

The Maine Heritage Policy Center

Testimony to Oppose LD 1564

"An Act To Authorize Project Labor Agreements for Public Works Projects"

Senator Bellows, Representative Sylvester, and distinguished members of the Committee on Labor and Housing, my name is Adam Crepeau and I serve as a policy analyst at The Maine Heritage Policy Center. Thank you for the opportunity to speak in opposition to LD 1564.

The Maine Heritage Policy Center is opposed to LD 1564 because it seeks to pick winners and losers in the bidding process for public works projects. Currently, nothing is preventing public authorities from requiring project labor agreements (PLAs) to work on public works projects.¹ This legislation simply encourages the use of PLAs and adds nothing but symbolic language to Maine statute. In other words, this bill does nothing for Mainers and is completely unnecessary.

While this bill does not consider affiliation with a labor union as a factor in the bidding process, PLAs should not be required for public works projects. PLAs unnecessarily bind contractors and their employees to terms such as set wages, pensions, benefits and other policies typically adhered to by organized labor.² This reduces competitiveness in the bidding process by favoring unionized contractors over those that are non-unionized. Contractors should be reviewed on how well they can do the job, not by whether they can meet the terms set forth in a PLA.

The Maine Heritage Policy Center is opposed to creating arbitrary barriers in the bidding process for projects governed by public authorities. If this was a major concern, all public authorities would already be using PLAs for public works projects. There is no reason for this legislation since it simply suggests the use of a PLA when it would be in the "public's interest." We should not be legislating suggestions.

Because LD 1564 may encourage public authorities to arbitrarily limit which firms would be eligible to work on public works projects through a PLA, The Maine Heritage Policy Center urges the committee to vote, "Ought Not to Pass." Thank you.

¹ <http://www.mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=120390>

² <https://www.constructiondive.com/news/deal-or-no-deal-plas-in-the-construction-industry/553152/>