



LABOR NETWORK FOR SUSTAINABILITY

A PROJECT OF VOICES FOR A SUSTAINABLE FUTURE, INC.

Building Back with Justice: Environmental Justice is Central to the American Jobs Plan

Michael Leon Guerrero, Executive Director
Labor Network for Sustainability

Testimony before House Committee on Oversight and Reform
July 21, 2021

For more information, contact:
Michael Leon Guerrero, mlg@labor4sustainability.org

Chairwoman Maloney, Ranking Member Comey, members of the Committee. Thank you so much for the opportunity to testify before you today. My name is Michael Leon Guerrero, I am the Executive Director of the Labor Network for Sustainability. We are a national network of unions and climate and environmental justice organizations working for urgent, science-based climate action by building a powerful labor-climate movement to secure an ecologically sustainable and economically just future where everyone can make a living on a living planet.

Prior to serving as Executive Director with LNS, I spent most of my career as a community organizer working primarily on environmental justice issues in the state of New Mexico and later as coordinator of national networks including the Climate Justice Alliance.

I will speak to you today to affirm, as the title of this hearing suggests, that Environmental Justice is central to the American Jobs Plan, and in particular to affirm the importance of addressing the needs of workers and communities as we transition to a climate safe economy.

Let me first say that the goals of creating good jobs and protecting our environment are not incompatible. We commend President Biden for recognizing this and for rooting his climate protection strategy in policies that foster job creation, the rights of workers to organize unions, and the ability of communities to achieve environmental justice. We support the Justice 40 Initiative as a strategy to assure that historically marginalized communities of color have equal access to the badly needed investments to rebuild our economy and infrastructure. We also want to express our support for the recommendations of the White House Environmental Justice Advisory Council.

These are troubling and turbulent times that require bold and creative action. We feel that the American Jobs Plan as originally proposed, the American Families Plan, the Protecting the Right to Organize Act, and Justice 40 set us on the path we need to address the multiple crises we face in health disparities, economic injustice and climate disruption. That being said, we are concerned that currently available details on the bipartisan infrastructure bill and the budget reconciliation package so far fall severely short of what is needed to address these crises.

Earlier this year LNS released a report, [Workers and Communities in Transition](#), which was based on our year-long Just Transition Listening Project. We conducted in-depth interviews with over 100 people in 26 states who work in a variety of industries including oil refining, auto and textile manufacturing, healthcare, education and agriculture. The interviewees have experienced major job loss in their communities due to factory closures, downsizing, automation, the pandemic and other causes. As leaders and decision-makers, you understand and appreciate that hearing the stories, reflections, and recommendations of those directly affected by these transitions should be the foundation for good policies to assure that communities are not left behind.

Unfortunately, most of the interviews did not paint a good picture of our history. Many interviewees described devastation in the wake of plant closings and support systems that were wholly inadequate. Many spoke of receiving training for jobs that did not exist in their communities. Many lost healthcare benefits and unemployment benefits that were both inadequate to begin with and expired before workers could transition to other jobs. Many were forced to relocate or lost family members or friends to suicide, alcoholism, or drug addiction. People felt a loss of community and identity.

New opportunities never replaced the jobs lost in many of those communities. Interviewees often referenced The North American Free Trade Agreement as a root cause of job loss. [The U.S. Labor Department certified that more than 980,000 specific U.S. jobs were lost due to NAFTA.](#)

One of the Just Transition's Listening Projects's main findings is that transitions are inevitable and constantly happening across the economy. Workers in fossil fuel industries are already losing their jobs—not due to climate change policies but market forces. Our colleagues in the coal industry can attest to this as less expensive energy alternatives like natural gas and renewables begin to dominate the energy economy. The pandemic put many people out of work—many of whom will never go back to their previous jobs. The project also found that existing transitional policies are fragmented and inadequate and that workers and community members from all regions of the country are suffering from an historic decline and lack of access to opportunities.

The listening project provided a picture of the devastating impacts of large-scale job loss, but also of innovative community and labor-led solutions to navigate these transitions. A set of [recommendations](#) is included in the listening project report. Based on that feedback and building on some of your own initiatives, we offer four overarching recommendations here:

1) Create Family-Sustaining Jobs that Address Equity and Communities in Need

- The full suite of programs promised by the American Jobs Plan and American Families Plan would be a vital first step in creating millions of jobs in repairing and upgrading our nation's infrastructure; it would help set us on a path to a climate safe economy and address community needs.
- The federal government should seed new sustainable industry growth in historically underserved regions, in addition to traditional fossil-fuel regions, and target investment and procurement to under-resourced regions and urban areas to prepare them for the economy of the future including broadband access expansion, public transit buildout, and repairing essential infrastructure such as drinking water systems.
- Public transit and the transportation sector generally provide a good example of how we can create many good jobs and address equity. President Biden's American Jobs Plan recognizes that investment in electrifying our transportation systems and rightfully prioritizing expansion of our public transit systems can create thousands of good paying jobs in manufacturing, operations, and maintenance in both rural and urban communities. These investments critically address social inequities and environmental justice for communities both overburdened by pollution and underserved by transit options. On that note I would like to recognize both the [INVEST ACT](#), recently passed by the full House, and Congressman Hank Johnson's bill [Stronger Communities Through Better Transit Act](#), which would provide much needed dollars to transit systems for their operating budgets.
- Additionally, Oil Well Remediation can address a critical need to protect and restore our environment and create thousands of long-term, good-paying jobs, many of which will be in rural communities. This program can also address environmental justice issues in communities impacted by toxic emissions and poisoning of our ecosystems. We are heartened to see the introduction of the [Orphaned Wells Cleanup and Jobs Act of 2021](#) by Rep. Teresa Leger Fernández.
- There is tremendous potential for states that are already moving forward with ambitious climate protection and job creation plans. The [Political Economy Research Institute estimates](#) that the state of California can generate 420,000 new jobs with an investment

of just 2 percent of the state's GDP over the next ten years. Federal support is essential to allow states to implement much needed plans like this.

2) Enact High-Road Labor Standards to Ensure that New Jobs are Good Jobs

- Job creation must be paired with high-road labor standards to help assure that workers who experience job loss in the new economy can transition to a good job. High road labor standards include:
 - **Prevailing Wages and Benefits:** establish a wage floor for each occupation that all contractors on a government-funded project must pay at or above—typically set to reflect the market wage for a given type of work in a given area. The Davis-Bacon Act and the McNamara-O’Hara Service Contract Act require that workers on federally funded construction and service work are paid prevailing wages and receive benefits that do not undercut local market wages.
 - **Targeted Hire:** mandate or incentivize the hiring of workers on a project from certain communities, which may include women, minorities, veterans, the formerly incarcerated, indigenous people, economically disadvantaged communities, communities heavily impacted by climate change or environmental injustice, communities traditionally reliant on the fossil fuel economy, and many others.
 - **Project Labor Agreements (PLAs) and Community Workforce Agreements (CWAs),** are pre-hire collective bargaining agreements covering all of the craft workers, union and nonunion, on a construction project. PLAs are authorized by the National Labor Relations Act and are a means of ensuring efficient and safe completion of large projects while upholding high standards for workers. PLAs also prevent costly delays due to labor disruptions and ensure that reputable firms are not undercut by contractors who pay below market wages and violate wage and hour laws. Community Workforce Agreements (CWAs) connect building trades unions with the local community through targeted hire provisions and pre-apprenticeship programs that create career pathways into high wage jobs for workers in low-income and under-resourced communities. For construction projects, PLAs and CWAs should be encouraged provided that the governmental entity using them can show that the PLA is intended to protect the entity’s proprietary interest.
 - **Neutrality, Labor Peace and Organizing Rights:** It is well-established that unions and the collective bargaining agreements they negotiate raise standards for all workers in an industry. Unfortunately, our outdated labor laws make it difficult for workers to form unions. Congress must do everything it can to re-balance the power between employers and employees. This includes passing the PRO Act. Congress should also heed President Biden’s call to condition federal funds on employer neutrality. We also strongly support the Bass/Gillibrand [Build Local/Hire Local](#) bill that addresses a variety of procurement policy reforms that would provide local transit agencies the ability to incentivize for domestic sourcing and high road labor standards.
 - **Community Benefits Agreements (CBAs)** are similar to PLAs but are broader, often including community organizations as signatories and are not pre-hire agreements. Community Benefits Agreements (CBAs) are legally enforceable

agreements between private companies and coalitions of community and labor groups. CBAs can be used to ensure a wide range of high-road job standards and equity measures. See [Jobs to Move America](#).

- **Apprenticeship and Pre-apprenticeship Hiring** are worker training models that combine organized classroom instruction with paid on-the-job training. Industry approved credentials that are recognized nationwide provide significant benefit to workers who have gone through apprenticeship programs and lead not only to high-paying jobs but also to opportunities for career advancement.
- **Local Hire:** these are mandates or incentives for hiring of workers on a project from within the state or community where the project takes place. Without this provision, developers often bring in work crews from out of state to do the work and then leave.

3) Expand and Strengthen Social Safety Nets

Stronger social programs are essential to facilitate a just transition for workers and communities. These include:

- Creating dedicated and robust funding to support transition efforts, including a Just Transition or [Worker and Community Protection Fund](#). Funding should also include support for communities that lose tax revenue as a result of facility closures.
- Increasing and extending unemployment benefits.
- Providing healthcare and childcare benefits.
- Expanding the scope of the Trade Adjustment Assistance Program to apply not just to trade but other major economic factors like the transition to a climate safe economy.
- Investing in Rapid Response Programs. These programs are administered and funded through the Department of Labor and have proven very effective in states like Massachusetts and Pennsylvania. In Massachusetts, the program is implemented through the state AFL-CIO. Union representatives meet directly with workers whose plants are slated for closure. They provide peer-to-peer support: helping workers access unemployment insurance and other financial resources, social services, and career opportunities. This is the kind of deep engagement that treats people as human beings rather than stranded assets and should be a core aspect of any transition program.

4) Establish Processes with Robust and Active Community And Worker Engagement

Active community and worker engagement is one of the most critical elements for successful transitions. A common refrain we hear from labor leaders is that they want a seat at the table. They have a responsibility to protect the livelihoods of their members. Community and tribal leaders have a similar commitment and responsibility to their communities. Supporting and creating safe spaces for hard conversations on these critical issues is vital. Communities must own the process of their economic transition.

- The State of Colorado's Just Transition Program is a good example of a community successfully owning the process of its economic transition. That program was crafted by a broad-based coalition including labor and environmental justice organizations, among others. This innovative program establishes a Just Transition Fund initially targeting support for coal workers; the fund provides wage replacement for workers who transition

to lower-paying jobs, retirement benefits for those eligible, and economic investment in their communities.

- Colorado's Just Transition Program has become a bipartisan effort because legislators across the political spectrum understand that workers and their communities should be able to thrive in the economic transition. However, without the support of the federal government, Colorado will struggle to fully implement its groundbreaking program.

As we experience unimaginable record heat in the Pacific Northwest, the raging floods in Europe, and another season of intense wildfires in the West, it is clear that we need to transition from fossil fuels to a clean energy future. This must be a thoughtful, managed transition that is just and will not leave workers and communities behind. But the longer we wait, the more suffering we allow to happen.

Our latest project is a Young Worker Listening Project, modeled after the Just Transition Listening Project I spoke of earlier. We are conducting surveys and interviews with young workers in a variety of industries to get their opinions on climate change, unions, and their future. Most of these interviewees are very concerned about the future of our planet and of their work. They understand the intersection of the climate crisis, the economy, and racial justice; they are eager to find and implement solutions for the future. The policies we pass today can lay the groundwork for them to build an even better future for themselves and their children. We strongly urge you to take action to pass the strongest version of the American Jobs Plan possible.

Thank you so much for your consideration and attention to these issues.