



Senator Hickman, Representative Sylvester, and members of the Joint Standing Committee on Labor and Housing; My name is Larry Grondin and I am a partner at R. J. Grondin & Sons, a family-owned, earth excavation company based in Gorham. Today, I am representing Associated Builders and Contractors of Maine. ABC is a national association with 69 chapters representing more than 21,000 merit shop construction and construction-related firms. Here in Maine, ABC represents over 170 businesses across the state – many are located in districts that you all represent. Thank you for the opportunity to speak to you today.

As a member of ABC Maine's Government Affairs committee, I am here today to speak in opposition to LD 1633, "An Act To Require Responsible Contracting Practices for Public Construction Projects." This bill will simply drive up the cost of doing business in Maine while making it more difficult for Maine companies to find and retain good workers.

Simply put, government mandated PLA's will drive up the cost of doing business in Maine. By unnecessarily limiting bidders and following outdated and inefficient work rules, researchers have found PLAs consistently and unnecessarily drive up costs on construction projects. Analysis of numerous academic studies of public construction projects already subject to government-determined prevailing wage laws indicate PLAs increase the cost of construction by 12% to 20% when compared to similar projects not subject to government-mandated PLAs. Also, why would the state want to limit who bids on their work to only 15% of construction firms?

Furthermore, Part A of this bill places unnecessary and burdensome requirements on contractor companies during the bidding process. As business owners, it is already in our best interest to hire only the best to execute our jobs and ensure that all of our subcontractors do the same. It is a matter of personal liability protection that we are up to date on all necessary licensing at the time of bid. Adding this additional layer of reporting and review will not help ensure higher quality of work or workers, it will simply slow the construction process down and add more unnecessary red tape.

As we emerge from the COVID-19 pandemic and begin to see an increase in available work across the state, let's not take this time to add more burdens to an industry who like so many others is still feeling the effects of a difficult 2020.

On behalf of ABC Maine and the members we represent, I would ask that you vote **ought not to pass on LD 1633.**

Thank you for your time and consideration. I would be happy to answer any questions that you may have.

