

OUGHT NOT TO PASS

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

I, Andrew Butcher, President of the Maine Connectivity Authority, offer this testimony in opposition of LD 373, “An Act to Improve Labor Conditions for Maine Workers.” Thank you to Senator Tipping for bringing this important concept forward for thoughtful discussion and engagement with the Maine Connectivity Authority

The positive impacts that broadband has on places and people is more clear than ever as high levels of broadband adoption in rural communities reduce unemployment growth and positively impact income growth ([Whitacre et al., 2014](#)). Further, increases in broadband adoption levels are associated with an increase in median household incomes ([Whitacre & Gallardo, 2014](#)).¹ But on an even more fundamental level - everyone needs access to affordable, reliable, high speed internet to participate in modern society. Be it through remote work; starting or scaling a business, using telehealth care services; distance learning; applying for hunting and fishing licenses; attending town meetings remotely; or just staying connected to friends and family.

We are increasingly dependent on digital infrastructure and, as of December 2023, approximately 11% of locations in Maine (74,000 households and businesses) don't have access to modern broadband as defined in Maine. In 2024 we cannot afford for so many rural Mainers to be stranded in the digital dark.

This is the mission and charge of the Connectivity Authority. Since created in 2021 - The MCA has received and deployed close to \$150M of federal recovery and relief funding, leveraging over \$40M of private investment to connect approximately 77,000 locations throughout the State. We have invested millions in supporting community and regional capacity in every region of the State to make sure everyone benefits from such significant investments in digital infrastructure including helping over 90,000 Mainers take advantage of the Affordable Connectivity Program which provides a \$30/month subsidy for qualifying households. We are now gearing up to deploy almost \$300M through the Infrastructure, Investment and Jobs Act (IIJA).

There are several concurrent priorities that are key to our success. 1.) Receive and deploy the funding within the federal requirements, 2.) Foster public private partnerships that leverage engaged and

¹ Valentín-Sívico J, Canfield C, Low SA, Gollnick C. Evaluating the impact of broadband access and internet use in a small underserved rural community. *Telecom Policy*. 2023 May;47(4):102499. doi: 10.1016/j.telpol.2023.102499. Epub 2023 Jan 13. PMID: 36685614; PMCID: PMC9836830.

informed communities, 3.) Boost our workforce capacity in alignment with the surge of infrastructure development around the state. For this reason, in 2023 MCA conducted a broadband industry analysis and assessment which revealed that to meet the demands of the anticipated surge of investment - Maine Internet Service Providers and contractors would need to train and hire over 3400 workers.² Since that time we have developed a partnership with the Maine Community College System to launch fiber optic training programs as well as initiated a workforce advisory committee which includes private internet service providers, labor unions, other state agencies, and career and technical education providers to ensure that we are maximizing the reach and impact of our infrastructure investments.

While the ideas outlined in LD 373 align with principles championed by MCA, the bill risks impacting the very tight federally-imposed timelines Maine has to deploy hundreds of millions of dollars of investment. By attempting to prioritize good jobs for those working on the deployment of these funds, LD 373 puts at risk good jobs for all Maine people by putting at risk Maine’s ability to successfully execute on the \$272 million Broadband Equity, Access and Deployment (BEAD) grant as enabled through the IIJA and administered by NTIA.

Maine’s [BEAD plan](#)³ was created through many months of industry and stakeholder engagement, which included meetings with organized labor. The breadth of input, especially that of International Brotherhood of Electrical Workers (IBEW) and the Maine State Building and Construction Trade Council is reflected in the program’s scoring for sub-grantee selection. Specifically, points are awarded to applicants who demonstrate affirmative efforts to support and sustain their workforce. All applicants are required to be in compliance with the Federal labor and employment standards as referenced in Section 2.7.1, including documented (or planned) compliance with Davis-Bacon Act⁴ and Service Contract Act requirements.

The scoring strategy for Maine’s BEAD plan reflects that the Maine broadband industry is a complicated landscape composed of many different business models. All grant recipients are required to report on labor practices quarterly, annually and upon final project completion. Proposals are most competitive when they demonstrate: utilizing a directly employed workforce; include local hire provisions; offer retirement or equity incentives; use labor peace agreements; commit to union neutrality; use programs to establish an appropriately credentialed workforce with opportunities for additional credentialing; and use joint labor-management training programs that serve all workers (particularly those underrepresented or historically excluded). These scoring criteria also complement the [Good Jobs](#)

² <https://www.maineconnectivity.org/workforce>

³ <https://www.maineconnectivity.org/bead>

⁴ <https://www.dol.gov/agencies/whd/government-contracts/construction>

[provisions offered by the US Department of Labor and Commerce](#), particularly around Empowerment and Representation, and are a direct result of public input into the BEAD planning process.

Additional labor standards and provisions included in the BEAD program require that applicants will be required to include a certification from an Officer/Director-level employee (or equivalent) of the applicant evidencing consistent past compliance with federal labor and employment laws, as well as all contractors and subcontractors. Further attestations include:

- Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network
- How the applicant will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

As drafted, the proposed amendment to section 9405 would require not only agreements with direct internet service provider (ISP) employees, but also with all vendors and sub-vendors, creating significant additional project delays given the multiple vendors used by ISPs on these projects. The planning horizons required for implementation of section 9405 conflicts with the State of Maine’s primary focus on enabling universal access to broadband as expeditiously as possible.

Enabling universal, equitable, affordable access to broadband service is a functional imperative for the people of Maine. If enacted, this bill would exponentially increase the cost and delay the timeline of broadband deployment in Maine. These fundamental issues are why MCA asks you to vote ought not to pass on LD 373 as presented today. The Maine Connectivity Authority will be available for the work session.



Andrew Butcher, President
Maine Connectivity Authority