

Janet T, Mills GOVERNOR STATE OF MAINE OFFICE OF THE GOVERNOR 1 STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

June 26, 2023

The 131st Legislature State House Augusta, Maine

Dear Honorable Members of the 131st Legislature:

By the Authority conferred by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing L.D. 1847, An Act to Modify the Visual Impact Standards for Offshore Wind Port Development.

I submitted LD 1847 to create a streamlined but thorough process for permitting an offshore wind port facility in Maine. Specifically, my bill proposed new visual impact standards when future offshore wind port facilities receive review. In its original form, LD 1847 provided the necessary guidance for the construction of offshore wind turbines in future port development.

Unfortunately, after passing out of the Environment and Natural Resources Committee with a strong bipartisan vote and after a favorable vote in the Senate, my bill was substantially amended on the Senate floor to add the language from a separate bill my Administration opposed, LD 1818, *An Act Regarding Port Facilities Relating to Offshore Wind Power Projects*, among other things, requiring Project Labor Agreements (PLAs) – not only for the construction of an offshore wind port, but for the construction and fabrication of offshore wind projects, such as the turbines, broadly.

I outlined my significant concerns with these changes in a June 21st letter sent to the sponsors of the bill (enclosed) and requested that the Legislature recall and amend the bill by either: 1) revising it to the initial version of legislation that passed in a bipartisan vote out of the Committee on Environment and Natural Resources, or; 2) adopting language that would ensure that union workers, employee-owned businesses, and small businesses could all benefit, focusing on potential costs to ratepayers and to maximizing the use of Maine based workforce.

Regrettably, the Legislature did not recall the bill, leaving my significant concerns unaddressed. Now, because of my Constitutional obligation to act on a bill within ten days of its receipt, there is no further time to amend the bill. Therefore, I must veto it.



TTY USERS CALL 711 www.maine.gov It is my preference to continue working on this legislation, and I welcome your openness to discussing additional revisions, as indicated in the sponsors' June 23rd response to my letter, through LD 1895 or other legislation as it progresses through the Legislature. I know my office continues to work with closely with the sponsor of LD 1895 to negotiate revisions to that bill that may be mutually acceptable to all parties.

Harnessing the benefits of offshore wind will require an 'all-hands-on-deck' approach that includes unions, small businesses and existing employee-owned and other Maine companies. Without that approach, Maine will be at a disadvantage compared to other New England states. It is imperative that investment in offshore wind facilities and projects foster opportunities for Maine's workforce and construction companies to compete on a level playing field for this work.

Unfortunately, LD 1847 in its current form fails to accomplish that. Therefore, I return LD 1847 unsigned and vetoed and urge the Legislature to sustain this veto.

In the meantime, I hope to continue working with you to advance the concepts included in this bill in the near future.

Sincerely,

Janet T. Mills Governor





Janet T. Mills

STATE OF MAINE OFFICE OF THE GOVERNOR 1 STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

June 21, 2023

Senator Stacy Brenner Maine Senate 3 State House Station Augusta, Maine 04333

Senator Chip Curry Maine Senate 3 State House Station Augusta, Maine 04333

Senator Mark Lawrence Maine Senate 3 State House Station Augusta, Maine 04333

Dear Senator Brenner, Senator Curry, and Senator Lawrence:

As you know, the Legislature has enacted LD 1847, An Act to Modify the Visual Impact Standards for Offshore Wind Port Development.

My Administration has worked closely with the Legislature to advance policies that embrace clean energy and its numerous environmental and economic benefits. As an abundant source of renewable energy, offshore wind – done responsibly – has the potential to reduce Maine's over-reliance on expensive, harmful fossil fuels, stabilize energy costs, and curb climate-altering emissions to protect our state's environment for future generations. Additionally, as an industry, offshore wind is poised to grow significantly in the coming years, and this anticipated growth can support existing and emerging Maine companies, create new jobs and career opportunities for Maine people, attract new workers and families to Maine, and deliver infrastructure investments in communities across the state.

To that end, my Administration has brought together businesses, fishermen, scientists, and other stakeholders to address head-on important questions about how to responsibly advance offshore wind in Maine by developing the Maine Offshore Wind Roadmap. The offshore wind industry is anticipated to create \$109 billion in private investment in the United States that will spur port investment and supply chain and workforce development. To realize these major economic benefits, Maine will need to develop a modernized port that can handle and support the specific needs of the offshore wind industry off our coast and up and down the East Coast.

I submitted LD 1847 to pursue a streamlined but thorough permitting review of an offshore wind port facility in Maine. Specifically, my bill proposed new visual impact standards when future offshore wind



port facilities receive review. LD 1847 in its original form provided the necessary guidance for the construction of offshore wind turbines in future port development.

Unfortunately, after passing out of the Environment and Natural Resources Committee with a strong bipartisan vote and after a favorable vote in the Senate, my bill was amended on the Senate floor to add the language from a separate bill my Administration opposed, LD 1818, *An Act Regarding Port Facilities Relating to Offshore Wind Power Projects*, requiring Project Labor Agreements (PLAs) – not only for the construction of an offshore wind port, but for the construction and fabrication of offshore wind projects, such as the turbines, broadly.

Generally speaking, I recognize the value of PLAs, or collective bargaining agreements, as a tool to lift up working men and women by ensuring that they are paid strong wages with good benefits. However, I cannot support the addition of a PLA requirement to this bill for the following reasons:

- 1. Most Maine workers in the construction industry in fact, more than 90 percent are not unionized, which means that adding a PLA requirement creates a chilling effect for these companies and their workers to participate in, and potentially, build this project. As a result this could stifle competition, which could cut out thousands of workers and employee-owned businesses, and could end up favoring out-of-state unions in the region, over Maine-based companies and workers and I do not believe any of us want to see out-of-state workers being bussed up to coastal Maine to build our offshore wind port while Maine workers are sidelined, sitting at home.
- 2. Even if Maine-based companies do bid on a contract under a PLA requirement, they will likely have to raise costs beyond salaries and health benefits that would have to be shouldered by Maine people during a time of inflation-driven price increases in the construction industry and already sky-high energy costs driven by our over-reliance on fossil fuels.
- 3. No other New England state requires PLAs for offshore wind development in statute. While it is common in Federal and State regulations and solicitations to *encourage* project labor agreements an approach that I would be completely fine with no other state not Massachusetts, not Rhode Island, and not Connecticut has put into law the mandatory language included in LD 1847 or 1895. Adding a PLA requirement to this bill makes us far less competitive with other states.

As this industry begins to grow, we must maximize, not sideline or limit, benefits to Maine workers and companies and minimize costs to Maine taxpayers and ratepayers. It is imperative that investment in offshore wind facilities foster opportunities for Maine's workforce and construction companies to compete on a level playing field for this work. As highlighted in the state's Roadmap, utilizing the benefits of offshore wind for Maine requires an 'all-hands-on-deck' approach and a significant opportunity to create long-term family supporting jobs in the State, that includes unions as well as small businesses and existing employee-owned and other Maine companies.

Therefore, I cannot sign LD 1847 into law. I ask that you recall it from my desk by Friday at 3:00 PM and revise it to the initial version of legislation that passed in a bipartisan vote out of the Committee on Environment and Natural Resources or adopt language that would ensure that union workers, employee-



TTY USERS CALL 711 www.mainc.gov owned businesses, and small businesses could all benefit. With either of these changes, I pledge to you that I will sign LD 1847 into law. Without them, I pledge to you that I will veto it.

Lastly, I have similar concerns about LD 1895, An Act Regarding the Procurement of Energy from Offshore Wind. This bill, too, as amended, includes labor requirements not seen in New England that would result in the same problems I outlined above – namely, that in practice it would preclude the vast majority of Maine businesses and workers from economically benefitting from the advancement of offshore wind. Moreover, the additional interconnection and environmental fees required in the amendment put Maine at a disadvantage regionally and will unnecessarily raise costs that will be borne by ratepayers. And, while the intent of the tax credit is laudable, the impact to inxpayers is significant, and, in practice, is not necessary right now as we work to accomplish the same goal by different means: by my Administration and Maine's Congressional Delegation pushing the Federal government to not lease areas for offshore wind in Lobster Management Area 1, as we just recently did.

Please amend LD 1895, too, before sending it to my desk so that I can sign it. In its current form, I cannot.

Let us give every opportunity to Maine people, Maine businesses, and Maine workers to benefit from offshore wind – not inadvertently sideline them. My Administration stands ready to work with you to achieve our shared goals, and my staff is available would you like to discuss these matters further.

Sincerely,

Janet T. Mills Governor

CC:

President Troy Jackson Speaker Rachel Talbot Ross Representative Lori Gramlich Representative Paige Zeigler Senator Mike Tipping Representative Amy Roeder



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