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March 5, 2024

The Honorable Chairman C.T. Wilson, Vice Chair Brian Crosby,
and Members of the House Economic Matters Committee

RE: HB166 – OPPOSE

As Assistant State Legislative Director for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Worker's I am urging your committee to deliver an unfavorable report on SB146, "*Renewable Energy Portfolio Standard - Eligible Sources - Alterations (Reclaim Renewable Energy Act of 2024)*."

Our members are employed by CSX in providing rail service to Covanta, the waste-to-energy facility in Montgomery County. We understand there are hundreds of other union and non-union workers employed in the operations of this and other waste-to-energy facilities throughout the state. We believe these jobs are at risk if this legislation to eliminate waste-to-energy from Maryland's Renewable Energy Portfolio Standard (RPS) is passed into law.

We have been in opposition to the attempts of eliminating biomass from the RPS for several years. When testifying on the legislation, we always proclaim that the jobs associated with the industries that would be affected by that legislation were at risk. The supporters of the legislation always take the position that the jobs are not at risk as these industries will continue to operate afterward, even though they would like to see them close.

Of course, no one can predict the future, but one must look no farther than what happened to the Verso Paper Mill that was in Allegany County, Maryland. After being constantly attacked year after year by legislation to eliminate their ability to receive credits under the RPS for generating electricity for their own operation, this wayed heavily in their decision to close the plant and move production to other facilities in other states where they were not under constant attack.

The result was the loss of over 800 direct union jobs in the plant that paid excellent wages and had great health care and pension benefits. All told, over 3000 jobs were lost when considering the ancillary jobs associated with the production facility. This has been a severe blow to the economy of Allegany County.

We understand renewable energy policies are important and are related to addressing climate change. But sometimes the goals of these legislative efforts result in unintended consequences. Closing of the Verso Paper Mill is an example. The lateral movement of the production line did not result in less making or use of biomass, nor did it lessen the amount of exhaust into the air. It just took place in another state who benefited from the increase in jobs.

In addition, it was reported that part of the production line equipment was sold to a company in Poland for their use in their production of paper. The demand for the product does not go away just because the plant closes. I would venture to say that Poland does not have the same air quality standards as Maryland, which then results in the opposite affect desired.

Until the state takes responsibility for the jobs they are responsible for eliminating with their policies, we cannot support legislation such as HB166. These facilities and the jobs associated with their processes are middle class family sustaining jobs that pay good wages and benefits that cannot be replaced easily, if at all. Moreover, they provide economic benefits for communities through suppliers, service providers, educational resources, and tax payments.

We therefore urge your committee to give HB166 an unfavorable report!

Thank you for your consideration.

Sincerely,

David P. Pendleton Sr.
Assistant MD State Legislative Director
 Transportation Division