



TESTIMONY OF

RICHARD BLOOMINGDALE, PRESIDENT  
THE PENNSYLVANIA AFL-CIO

ON

“JUMPSTARTING MAIN STREET:  
BRINGING JOBS & WEALTH BACK TO FORGOTTEN AMERICA”

BEFORE THE  
CONGRESSIONAL HOUSE OVERSIGHT SUBCOMMITTEE  
ON THE ENVIRONMENT

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Good afternoon Chairman Khanna, and members of the House Oversight Subcommittee on the Environment.

Thank you for inviting me to testify today. My name is Rick Bloomingdale, and I am the President of the Pennsylvania AFL-CIO. We represent over 700,000 union members, and more than 50 international unions across the Commonwealth of Pennsylvania. I am here before the COR Environment Subcommittee today to testify regarding Job Creation in deindustrialized, blue-collar communities across America.

Look around your districts. Our people and our lands are struggling – all across the nation. As the past years have progressed, we've gradually experienced the toll that the past and latest recessions are having on our communities throughout the Commonwealth and across the nation. We must understand the weight of living paycheck-to-paycheck that many of our communities carry every single day. We need to target investments in areas of the country that have been deindustrialized and historically disadvantaged by working together to create an economically and environmentally sustainable pathway forward.

## **Introduction**

Over the past year and a half, Pennsylvania has experienced the highest rate of unemployment in any of our lifetimes. We need to understand the importance our infrastructure plays in creating and maintaining good jobs that provide a steady livelihood to hardworking Pennsylvanians. Diversifying our energy workforce through the addition of good, innovative jobs can play a critical role in how we build the future our workers and their families deserve.

We must be clear — environmental sustainability cannot be economically unsustainable. To combat and reverse climate change, we need to evolve how we produce energy, expand efficiency for usage and conservation, and clean up our atmosphere through carbon capture and sequestration. There is no singular solution, but rather multiple steps we can take to create clean jobs that put working people first.

It is critical we create good jobs in advance of any actions that cause reductions in employment in fossil fuel production and use. Working families and communities want to know, and deserve to know, that doing what is necessary to fight climate change won't result in unemployment or a reduced standard of living.

The shift to clean energy is a tremendous opportunity to create union jobs. The federal government must lead the way by insisting that public dollars are spent on American-made products. This should include renewable energy goods and clean vehicles, while also ensuring that high labor standards are built into every action and attached to every federal incentive for clean energy.

We deeply appreciate the President's call to invest in coal and other fossil-fuel communities to create good jobs in new industries and by cleaning up abandoned mines and wells. We call on

Congress to support this order with the funding it requires while doing more to require high labor standards.

## **The Appalachian Council, Skilled Training Programs, and a History of Success**

The attempt by federal government to assist struggling communities is not new. In fact, the AFL-CIO Appalachian Council, Inc. is an organization governed by the chief executive officers of the AFL-CIO state labor councils in the thirteen states of the Appalachian Region. Since 1964 the organization has developed and implemented a broad range of social services through various projects designed to lead to full employment to the extent possible, within a region blighted by poverty and joblessness.

The Council also recognized that as technological advances and economic forces brought about changes in the workplace, workers would be required to have additional skill sets that had not been necessary in previous generations. Much of this is still true today.

Today, AFL-CIO state central bodies in Alabama, Georgia, Kentucky, Maryland, Mississippi, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia and Delaware compose the Appalachian Council and provide leadership, oversight and support through their participation as members of the Board of Directors.

### **Operation Man Power**

In June of 1967, Operation Manpower began operation. The project's mission was to provide both classroom training opportunities as well as on the job training to the poor, underprivileged, and the unemployed. The Council also recognized that as technological advances and economic forces brought about changes in the workplace, workers would be required to have additional skill sets that had not been necessary in previous generations. In its first five years of existence ending July 1, 1972, Operation Manpower placed more than 14,000 trainees in jobs through subcontracts with participating employers.

Through Operation Manpower, The Council worked with CETA Prime sponsors in Alabama and in Maryland to develop specialized training programs including the operation of skills centers in Birmingham and in Mobile, a program to train women for entry into the construction trades, and a project which provided training in areas relating to production and industrial maintenance.

### **Federal Jobs Corps**

The Federal Job Corps was created by the Economic Opportunity Act of 1964 and for the first four years was administered by the Office of Economic Opportunity. In February of 1967 the Appalachian Council began their involvement with Job Corps after it was discovered that in Appalachia, poor, out of school, out of work youth were not taking advantage of the new program.

Faced with these recruiting difficulties, Job Corps administrators came to the AFL-CIO Appalachian Council for help. Appalachian Council staff acted on the premise that they had to find and recruit applicants for Job Corps in every community. By 1972 the Appalachian Council had recruited a full 20,000 disadvantaged youth within the Appalachian region for Job Corps.

For more than forty-two years, the Appalachian Council, either through grants or by contract, has provided a broad range of services for the benefit of Job Corps students and applicants. Many of these contracts were competitive in nature and made with the Regional Offices of Job Corps and included the recruiting and placement of Job Corps students and applicants. During a period in its history the Appalachian Council was the largest admissions contractor in Job Corps recruiting over thirty percent of all Job Corps students.

Over time, the numbers of these contracts diminished as new and larger for-profit corporations began to dominate that business. The Appalachian Council was simply priced out of the market with the maturity and experience of Appalachian Council staff not being considered in the competitive process. Today, the Appalachian Council is no longer recruiting for Job Corps. At the close of the Indiana contract, the Appalachian Council had recruited and/or placed over 250,000 youth for Job Corp throughout the United States, and over the history of these programs, hundreds of thousands more have been impacted.

### **Industry Work Experience Program**

In 1977, the Appalachian Council's highly successful national program, the Industry Work Experience Program (IWEP), was developed based on early assessments of weaknesses in the Job Corps program. Over the years, home based 24/7 hands-on staff developed good paying sustainable jobs, recruited students to fill those jobs, found housing and affordable transportation, and served as mentors and/or surrogate parents for a ninety-day period.

In April 2004, the Appalachian Council's sole source relationship with ETA Job Corps was unilaterally terminated by the government after almost thirty years of service. Appalachian Council leadership responded to the loss by contacting constituents and government officials who voiced their support for the Appalachian Council cause.

A broad level of support was achieved and subsequently, Appalachian Council Chairman William George (PA) voiced his concern with Senator Arlen Specter, and Executive Board member Jim Bowen (WV) contacted the office of Senator Robert Byrd. At the time, Senator Specter was Chairman of the Appropriations Subcommittee on Labor, Health and Human Services and Education, and Senator Byrd was ranking member of the full Senate Appropriations Committee.

Inquiries from Senator Specter and Senator Byrd were made to Elaine Chao, Secretary of Labor, without response. In reaction to the Secretary's lack of communication, Senator Specter

scheduled a hearing on the reasons for the government action before the Labor, HHS and Education Subcommittee.

Registered apprenticeship placements offered a very good opportunity for Job Corps graduates who had completed a trade training program to enter a structured program of learning leading to excellent wages and benefits and, most importantly, a lifelong career – goals we can reflect on as we look towards implementing programs with success in the future.

### **Reimagine Appalachia – An Infrastructural Blueprint Forward**

While many communities throughout our country have been negatively impacted by deindustrialization, I'd like to focus on a strong initiative building out of Appalachia that can serve as a framework for future success as this administration create new pathways to build back better.

Reimagine Appalachia is a coalition formed of economic and environmental community leaders and grass roots organizations who are working to address the obstacles and propose solutions on rebuilding a local economy that can adequately support workers, communities, and the environment in the face of deindustrialization.

Rather than government officials coming into local communities that are hurting and implementing change without leveraging the voices and experiences of the local population, Reimagine Appalachia is unique because it has built forward from the input of local residents – those whose lives are drastically and directly impacted – on how they'd reimagine their Appalachia. Together, the coalition have been working to address the problems that these local stakeholders have highlighted, incorporating their voices into creating a blueprint for economically and environmentally sustainable change.

The plan shows how federal resources can support high quality jobs in sustainable manufacturing, a modern Civilian Conservation Corps, and by building out the region's broadband infrastructure. The final report from a study by the Political Economy Research Institute (PERI) at the University of Massachusetts-Amherst shows that the blueprint has the potential to provide good, sustainable jobs for 243,000 Pennsylvanians *every year* for the next 10 years. This number is for Pennsylvania alone – the jobs creation potential equates to hundreds of thousands more jobs for each of our neighboring states in the Appalachia region.

These federal investments would not only represent a counterforce to the economic collapse associated with COVID-19 – they would also build the foundation for a more sustainable and vibrant Appalachia moving forward.

### **Combating Negative Impacts on Fossil Fuel Industry Workers**

There are roughly 64,000 Pennsylvanians working in fossil-fuel based industries, including in oil and gas extraction, coal mining and refineries. The PERI analysis, driven by emissions reductions

that come in part from reduced energy consumption of high-emission fuels, determined that by the year 2030, there would be 28,702 fewer fossil-fuel industry workers — about 1,000 of which each year would retire, but the rest of which would require re-employment.

Each year, for the next 10 years, roughly 1,800 workers will deserve priority status for re-employment in jobs created via national climate change legislation. The PERI analysis recommends, among other things, income support from supplemental wage insurance for any difference in pay levels that result from moving into cleaner energy industries. Some additional training for new work may also be necessary. For this purpose, federal funding should be allocated towards union apprenticeship programs providing continued learning opportunities.

The Reimagine Appalachia coalition is advocating for federal policy change and appropriations to bring this money home to our region, centering on building a 21st century sustainable Appalachia. That would include repairing the damage done in the last century, modernizing the electric grid, expanding manufacturing by making it more efficient and cleaner, building a sustainable transportation system, and relaunching the Civilian Conservation Corps.

A parallel effort completed in the last few months is the Marshall Plan for Middle America led by the City of Pittsburgh, University of Pittsburgh, PERI, and other stakeholders. For similar levels of investments, we see similar jobs numbers. This federal investment and re-grants to state and municipal governments through either of these programs would mean huge, positive growth for Pennsylvanians.

ReImagine Appalachia's plan provides a blueprint that would have a direct impact on workers throughout multiple states. In order to mitigate the effects of climate change, we must push the boundaries of what we believe is possible. We need to create solutions to curb and reverse climate change, modernize our infrastructure, and set our course for the next few decades. This means that as we build to include green energy, we ensure those jobs are sustainable, good union jobs that pay well, include inclusive benefits, and treat workers with dignity.

We must ensure that through this process, an economic development strategy targeted specifically for coal country ensures that coal workers who will be directly and drastically impacted by job-loss in this transition have priority for the jobs created. We should link workforce development with economic development in Appalachia through project labor agreements (PLAs), apprentice utilization requirements, and first-source hiring systems

### **An Economically and Environmentally Sustainable Pathway Forward**

The litmus test for progress cannot be ideological purity. Let me reiterate: Environmental sustainability cannot be economically unsustainable. It is a false choice to believe that energy policy in Pennsylvania nor across the nation is an “either/or” proposition. We need real dialogue that understands energy jobs and environmental concerns are not mutually exclusive.

Pennsylvania has the most diverse energy production portfolio in the country, and we are the only energy exporter in our region. We have renewables, coal, nuclear, and natural gas. Across the state, tens of thousands of workers are directly employed in the energy sector. The jobs and large projects that come from our energy resources and infrastructure have revitalized communities that spent decades struggling to recover from deindustrialization and the outsourcing of jobs.

We need solutions to curb and reverse climate change, modernize our infrastructure, and set our course for the 21<sup>st</sup> century. We need good union jobs that pay well with benefits and treat workers with dignity. As of today, too many jobs don't pay well, don't have security or benefits, and don't recognize the dignity of working people. Labor unions are democratic representatives of workers not just in the workplace, but in the broader economy. We know that the world faces extraordinary challenges from climate change and the multiple crises in public health, the economy, and systemic racism.

The way we meet this moment and transition our economy in response to climate change is a critical test of our ability to come together and marshal all of our best ideas about the future. Too often, politicians and policymakers are keen to reference "just transitions" for workers, while workers themselves are excluded from the conversation.

If there is one thing the labor movement knows best, it is the vital importance of economic justice – and there is no justice in pitting one group of workers against another. We have a voice. We have questions, concerns, and more than a century of broken promises made to workers. We will build a green future, but we want a say in how we get there.

We want to reduce carbon in our atmosphere and protect clean water and air. We want to preserve today's jobs and bring the jobs of the future. We want an energy supply and grid that is efficient and secure from foreign interest. We want affordable utilities for consumers. We want good jobs that support families, lift people out of poverty, and bring hope to communities.

There are a lot of things that we can do right now to begin moving our economy toward an environmentally and economically sustainable future. Working together, we can have a significant positive impact on the lives, livelihoods, and landscapes across our Commonwealth and our country.

## **Conclusion**

It is a false choice to believe that energy policy is an "either/or" proposition. We need real dialogue that understands energy jobs and environmental concerns are not mutually exclusive. There are a lot of things that we can do right now to begin moving our economy towards an environmentally and economically sustainable future. We can address climate change as we are also building back from our current employment crisis, without leaving more workers out of the good paying technical jobs they currently have.

We need to invest in the future. This is not an ultimatum to protect either jobs or the climate — we desperately need to do both. We need a vision for the future that centers workers and their families that includes workers who aren't currently in the energy sector. When we talk about energy, we want to create more jobs. This means creating more work for people already in the industry, and a pathway to good jobs for people who want to be in the energy production industry. There is room for everyone, *if we do this the right way.*

### **New Infrastructure: Broadband, Energy, and Transportation**

Pennsylvania needs a new investment in infrastructure in energy, broadband, and transportation. Workers need good jobs that sustain families and a system that places them at the heart of our future. Workers aren't just a job; they are the same people who live on this planet and face the reality of climate change and pollution every single day. We must build back better with unions. We have apprenticeship programs that are the gold standard for skills training and career development.

Workers need good jobs that sustain families and a system that places *them* at the heart of our future. Workers aren't just a job; they are the same people who live on this planet and face the reality of climate change and pollution every single day. Existing union jobs in fossil fuel industries have long been economic keystones for communities across our Commonwealth. These jobs aren't just paychecks — they are part of the cultural identity of workers and regions across Pennsylvania, especially in coal communities.

We need to acknowledge that decades of decline in manufacturing and infrastructure lead to economic devastation for many communities across the state. The fossil fuel industry in Pennsylvania provides tens of thousands of jobs directly and tens of thousands more in ancillary industries. These jobs became the economic lifeline and path out of poverty for many working families — including many of our brothers and sisters living paycheck to paycheck today.

As we move forward in this decade, we must ensure without a doubt that hardworking Pennsylvanians are given adequate and fulfilling opportunities — not lose the jobs that have created a good livelihood for them over their lifetime. We are excited for the future and believe that the best way forward is to create more union jobs. *Period.*

### **Building Back Better from Deindustrialization Through Policy**

ReImagine Appalachia Represents an opportunity to build forward from a blueprint that could create 243,000 jobs in Pennsylvania alone through a federal investment package that allocates an average of 11.3 billion to our state per year over the next ten years. This would help address the unemployment rates and economic crisis we've experienced throughout the 2020 pandemic by bringing Pennsylvania's unemployment rate back down to an estimated 4%. Imagine what a similar economic investment could make in similar communities across the country.



As we look towards building a pathway to a better future for our communities hardest hit through deindustrialization over past decades, we must create policy that truly centers the vocalized needs from our local workforces in these areas. State policymakers should leverage opportunities for stimulus & recovery. The federal government also has a role to play with advancing a just, People's budget for environmental protection and conservation in Pennsylvania that helps to put residents back to work, while cutting carbon emissions and curbing water pollution, for instance.

**Actions we can take include:**

- Passing the PRO Act to ensure that good, sustainable union jobs are available as we create new jobs that target infrastructure rehabilitation and development moving forward;
- Creating a new grant program that supports intermediary organizations that work with employers to promote quality jobs;
- Leveraging public funds to help employers and labor management partnerships reduce the costs of training new hires to fill quality jobs;
- And providing funding to discourage further layoffs and instead, encourage employers to train and redeploy workers into the industries we're transitioning into.

**This means:**

- Maximizing the creation of good union jobs by requiring Project Labor Agreements on construction projects receiving \$100,000 or more in federal funds, bundling small projects into aggregate contracts of at least \$1 million, and enabling workers to form unions and bargain collectively;
- Targeting the benefits of job creation to impacted workers and communities by developing a funding formula that prioritizes communities previously left behind, creating targeted hiring programs using first-source hiring systems for historically disadvantaged groups residing within a specific radius of a project;
- Requiring a percentage of work hours to be completed by apprentices in registered or locally-based programs;
- And ensuring successful implementation, track, reporting, and accountability by creating localized Community Benefit Advisory Boards with representation from labor, employers, and community members to invest into a Community Benefit Fund to help reduce barriers to employment and support local industries and apprenticeship programs.

Appalachia deserves a Climate Infrastructure Plan that builds local wealth and creates good union jobs in the region and beyond. With the right federal investment in Appalachia's infrastructure, Congress has the opportunity to put the region's skills and resources to work while building a 21st Century economy. An estimated \$23.6 billion federal investment over the next 10 years will be required to transform the region, creating over half a million jobs in Ohio, Pennsylvania, Kentucky and West Virginia alone. The Appalachian region deserves nothing less

– and similarly-impacted communities across our nation deserve the same reinvestments to create sustainable economic growth for generations to come.

Investment in doing this right can lead to concrete, well-paying jobs and help serve as a blueprint for how we sustainably diversify our energy workforce over the decades to come. As we map a more sustainable future, we will continue to work to ensure that working class people aren't left behind as we build forward together. Thank you.