

President of Maine State Building & Construction Trades Council

Good Morning Senator Hickman, Representative Sylvester and the committee on Labor and Housing

My name is John Napolitano and I live in North Yarmouth. I am here testifying before you today as the President of the Maine State Building & Construction Trades Council representing 16 Construction trades unions with 5000 crafts men and women here in the State of Maine in support of LD 1633 An Act To Require Responsible Contracting Practices for Public Construction Projects. This bill establishes responsible contractor requirements for construction projects that receive state funds for the purpose of ensuring that the work on such contracts is performed by responsible, qualified contractors that maintain the capacity, expertise, personnel and other qualifications and resources necessary to successfully perform public contracts in a timely, reliable and cost-effective manner. This Bill outlines a responsible contractor certification process to be administered by the Department of Administrative and Financial Services, Bureau of General Services.

Basically, this bill puts in place thresholds for contractor participation, including apprenticeship participation. It also outlines subcontractor certification and public review. Finally it mandates PLAs for projects of \$10M or more. It restates principles of existing state laws concerning workers' compensation insurance, unemployment insurance and proper classification of workers to ensure tax compliance This creates a level playing field for all bidders by insisting on the enforcement of clear and unambiguous rules as a matter of contract law, as well as removing violators from ongoing projects and debarring them from future bidding

This leveling of the playing field achieves two primary objectives: It informs all potential bidders prior to bidding that the State is serious about enforcing statutory requirements, and it encourages reputable contractors to bid on public projects. This is not just good government, its smart business. Experience shows that the use of unqualified or unscrupulous firms can lead to poor quality, high cost and many other problems. Hiring good, reputable firms for public contracts is essential. It's also vital that public contractors employ trained, qualified, craft personnel who have the necessary skills and training to perform the project; preferably, such workers should be hired from within the local community.

Firms benefiting from public projects should be required to re-invest in local skill training programs that provide employment. Participation in quality Apprenticeship programs that have proven track records offer valuable skill training and career opportunities for local residents and produce win-win results for the state.