



**PORTLAND**  
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## **Testimony in Opposition to LD 1818-An Act Regarding Port Facilities Relating to Offshore Wind Power Projects**

Joint Standing Committee on Labor and Housing  
May 9, 2023

Senator Tipping, Representative Roeder and members of the Committee on Labor and Housing,

My name is Eamonn Dundon, and I am the Director of Advocacy of the Portland Regional Chamber of Commerce. We represent 1,300 businesses in our region who employ over 65,000 Mainers. Today we submit this written testimony to express our organization's strong opposition to LD 1818.

Both the federal government and our own state *Offshore Wind Roadmap* agree that the project labor agreement (PLA) mandate for port facilities proposed in LD 1818 is not an appropriate tool for advancing our federal and state offshore wind goals. *The Maine Offshore Wind Roadmap* makes clear that:

“Maine is a small business state, with limited workers represented by unions—particularly in the construction field. Broad and open discussion among many parties on the best approaches to provide long-term opportunities for Maine workers across the board is needed, with essential consideration of multiple mechanisms to develop and support talent in Maine.”

The roadmap recommends a suite of workforce development issues that should work together, including **but not limited to** PLAs. Additionally, while the Bureau of Ocean Energy Management’s lease stipulations extol some of the benefits of PLAs, they explicitly do not mandate them. I will outline how PLAs will adversely affect workers, our economy, and our state policy goals. The actions necessary to support our climate cannot be achieved with increased costs, delays, and inequities resulting from such a broad government mandate. The roadmap makes clear that realizing the benefits of offshore wind in Maine is an “all hands-on deck effort” that will not be achieved if mandated policy prescriptions are not reflective of our broader state economy.

**LD 1818 is Detrimental to Workers:** I recently attended an all-day Business Network for Offshore Wind event at the International Marine Terminal in Portland, where I witnessed the breadth of Maine companies that could potentially contribute to the offshore wind industry’s successful development of port facilities in Maine. Unfortunately, the majority of them would be at a disadvantage in participating in the port development of this transformative industry if LD 1818 is enacted. With only 5% of Maine’s construction contractors unionized, much of our skilled workforce will be outcompeted by large out-of-state corporations, negating many of our comparative workforce advantages as laid out in the roadmap.

This has direct impacts on the wages of Maine workers. A recent study found that when non-union contractors are mandated to work under PLAs, workers at those firms experience a 20% reduction in take-home pay<sup>1</sup>. Wage reductions of this magnitude would undermine the hard-won efforts of many private and public sector leaders in recent years to raise wages in Maine through workforce development, business attraction, and research and development.

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<sup>1</sup> [THE DISCRIMINATORY IMPACT OF UNION FRINGE BENEFIT REQUIREMENTS ON NONUNION WORKERS UNDER GOVERNMENT-MANDATED PROJECT LABOR AGREEMENTS](#)



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**LD 1818 Exacerbates the Workforce Shortage:** Maine's *10-year Economic Development* aims to expand our workforce by 75,000 workers by 2030. Unfortunately, LD 1818 hinders these efforts. By disadvantaging 95% of Maine contractors in the construction of offshore wind port facilities, this PLA mandate is favoring a minority group of businesses that do not represent the employment setting of the majority of Maine workers. We need the full support of our workforce to achieve such a revolutionary transition in our energy generation. We cannot afford to favor the few over advancing our economy and all existing Maine-based businesses.

**LD 1818 Harms State Climate Goals:** The biggest challenges facing our transition from our current generation mix to one that supports Maine's climate goals are time and money. State-level mandated PLAs for port facilities will drive up the costs and timelines necessary to achieve the capacity of offshore wind energy required to achieve an 80% reduction in emissions by 2050 as contemplated in the *Maine Won't Wait* plan. Although research is limited on the effects of mandated PLAs on construction costs, the studies available point to significant cost implications related to such agreements, including one study of affordable housing developments that saw cost increases of nearly 15% related to PLA stipulations<sup>2</sup>. Increased costs come at the expense of additional investment in clean energy infrastructure, delaying critical investments in our energy transition.

We thank you for your time and commitment to all Mainers, and we ask that this committee vote Ought Not to Pass on this harmful legislation.

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<sup>2</sup> [The Effects of Project Labor Agreements on the Production of Affordable Housing](#)