



**Testimony of Joe Costello in Opposition to LD 1231
“An Act Concerning Climate and Community Investment Projects.”
April 9, 2021, Joint Standing Committee on Labor and Housing**

Senator Hickman, Representative Sylvester, and distinguished members of the Joint Standing Committee on Labor and Housing, my name is Joe Costello. I am a resident of Gray, Vice President of Human Resources at Bancroft Contracting, and here today in opposition to this bill as amended.

For background, Bancroft Contracting is a second-generation family-owned industrial construction company headquartered in South Paris. The business was founded in 1977 by Al Bancroft, and remained in the family when his son Mark purchased the company in 2004. Our customers include pulp and paper manufacturers, power generating facilities, cement and plastics manufacturers, and many other industrial and commercial customers.

While most of our work is located in Maine, we work continuously throughout New England and can mobilize quickly to the Mid-Atlantic. We have a long history of work in renewable power generation. The team at Bancroft is nationally recognized for its work in hydropower. We regularly perform services for biomass and solid waste generation. More recently we've expanded our business to include re-powering wind turbines.

This bill will restrict the projects our company can or will perform in the renewable energy market. This is the same market that is desperate to attract more bidders and already grapples with a stressed labor supply. Requiring a project labor agreement forces a new business model on existing firms, like ours, that form the background of local economies and pay both state and local taxes. In our experience, this requirement doesn't deliver the intended results; it simply adds cost to a project that benefits labor unions. Bancroft's craftspersons will never be vested to receive the union benefits. They will simply be working to support the union savings account.

One thing that this bill doesn't consider is the choice an employee has choosing a career. Working at a family business like Bancroft provides a connection between the employer-employee that has value. Our workers take pride in wearing our company gear and logo where we perform work as a team under one banner. We DO value personal progress in careers, and to that point, we have a robust workforce development and safety training staff dedicated to advancing safety in the workplace, developing the skills and ability of our existing workforce, and training the craftsmen and women of tomorrow.

Since 1977 Bancroft has built, repaired, or provided maintenance services on hundreds of renewable energy projects in our home state. These additional requirements will

create new barriers that cater to our much larger competitors located outside of Maine. Considering that nearly all of our employees reside here, spend money here, and support Maine's economy, it isn't respectful or appropriate to believe they shouldn't be allowed to work here on projects that receive credits or incentives.

This bill will also present a myriad of challenges for many small subcontractors that we work with regularly. Bancroft is a self-performing construction company, which means our employees will complete most of the work on a project. That being said, we regularly work with other general contractors and specialty firms. Asking a small business to sign an agreement with a labor union to perform even the smallest work on a qualified project is a giant barrier. That will reduce the market and quite frankly add more strain to the workforce available to build renewable energy. In most cases, I believe the small contractors would choose not to bid.

I recognize that many of this Committee might believe this is the right solution for building our future workforce. I implore you to hit the pause button, talk to local contractors and their employees. This will reduce Maine's renewable energy construction workforce and shift the work outside of our borders. For forty-four years, the team at Bancroft has built infrastructure that supports the daily lives of Maine people. Please don't restrict the work available to us.

Thank you, I am happy to answer any questions.