

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

April 26, 2024

The 131st Legislature of the State of Maine State House Augusta, Maine

Dear Honorable Members of the 131st Legislature:

By the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing L.D. 373, An Act to Ensure Employer and Employee Harmony in Clean Energy Development Projects.

L.D. 373 requires a State entity responsible for granting a lease of state land for the use or construction of a facility to be used in the development of a clean energy development project to require that the lessee, as a condition of the lease, enter into an "employer and employee harmony agreement" with any labor organization seeking to represent the lessee's employees at the clean energy development project site.

First, the bill contains ambiguous language that does not provide adequate clarity as to what the bill requires, particularly on two fronts: 1) whether an employer and employee harmony agreement would apply to construction of (and not just permanent jobs at) a potential offshore wind port, and; 2) whether an employer and employee harmony agreement would be applicable to renewable energy projects involving state-owned land beyond the port.

On the first question, Section 2 of the bill expressly identifies "construction", raising questions about whether the construction of the port, or any other renewable energy project that crosses state land, and not just the permanent jobs there, would be captured by this bill. My understanding is that the bill is not intended to do that, but the language does not make that clear. Moreover, the bill directs the Department of Labor to conduct routine technical rulemaking to define "temporary basis" related to the work, but the legislation fails to provide clarity around the types of work, financial caps, and duration of the job, for example – important considerations that the Department would need to produce an appropriate rule.

On the second question, the language of the bill – while appearing to be targeted specifically towards an offshore wind port – could apply to the operation of any clean energy project, including biomass, hydroelectric, solar, wind and geothermal, that touches state land, which is far more expansive than the apparent intent of the bill.



Last year I signed into law L.D. 1895, An Act Regarding the Procurement of Energy from Offshore Wind Resources. This law requires, through the "Maine emerging industry compensation threshold", that a contractor or subcontractor involved in the construction of an offshore wind project receive compensation equal or greater to the amount established as a result of a mutual agreement between a labor organization and the contractor. The law also established community and workforce enhancement standards, standards that contractors, subcontractors and individuals performing construction work on offshore wind power projects must meet. These requirements were the result of engagement with key stakeholders and represent a fair and reasonable approach. L.D. 373 is not the product of such.

Because this bill is ambiguous, potentially more far-reaching than intended and raises a number of unanswered questions as to its intent and scope, I return L.D. 373 unsigned and vetoed and urge the Legislature to sustain this veto.

Sincerely,

Janet T. Mills

Governor

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