

February 19, 2020

Committee on State and Local Government
Cross Building, Rm. 214
c/o Legislative Information
100 State House Station
Augusta, ME 04333

Dear Committee Member:

On behalf of the Alliance for American Manufacturing (AAM), I write to urge you to support L.D. 1280. AAM is a labor-management partnership between the United Steelworkers and some of America's leading manufacturing companies. Together, we support policies that benefit both American workers and companies doing business here in the United States.

The tax, toll, and user fee financed investments in Maine's public works should include a commonsense Buy America preference for companies and workers who continue to manufacture in the United States under U.S. and Maine laws and regulations. As companies continue to invest in their U.S. operations, they modernize plants to make them safe and efficient, and create jobs in the process. Maine must ensure that as we regulate the manner in which U.S. manufacturers do business, we do our best to encourage U.S. production and investment. Maine's public policies must not remain divorced from procurement policies; otherwise we risk further impairing the competitiveness of Maine and U.S. manufacturers in the global market.

Manufacturing employment is important to the Maine economy. While Maine currently has 49,900 manufacturing jobs, the state lost more than 29,000 manufacturing jobs since 2001. Currently manufacturing jobs make up 7.16 percent of Maine's total employment and manufacturing makes up over 9 percent of Gross State Product. In order to make a full recovery from the recent recession, Maine needs to create 9,100 manufacturing jobs. Assuring tax dollars are invested in domestic manufacturing will support firms in the state, across the United States, and encourage manufacturers to consider Maine as a site of a future facility.

Maine state agencies are already accustomed to applying Buy America preferences when executing programs funded by federal grants. This longstanding practice by the federal government, and many state governments, is well-understood by contracting officers and bidders on public projects. Dozens of states have similar laws that create a procurement preference for American-made goods when they are available in a sufficient quality and quantity and are competitively priced in the global marketplace. Without such a preference Maine budget investments could easily be spent on goods produced abroad, encourage outsourcing, and sacrifice American jobs. Mainers, like all Americans, expect that their tax and toll dollars will be reinvested with the taxpaying businesses and workers that produce goods in Maine and the U.S., and including a Buy America preference will do just that.

Maximizing domestic content in our infrastructure investments creates more American manufacturing jobs – 33 percent more, according to research conducted at University of Massachusetts Amherst. Buy America preferences stimulate emerging industries and develop robust component supply chains, giving vital opportunities to U.S. firms. By implementing a domestic content preference like Buy

America, Maine State not only ensures that U.S. materials get a preference in taxpayer-financed public works procurements, the state also ensures that U.S. environmental and labor standards are not just a burden to U.S. business looking to compete in a global economy, but rather a standard for doing business with the globe's biggest customer.

Put simply, it makes absolutely no sense for governments to send hard-earned tax and toll dollars overseas when companies and workers here at home are ready to do the work at a comparable price. Reinvesting tax and toll dollars into the local and national economy promotes growth, expands the tax base, and, by hiring workers, reduces the burden on social safety net programs. On behalf of AAM, I urge you to support L.D. 1280.

Sincerely,

A handwritten signature in cursive script that reads "Brian J. Lombardozzi".

Brian J. Lombardozzi
Vice President of State Governmental Affairs
202-393-3430