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President of the Senate

THE MAINE SENATE
130th Legislature

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Testimony in Support of LD 1411
An Act To Establish the Maine Buy American and Build Maine Act
Presented to the Joint Standing Committee on State and Local Government
May 5, 2021

Senator Baldacci, Representative Matlack, and members of the Joint Standing Committee on State and Local Government, my name is Troy Jackson and I represent the people of northern Aroostook County in Senate District 1. I am here today to present LD 1411, An Act To Establish the Maine Buy American and Build Maine Act.

This bill puts forward a policy that I believe should have been in place a long time ago. I've always believed that if there is work to be done in the state, Maine workers and businesses ought to have the first chance opportunity to do it. Our businesses, our workers and our communities should benefit from economic activity in this state. Mainers work hard, take pride in their work and get the job done.

Year after year, Maine spends hundreds of millions of dollars on procurements and contracts. This work is supported by Maine taxpayers — it's only fair to make sure they get all of the benefits. Yet, all too often, these contracts go to workers and businesses out-of-state, when there are qualified workers and businesses all across the state who could do the job.

There are already well-established "Buy America" provisions at the federal level that date back to 1933, and this practice is well-understood by contracting officers and bidders on public projects. Additionally, President Biden signed an Executive Order in January strengthening 'Buy American' policies across the federal government¹ and later unveiled his 'American Jobs Plan', which makes it clear that the federal government is heading in a new direction — one that recognizes the quality and value of American workers and goods.² It channels the power of American workers to transform the crumbling infrastructure in this country from our roads and bridges to high speed-reliable internet and childcare. This policy change is both welcome and long overdue. It's time for the State of Maine to do the same.

¹<https://www.whitehouse.gov/briefing-room/statements-releases/2021/01/25/president-biden-to-sign-executive-order-strengthening-buy-american-provisions-ensuring-future-of-america-is-made-in-america-by-all-of-americas-workers/>

²<https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/>

In addition to federal policy, dozens of state governments have some sort of in-state preference with regard to public contracting.³ This bill is about making sure Maine workers, and businesses get a fair shot at a contract whenever public dollars are used.

The Buy America, Build Maine Act achieves two central objectives:

1. It will guarantee that the people's work in our state is conducted by Maine businesses whenever possible. It will guarantee that taxpayer dollars are used to help workers and businesses right here in our state — not to benefit out-of-state companies. Our current policy leaves Maine businesses and workers by the wayside.
2. It will require the state to contract with businesses that use American-made products.

As many of you know, this issue hits close to home for me. I've seen first-hand what happens when business in Maine is done by people from far away, who take their wages with them when they leave our state. It puts our workers at a disadvantage and leaves holes in our communities. As a logger by trade, I've seen countless foreign loggers cross the border into Aroostook County to work in our forests. Canadian companies come to Maine to haul wood and return home. If Mainers had these jobs, they could have — and would have — invested their wages in their communities.

Here in Maine and throughout the country, we have standards by which businesses are required to operate. We have wage laws to prevent workers from being exploited and mistreated. We have environmental laws so that businesses can't freely pollute the air and water that we hold so dear in our state.

However, we routinely spend taxpayers' money overseas and buy goods produced in places that simply don't have the same standards that we do. It's true that we live in a global economy. We can't simply close off our borders and pretend the rest of the world doesn't exist. At the very least, we can put forth a cohesive policy that supports American manufacturers and workers when taxpayer dollars are being used.

For those of you who served on this committee last session, you will recall that this proposal passed committee but ended up dying when the Legislature adjourned in light of the pandemic. I wanted to make a couple notes on the changes in this iteration of the bill before you. First, we heard concerns about the complexity of determining the origin of every nut and bolt used in a project. For that reason, the bill before you now includes a provision that requires the manufactured good be greater than \$500. Second, we heard some concerns from the Department of Transportation that this proposal conflicts with the Federal Highway Administration's strict prohibition on the use of in-state preference in the selection of contractors through its bidding process. For that reason, we have excluded the department from this proposal.

³<https://municipalcastings.org/wp-content/uploads/State-BA-Laws.pdf>

There are a number of iconic Maine businesses that support this proposal — including American Roots, Auburn Manufacturing, Coffee by Design, Maine Beer Company, and FlowFold. Here in the Legislature, every one of us talks about supporting Maine workers and businesses. And during the course of the COVID-19 pandemic, there has been even more talk about supporting our small businesses during this difficult time. But words aren't enough. Let's lead with our actions and finally pass the Buy America, Build Maine Act.

Thanks for your time, and I would be happy to take questions from the committee.

Sincerely,

Troy Jackson
Maine Senate District 1
President of the Maine Senate

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