



Senator Baldacci, Representative Matlack, and members of the Joint Standing Committee on State and Local Government; My name is Jason Stutheit, and I am the President of DP Porter. Today, I am representing Associated Builders and Contractors of Maine. ABC is a national association with 69 chapters representing more than 21,000 merit shop construction and construction-related firms. Here in Maine, ABC represents over 170 businesses across the state – many are located in districts that you all represent. Thank you for the opportunity to speak to you today.

As a member of ABC Maine's Government Affairs committee, I am here today to speak in opposition to LD 1411, "An Act To Establish the Maine Buy American and Build Maine Act." This bill would place unreasonable burdens on small businesses across the state and would once again put Maine's business community at a disadvantage.

First, I would like to thank President Jackson for the positive changes he has made to this bill following our testimony during the 129th Legislature. The added language ensuring that this bill will not be in conflict with federal law and therefore will have no impact on federally funded projects is a welcome and positive change. However, we still have concerns regarding other aspects of the bill.

We continue to express concern regarding the requirement that all goods purchased for a particular project must be purchased from a United States company. This requirement could add substantial cost to a project, a cost that will be passed from the contractor to the owner (the State), and therefore onto the taxpayer. With more money needed to purchase these goods there will be less available to launch new projects and the State could fall short of completing the necessary improvement to our infrastructure outlined in the DOT work plan. Furthermore, global supply chains are still feeling the effects of the COVID-19 pandemic as producers continue to scale up production following pandemic-related capacity reductions. With much uncertainty surrounding how long it will take for supply chains to return to their pre-pandemic levels, now is not the time to restrict how contractors procure their needed supplies.

The waiver provision as stipulated in the bill suggests to us that Maine may not be ready to engage in the underlying idea that this bill hopes to implement. At best, requiring the heads of state agencies to file a waiver with the Governor to purchase goods produced outside the requirements of this bill will lead to a slowdown in project implementation, and will undoubtedly lead to project delays and increased costs to Maine taxpayers.

Lastly, the section regarding awarding contracts to in-state contractors continues to be problematic for our members. Though we certainly appreciate the clarifying language that has been added to this provision following our discussions last year, we continue to question whether such a provision is needed. The Maine DOT and other state departments already award the vast majority of their contracts to in-state contractors. In the case of the DOT, 93 percent of contracts are already awarded to Maine companies. Adding these time-consuming steps to the bidding process could interfere with our



member's abilities to bid for more out-of-state contacts and further expand their business.

On behalf of ABC Maine and the members we represent I would ask that you vote ought not to pass on LD 1411.

Thank you for your time and consideration. I would be happy to answer any questions that you may have.