



THE MAINE SENATE

The Honorable Janet T. Mills
Governor, State of Maine
1 State House Station
Augusta, ME 04333-0001

June 23, 2023

Dear Gov. Mills,

We are in receipt of your letter dated June 21 that outlined your views on LD 1847 and LD 1895. We write in an effort to provide additional information that might be helpful as you consider these bills, which are critical to the development of offshore wind in Maine.

Our goal is to work collaboratively with you to operationalize offshore wind in the state of Maine. We recognize your commitment to combating climate change and your goal to make Maine a leader in the transition away from polluting fossil fuels. We are hoping that we can find a compromise that will meet your requirements while also ensuring that offshore wind projects, including ports, offer strong labor protections to working people, provide substantial benefit to host communities, and protect our state's environment and fishing industries.

As you know, the coalition that has formed, and impressively continues to gain allies and momentum, has made an incredibly thoughtful, well-researched and well-vetted case for the approach taken in LD 1847 and LD 1895. As we are literally in a global race to build a port and develop this industry, we know you agree that failing to act this session will functionally put Maine at the back of the line in relation to New England states when it comes to developing this industry. We also understand that the Biden administration, armed with the funding approved in the Inflation Reduction Act, and the Bipartisan Infrastructure Law, has a strong and demonstrated commitment to build this industry with labor, environmental and community standards.

We have heard your concerns and are prepared to offer changes to the legislation in hopes of addressing them. Before we outline our proposal to directly address these issues, we wanted to share some facts that seem to be missing from the analysis in your June 21 letter.

Project Labor Agreements, contrary to popular rhetoric, by design and in reality **do not** exclude any companies from participating in this burgeoning industry. In his public testimony, Jason J. Shedlock, President of the Maine State Building and Construction Trades Council and individual responsible for signing a final PLA, stated that "The last letter of PLA stands for 'agreement.' PLAs are open to any and all contractors. Both here in Maine and nationwide. Working together



THE MAINE SENATE

on a mutually agreed process, I will sign a PLA with any and all contractors who agree to follow those mutually developed rules and processes.”

Even more definitively, the U.S. Supreme Court has affirmed their legality, fairness, and appropriateness. (*Boston Harbor decision. Building & Construction Trades Council v. Associated Builders & Contractors of Massachusetts/Rhode Island, Inc.*, 507 U.S. 218 (1993))

But we needn't look to Washington to see how PLAs work. Because of your leadership, a \$20 million commitment from the state of Maine is currently on target to build 800 units of badly needed affordable housing in Portland. Construction managers and contractors are currently exploring joint ventures between union and non-union firms, in order to build these units. According to Maine State Housing Authority, “Due to great demand and limited funding, [they] were quickly oversubscribed for funding through the 4% Tax Credit Walk-In Funding Program Using Project Labor Agreements,” having received requests for over twice the amount of funds allocated by the legislature via LD 1733. The chilling effect that is contemplated by ensuring labor standards under a PLA is simply not born out in reality.

You say in your letter that “out of state workers will be bussed up to coastal Maine to build our offshore wind port while Maine workers sidelined.” This idea fails to acknowledge the over 6,000 workers of 20 affiliates of the Maine Building Trades, but also the thousands of more current and future workers who are eligible to work under a PLA regardless of whether or not they carry a union card. The difference is that under a PLA, we can ensure that this new industry empowers middle class families and creates good paying jobs with benefits.

Contrary to the claim that PLAs raise costs that would be borne by Maine ratepayers, comparisons of hundreds of PLA and non-PLA projects consistently show that PLAs projects attract a similar number of bidders and are completed at a similar or lower cost than comparable non-PLA projects.^{1,2} PLAs achieve overall project cost- and time-savings without doing so at the expense of workers by:

- Standardizing work schedules, shifts/hours, holidays, ratios between apprentices and journeymen, payment arrangements, and workers compensation policies across up to 20 crafts on any given project;
- Preventing delays by standardizing contract expiration dates, guaranteeing no-strikes/no-lockouts, and using expedited dispute resolution procedures;

¹ Kotler (2009). Project Labor Agreements in New York State: In the Public Interest. Cornell University. <https://ecommons.cornell.edu/handle/1813/74340>

² Waitzman and Philips (2017). Project Labor Agreements and Bidding Outcomes. University of California. <https://laborcenter.berkeley.edu/pdf/2017/Project-Labor-Agreements-and-Bidding-Outcomes.pdf>



THE MAINE SENATE

- Providing immediate and continual access to a pool of highly trained workers - and a process to recruit and train more, which consistently translates into higher productivity, and safer job-sites with fewer delays due to lower injury rates; and
- Increasing utilization of Registered Apprentices - a program that we know is one of our shared top priorities.

It would indeed be troubling if it were true that adding a PLA requirement to LD 1847 made Maine less competitive with other states. With the important caveat that LD 1895 actually does *not* require PLAs, the fact that “no other state ... has put into law the mandatory language included in LD 1847 or 1895” not only ignores the PLAs required by state agencies for port buildouts in [NY](#), [CT](#), [RI](#), and [NJ](#), but fails to acknowledge how the offshore wind industry is developing in those very states. Every offshore wind port and offshore wind project under construction or pre-construction on the East or West coast of the United States is being completed under a Project Labor Agreement. Indeed, the fact that every east coast offshore wind project built, under construction, or in advanced permitting and pre-construction has been or will be done under PLAs means that pursuing LD 1847 would put Maine on equal footing — not make it an outlier — with other states as this industry matures. The fact that developers such as Orsted have negotiated a [national PLA with the North American Building Trade Unions](#), with other offshore wind developers in various stages of doing so as well, only underscores that PLAs are increasingly an industry

Proposal to Governor’s Amendment on LD 1895

We have been, and remain, ready to have substantive discussions around this legislation and how it can best benefit working Mainers. To that end and to directly and thoughtfully address your concerns, we are proposing the following changes/additions to LD 1895. It should be noted that the approach below can also pertain to LD 1847.

Maine Resident Priority Language

“In the event that the contractor and their associated subcontractors require additional labor to fulfill their obligations, the contractor and/or labor union performing hiring hall functions in partnership with said contractor(s) shall make a demonstrated and measurable effort to recruit and provide opportunities for union membership and/or direct employment to the following populations, in order of priority:

1. Qualified journeyworkers and/or Registered Apprentices who reside within a 25 mile radius of the project site.



THE MAINE SENATE

2. Qualified journeyworkers and/or Registered Apprentices who reside within the state of Maine.
3. Qualified journeyworkers and/or Registered Apprentices who reside in the New England region.

In the event that labor needs cannot be fulfilled from the geographic areas outlined in subparagraphs 1 - 3 above, or if specialized skills are necessary and unavailable from the geographic areas outlined in subparagraphs 1 - 3 above, the contractor, or union representing workers in partnership with said contractor, shall use any and all means necessary to ensure labor needs are met, not including utilization of temporary staffing agencies or independent contractors.”

Inclusive Labor Access and Participation Language

“The relevant agency or agencies responsible for awarding contracts related to the offshore wind industry, shall make a demonstrated and documented effort to ensure broad and maximum engagement and participation of all interested contractors upon publicizing any and all requests for proposals surrounding work on or related to the offshore wind industry.

“Under a project labor agreement, all contractors, including but not limited to those headquartered in the state of Maine, and regardless of whether their employees are covered under a collective bargaining agreement, shall be eligible and encouraged to bid on and participate in any and all work related to the offshore wind industry. In the event that a contractor or contractors whose employees do not fall under a collective bargaining agreement is selected to perform work related to the offshore wind industry, bias shall not be shown against said company during the negotiations of a project labor agreement.”

We are simply far too close to close the door on offshore wind. We look forward to our ongoing conversations in order to collaborate on building the foundation of a game-changing industry for Maine’s environment, Maine’s communities and Maine’s current and future working families. We look forward to your favorable reply and subsequent signing of both LD 1847 and 1895.

Sens Brenner, Lawrence, Curry.

Handwritten signature of Jay F. Brewer.

Handwritten signature of Mark W. Lawrence.

Handwritten signature of Chip Curry.