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February 6, 2024

**Testimony of Meghan Russo
Maine Department of Transportation
Before the 131st Legislature, Joint Standing Committee on Labor and Housing**

In Opposition

LD 373

An Act to Improve Labor Conditions for Maine Workers

Senator Tipping, Representative Roeder and distinguished members of the Joint Standing Committee on Labor and Housing, MaineDOT respectfully submits the following testimony in opposition to the amended language of LD 373, *An Act to Improve Labor Conditions for Maine Workers*.

LD 373 as amended would require as a condition for awarding a contract for transportation-related services that the successful contractor enter into an Employer and Employee Harmony Agreement, a project labor agreement, with a labor organization representing or seeking to represent the employees performing the work covered by the contract.

MaineDOT's transportation-related services are primarily consultant contracts. These are defined in 23 MRSA § 4242 as, "...services necessary or convenient to plan, design, engineer, construct, improve, demolish, maintain or use transportation infrastructure. These services may include, but are not limited to, planning and feasibility studies, engineering, surveying, mapping, environmental services, architectural-related services, appraisal, title services, right-of-way services, project and program management, construction support services and equal opportunity and civil rights services." MaineDOT contracts with consultants frequently for many services. Should LD 373 pass, any contract between MaineDOT and one of our consultants for any purpose would be subject to a project labor agreement.

The bill also stipulates that any grants, contracts, or expenditures by the multimodal transportation fund are also subject to project labor agreements. For context, MaineDOT's Work Plan for calendar years 2024, 2025, 2026, includes more than \$1.1 billion in investments in multimodal systems, representing about 24 percent of our total work plan.

If passed this requirement would encompass any capital projects involving active transportation (walking, bicycling, etc.), aviation, transit, the state ferry service, passenger rail, freight rail, and ports and marine. This would not only limit the ability of many local small businesses to provide goods and services to MaineDOT or its contractors, but also may jeopardize some services in rural Maine such as transit services provided by Community Action Program (CAP) agencies and local nonprofits. Except for a few transit providers in urban areas such as Portland, South Portland, Bangor etc., most, if not all, of our rural operators are currently nonunionized. Many of these providers are small nonprofits or CAP agencies with several volunteer employees. This bill would limit transportation providers who are willing to contract with the state and raise costs for those services in rural areas that already suffer from a lack of transit access and alternatives.

Because the vast majority of Maine's contractors bidding on MaineDOT work are nonunionized, passage of this bill would drastically reduce the number of bidders on our multimodal projects. History shows that project bids are likely to increase dramatically with a lack of bidding competition. These projects are currently performed by qualified Maine companies that would not meet the project labor agreement requirement within the bill. The success of these companies, which employ Maine people, is dependent on the ability to bid and perform the type of work that MaineDOT advertises. LD 373 as amended would limit their ability to do so and limit the number of contractors able to bid on these types of projects. Competition breeds better prices and better use of taxpayer funds.

It is for these reasons that we urge the committee to vote ought not to pass on LD 373 as amended. Thank you.

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