Testimony of CWA District One

Climate and Community Investment Act

Tuesday, April 13, 2021

CWA District 1 represents more than 145,000 workers belonging to nearly 200 CWA local unions in New York, New Jersey, New England, and eastern Canada, including over 65,000 in New York State. Our members work in telecommunications, health care, higher education, manufacturing, broadcast and cable television, commercial printing and newspapers, state, local, and county government. Nationally, CWA represents over 500,000 workers in these industries.

CWA District 1 strongly supports passing the Climate and Community Investment Act (S4264A) filed by Senator Parker. This groundbreaking legislation would enact a massive revenue and spending plan in order to fund our state's just transition to a green, renewable economy, as passed in the Climate Leadership and Community Protection Act in 2019. The Climate and Community Investment Act (CCIA) would institute a fee on greenhouse gases and co-pollutants. The fee would largely be paid by the companies importing fossil fuels into New York state. At a starting price of \$55 per ton of greenhouse gas emissions, which will increase year by year, the CCIA would raise around \$15 billion per year over the first 10 years.

The CCIA requires that the funds raised be used in the areas of green jobs and infrastructure, community-based just transition programs, energy rebates, and funds to help fossil fuel host communities transition to an economically thriving future. This means significant investments in quality, energy efficient public housing, public schools, child care facilities, 21st-century public transportation, locally owned renewable energy, and community-led resiliency projects.

Additionally, this important legislation will require critical worker protections and create thousands of good, green jobs. The CCIA's plan for a just transition to a renewable economy would create over 150,000 jobs over the next 10 years. Communities most impacted by the climate crisis, and people who have been excluded from good paying jobs, would be first in line for good jobs to build renewable, resilient, thriving communities. The CCIA also ensures that workers employed on projects that receive state assistance from the law, receive prevailing wages and benefits. Additionally, the CCIA creates a Worker and Community Assurance Fund which would provide guaranteed economic support to displaced workers as well as support to re-train and re-equip workers to prevent layoffs. This includes income support, pension support, and funds for early retirement.

CWA D1 is deeply supportive of the goals of the CCIA and believes it builds on the State's bold step forward in the FY22 budget which protects workers and ensures that green jobs are central to New York State's transition to a green economy. Specifically, the budget requires certain components and parts for renewable energy systems to be manufactured in-state and construction and maintenance work performed as part of renewable energy systems to mandate prevailing wage and project labor agreements. The CCIA builds on this success and provides funding to help support in-state manufacturing for renewable energy systems.

The CCIA sets important standards to strengthen the labor provisions passed in the budget on all of the new spending under the CCIA including wage standards, responsible contracting, and procurements standards. This would be helpful, especially in the context of New York's massive, pacesetting investment in offshore wind power which gives us a once in a lifetime opportunity to develop wind manufacturing capacity in New York State.

Because the state has authorized 9 Gigawatts of offshore wind development in several locations around Long Island, the largest offshore wind project in the country, New York will need nearly 1,000 wind turbines. However, without manufacturing capacity in New York State, these turbines will almost certainly be imported from out of the country. Currently, there is no domestic offshore wind turbine manufacturing capacity. GE, one of three worldwide leaders in the industry (Siemens and Vestas are the others), primarily manufactures wind turbines in France, and if NYS does not insist otherwise, wind turbines for the New York projects will be imported from overseas by GE or another provider.

Because investments in U.S. offshore wind are reaching critical mass with huge projects coming online in New Jersey, Massachusetts, and Virginia as well as in New York, manufacturers will almost certainly develop wind manufacturing capacity in the U.S. However, New York faces stiff competition to attract wind turbine manufacturing. But experts believe NY, because of its huge wind investment, is in a strong position to attract wind manufacturing.

Because of the budget language, NY State is able to set a preference for the projects to use New York-made goods, within certain legal limitations. The CCIA would build on this progress by making billions of dollars available to communities to help support renewable energy projects and strengthening the procurement language. Furthermore, there is a natural place to develop this new offshore wind manufacturing capacity: Schenectady, New York, home to GE's original factory, once known as "Electric City" because of the manufacturing of earlier generations of electric turbines. GE Schenectady once housed a workforce of 30,000—today just 800 are employed there.

The CCIA funds could be used to ensure that NY has a lead role domestically manufacturing Off-Shore Wind turbines in Schenectady reinvigorating a manufacturing community and creating tens of thousands of jobs. The CCIA is a monumental step forward in achieving the ambitious

goals for a green economy and an environmentally just state. CWA D1 is proud to support this important legislation.