

TESTIMONY IN OPPOSITION TO

L.D. 1633

AN ACT TO REQUIRE RESPONSIBLE CONTRACTING PRACTICES FOR PUBLIC CONSTRUCTION PROJECTS

Senator Hickman, Representative Sylvester, and members of the Committee on Labor and Housing. I am Steven Bailey, executive director of Maine School Management Association and am here on behalf of the legislative committees of the Maine School Boards Association and Maine School Superintendents Association in opposition to L.D. 1633.

Our associations are opposed to this bill because it will inevitably increase the cost of school construction projects. Those increased costs affect not only local property taxpayers, but taxpayers across the state since the cost of state subsidized school construction projects is part of the overall cost of education.

The school construction process is designed to be locally controlled, including projects approved by the State Board of Education for state funding and those that are largely locally funded.

Once the district decides to build a new school and plans are developed, the School Board votes to float a bond and put that out to local voters for approval in a referendum. Once approved at the ballot box, the local unit floats the bond and is responsible for its repayment. State-funded projects get that funding in the form of additional, designated General Purpose Aid.

An immediate concern is L.D. 1633 could impact and potentially delay major school construction projects already in the pipeline.

It also is important to understand this bill could impact projects that are largely locally funded – a practice used by districts that are so far down the list of state approved projects they opt to go it alone. Since many locally funded school construction projects have some component of state aid – ADA approved bathrooms, for example, that are paid for out of the state’s School Revolving Renovation Fund – our fear is even limited state funding triggers this law.

History shows PLAs will increase the cost of the project by up to 30 percent. There is no statistical data that we are aware of that says project labor agreements improve quality or safety, as compared to the contractors and workers we use today in Maine.

We also are concerned the PLA appears to say all those working on a school construction project have to have union affiliation. Currently there are school construction projects done by non-unionized general contractors in Maine who have a strong reputation and whose work comes recommended by our peers. Would this bill require us to go out of state for general contractors?

An additional concern is with the language around a unionized workforce. School districts like to hire local subcontractors where possible on school construction jobs since those subcontractors are part of our business community and ultimately support school budgets with their property taxes. This section would seem to eliminate that possibility if they are not unionized.

We ask that you reject this bill and allow the current system – regulated by the State Board of Education, supported by the Facilities, Safety and Transportation Division in the Department of Education, and paid for by local property taxpayers following a local School Board vote and referendum – to continue doing its job.