



MAINE AFL-CIO

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Testimony of Adam Goode, Maine AFL-CIO Legislative & Political Director, In Support of LD 1656 "An Act To Promote Energy-efficient Affordable Housing"

Senator Hickman, Representative Sylvester and members of the Joint Standing Committee on Labor & Housing, my name is Adam Goode. I am the Legislative & Political Director of the Maine AFL-CIO. We represent 40,000 working men and women in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 1656.

This bill is a creative approach to address three problems facing Maine. We face a housing crisis, a lack of jobs and people to fill jobs and a climate crisis. Maine is short more than 20,000 housing units. The housing we do have is a major cause of greenhouse gas emissions. This bill provides an option to address the housing crises through an investment in affordable housing that also addresses our need for skilled, good-paying jobs in the trades. Simply put, we need more affordable housing and we need more tradespeople to build that housing.

LD 1656 would significantly scale up our ability to build energy efficient housing by expanding our skilled green building workforce through targeted investments that are dedicated to green infrastructure. This would result in the responsible construction of energy-efficient affordable housing to help address Maine's housing shortage at the scale that is needed -- \$100 million over the course of 2 years.

The housing will be developed with project labor agreements in place that will raise working standards for construction trades and expand our registered apprenticeship programs. A project labor agreement (PLA) is a type of contract used in the construction industry to set the terms and conditions of employment usually on large projects of long duration and significant design complexity. A Project Labor Agreement is a pre-hire, project wide agreement that applies to a single construction project and establishes ground rules that cover all contractors and all construction workers on a project. A PLA establishes common rules across all contractors and provides a system to ensure that different trades and contractors work together to complete their individual tasks and the project in its entirety in the most efficient manner possible.

Often called Community Workforce Agreements, many public PLAs are crafted to address specific needs of the community, with provisions for local hiring, minority and at-risk targeted training programs, support for small businesses and apprenticeship ratios. PLAs raise wages and benefits and grow a pipeline of skilled workers. Addressing our affordable housing shortage with more project labor agreements will mean fair pay, great benefits and build our need for skilled green building experts. Through hiring highly-skilled tradespeople and paying them fairly, projects will be far more likely to be completed on time, on budget and with fewer safety issues.¹

PLAs are a tried and tested tool that have been used since the 1930s – at the time on big public works projects such as the Grand Coulee Dam, Hoover Dam and Shasta Dam – to increase the efficiency and quality of construction projects. They are an effective tool for ensuring timely, cost effective delivery of large and

¹https://www.researchgate.net/profile/Dale-Belman/publication/237389380_Project_Labor_Agreements_Project_Labor_Agreements/links/0046352ab953a045c8000000/Project-Labor-Agreements-Project-Labor-Agreements.pdf

complex projects. Aside from ensuring projects are built correctly and on time, PLAs provide contractors with access to a properly trained, highly skilled workforce and facilitate more accurate budgeting by establishing set wage rates for all craft workers and apprentices on the project.

Toyota, for example, has built every one of its U.S plants under a Project Labor Agreement. Wal-Mart has also moved to increasingly use PLAs on construction of its stores across the country. There is one reason and one reason only that Fortune 500 companies like Wal-Mart, Toyota, Boeing and many others are using PLAs: it helps their bottom line. The use of PLAs on an investment to creating affordable housing that meets high energy efficiency standards would be good for working people, good for the climate and good for creating housing.

This energy-efficient affordable housing bill will help solve Maine's housing shortage, our labor crisis, and the climate crisis. We ask that you vote for LD 1656.