



MARYLAND STATE & D.C. AFL-CIO

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**HB 66 – Electric Generation – Transition From Fossil Fuels – Carbon Dioxide Emissions Rate and Transition Plan and Fund (Maryland Coal Community Transition Act of 2021)
House Economic Matters Committee
February 18, 2021**

OPPOSE

**Donna S. Edwards
President**

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in opposition to HB 66 – Electric Generation – Transition From Fossil Fuels – Carbon Dioxide Emissions Rate and Transition Plan and Fund (Maryland Coal Community Transition Act of 2021). My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members, I offer the following comments.

Labor cannot support any bill that, by legislative fiat, ends a good-paying, family-sustaining job in the State of Maryland. Every time that we have spoken with the proponents of this bill, recently, and in the past, we have made it abundantly clear that a date-certain ending of a job is a non-starter for labor. Moreover, ending these jobs while demanding nothing of the employers in the way of transitioning their own workers, either through retirement and pension benefits or re-training, is bad policy. It sets the State up for being 100% on the hook for a just transition, while businesses are afforded the opportunity to simply move on, unfazed by the decision to terminate hundreds and perhaps thousands of workers.

HB 66 leads with the environment instead of workers. It has state legislators summarily closing operations at coal fired power plants instead of natural market forces in an ever changing energy economy. The bill proposes using Strategic Energy Investment Fund (SEIF) money in a transition fund that includes providing direct payments to displaced workers close to retirement and wage differential payments to workers not able to find equitable employment. It is not clear that current law prescribing the use of SEIF allow direct payments or grants to a workers.

Moreover, a commitment to a Just Transition cannot rely on the ephemeral nature of SEIF, which is based on unreliable payments into it, and multiple ways it is already committed to other projects. “Due to the volatile nature of the various SEIF revenue streams...it is challenging to

make exact forecasts of SEIF programming in the future.”ⁱ “While the full impacts of the COVID-19 pandemic are not yet known, MEA anticipates additional adjustments may need to be made to reflect new realities”.ⁱⁱ And finally, “Changes to the RGGI program will likely impact the RGGI market...the exact impact is unknown.”ⁱⁱⁱ

A real discussion of transitioning our energy, and, more importantly, thousands of jobs, involves appropriating real money to address the challenges.

Attached to this testimony is the “Resolution on Climate Change and Jobs” that was unanimously passed at the 32nd Biennial Convention of the Maryland State and D.C. AFL-CIO, held in November of 2019. The resolution puts the issue of good job creation in the emerging clean energy sector first and foremost, with an understanding that the path forward must include an inclusive energy portfolio. The entire labor movement in Maryland is committed to ensuring that – as we transition to a cleaner energy sector – workers are not sacrificed on the altar of environmentalism. If we, as a State, are going to make greater strides towards cleaning our energy, we must not put the cart before the horse. We must lead with good jobs and make the hard decisions necessary to hold harmless the workers that have provided us the energy needed to live, work, and play.

On the energy front, coal is base-load energy. The plants in question provide consistent, scalable energy that is necessary for peak usage like sweltering August days. Without this backbone on the grid, and with no comparable green energy source that can operate on-demand, the future of Maryland energy will be a combination of brown-outs and smart-metering hundreds of thousands of Marylanders out of their air conditioning. There has been no appetite within the General Assembly to expand nuclear energy in our State, let alone natural gas, or any other form of scalable on-demand forms of energy. We cannot simply turn off our coal plants in three years, and expect the energy needs of citizens to be met, not to mention grow, with population increases.

We ask that you help us re-define our priorities on climate change and clean energy jobs. We ask that you join with workers in ensuring that our transition to a post-carbon energy economy lifts everyone and leaves no one behind.

We urge an unfavorable report on HB 66.

ⁱ Strategic Energy Investment Fund Activities for Fiscal 2020, p54

ⁱⁱ Ibid.

ⁱⁱⁱ Ibid.

Resolution #7: Resolution on Climate Change and Jobs

WHEREAS, numerous studies suggest that there is major job creation potential from tackling the climate crisis, reducing greenhouse gas emissions, and transitioning to a low-carbon, sustainable economy; and

WHEREAS, the overall lack of high-road jobs in the green economy and the prevalence of non-union jobs in the limited existing green sectors, such as solar and residential retrofitting, have dampened enthusiasm for the long-promised “clean, green economy” among workers and labor organizations that are anxious to address the climate crisis and build a pro-worker, equitable green economy; and

WHEREAS, the fossil fuel industries have high rates of unionization; and

WHEREAS, strong job and training quality standards are needed in the clean and renewable energy sector, among them being prevailing wage, state-approved apprenticeship job training requirements, project labor agreements, and labor peace agreements; and

WHEREAS, a functioning jobs pipeline could ensure that local workers from our communities have a path to career employment by offering access to training programs such as direct-entry pre-apprenticeship programs and other skill-building opportunities; and

WHEREAS, these job and training quality standards should be central to all “climate jobs” proposals; and

WHEREAS, climate efforts should include funding and guaranteed protection for workers and communities who are displaced or negatively affected by the transition to a low-carbon economy; and

WHEREAS, the AFL-CIO has developed strong policy proposals for protecting workers who are impacted by climate protection policies. These proposals provide a just transition, including 70% wage replacement and 80% health benefit replacement for up to three years, as well as “bridge to retirement” funding for workers who are near retirement.

THEREFORE, BE IT RESOLVED, the Maryland State and District of Columbia AFL-CIO supports measures that ensure that energy infrastructure development creates good jobs and builds our industrial base by requiring project labor agreements, prevailing wage, apprenticeship job training requirements, Buy Union and Buy America provisions, labor peace, card check neutrality, robust training requirements for all projects, and includes all the labor requirements passed in the Clean Energy Jobs law.

THEREFORE, BE IT FURTHER RESOLVED, the Maryland State and District of Columbia AFL-CIO in facing the challenge of impacting energy policies embraces a balanced and just approach for workers, communities, manufacturers, businesses and consumers and will continue to work with community, business and environmental allies committed to recognizing the need for worker protections, rights, and sustainable wages and benefits, to maintain a wide range of energy sources, traditional and newer, to secure Maryland’s and the District of Columbia’s competitiveness.

THEREFORE, BE IT FINALLY RESOLVED, that the Maryland State and District of Columbia AFL-CIO will advocate for legislation, administrative rules, and the development of an initiative to enable a transition that is just for workers and communities directly affected by the transition to a clean energy economy by providing income, benefit, and retraining for comparable wage jobs, as well as a bridge to retirement, as part of the just transition and concurrently support the creation of these policies in an equitable fashion.

Submitted by: *Donna S. Edwards, President*
Maryland State and D.C AFL-CIO
Delegate, AFSCME 112
Gerald W. Jackson, Secretary-Treasurer
Maryland State and DC. AFL-CIO
Delegate, UA 486

Committee: Legislation

Convention Action: Unanimously passed