



**BLUEGREEN  
ALLIANCE**

# BlueGreen Alliance National Energy Transition Policy Framework

**America's energy transition is well underway. This platform is a roadmap to ensure that the transition is fair for workers and communities.**

Prioritizing and targeting federal resources to workers and communities in places impacted by this shift needs to be a deliberate choice. That's why the BlueGreen Alliance participated in the development of the National Economic Transition (NET) platform<sup>1</sup>, alongside partners and allies from coal communities across the country, and pushed for the groundbreaking energy transition plan in Colorado. Plans like the NET platform and Colorado's Just Transition Action Plan<sup>2</sup> are focused on communities and workers hit hard by the decline of the coal industry. The BlueGreen Alliance supports these efforts, and also recognizes the need to design a broader response that ensures fairness for energy workers and communities in a range of sectors, especially in light of the economic impacts of COVID-19.

A fair and equitable transition must keep workers and communities whole, revitalize and diversify local economies, and address racial inequities while ensuring the retention and creation of—and accessible pathways into—good-paying, union jobs. Therefore, many of the policy ideas and structural recommendations in this document are applicable to a wide universe of communities and workers in the energy economy. These ideas include the recognition that the best approach to energy transition among workers and communities not already impacted is one that prevents economic disruption and employment loss.

This platform recommends policies that will bring immediate and long-term benefits to workers and communities. Immediate economic recovery policies are now even more desperately needed as a result of COVID-19 and its health and economic impacts. Low-income communities, communities of color, and deindustrialized communities were already hurting before the pandemic, with lower wages, higher poverty, and disproportionate exposures to toxic pollution and climate threats. Prioritizing the policies outlined in this plan and targeting recovery efforts to these workers and communities is therefore more important than ever.

The Biden administration has begun to lay the foundation for a comprehensive approach to energy transition with the creation of an Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization, established in an executive order signed by President Biden on January 27th, 2021. This action is consistent, in scale and ambition, with the kind of whole-of-government approach to energy transition recommended in this platform. However, executive action by itself will not be enough. Congressional action, through new authorizations and appropriations, will be necessary to achieve the fair and equitable energy transition of sufficient scale and ambition envisioned by this platform.

# Platform Overview

## Pillar 1. Overarching Structural Recommendations

Establish a National Coordinating Office, Inter-Agency Committee composed of key government agencies, and multi-stakeholder advisory and oversight boards tasked with guiding the federal government response to energy transition.

## Pillar 2. Local Leadership and Support

Invest in bottom-up planning, local leaders, helping communities access federal resources, capacity building and technical assistance through the creation of community “hubs” that should align with—and leverage—existing federal efforts.

## Pillar 3. Interagency Grant Program

Establish an interagency grant program to ensure coordination across all grantmaking agencies and other agencies and programs represented on the Inter-Agency Committee, including the coordination of staff, in order to provide effectively aligned and targeted federal resources and services to impacted communities and workers.

## Pillar 4. Economic Development

Support existing jobs and the growth of diverse economic sectors to create good jobs, contribute to stronger, more resilient communities, improved public health, restored ecosystems, and equitable opportunities for all people.

## Pillar 5. Workforce

Provide a broad system of support for dislocated workers, ensure workers and communities can plan for transition in advance, and invest in wrap-around workforce development programs that include income support and other critical services that often prevent workers from completing training programs and obtaining the credentials they need for in-demand jobs.

## Pillar 6. Reclamation

Reclaim and remediate sites to create jobs while restoring land and clean water, prioritizing hiring of local dislocated workers.

## Pillar 7. Bankruptcy

Protect workers, taxpayers, communities, and the environment during bankruptcies by closing loopholes in Chapter 11 bankruptcy law.

## Appendix. Complementary Policy

Investments in infrastructure and manufacturing go hand-in-hand with a successful energy transition. This section is a non-exhaustive list of the BlueGreen Alliance’s priorities that must be included in a comprehensive energy transition strategy.

# Pillar 1: Overarching Structural recommendations

Establish structures to guide the federal government’s response to energy transition.

- Create a national coordinating Office of Energy Transition in the White House charged with leading the federal government response to energy transition related to changes in the energy economy across all sectors. The office will coordinate all relevant federal agencies, including aligning funding and technical assistance resources, making investments, and leveraging private sector investments. The office will:
  - ▶ Develop and implement overall strategy (based on the mandate from original legislation and then advisory board recommendations as described below).
  - ▶ Oversee and coordinate the interagency grant program (described below).
    - Create a website to serve as an information clearing house that contains all the different agencies and programs administering relevant funding streams with links and contact information for each, backstopped by one-stop support within the national coordinating office.
  - ▶ Provide technical assistance capacity and support to the community hubs (described below).

- ▶ Be responsive to and coordinate with a multi-stakeholder advisory board representative of all affected stakeholders (outlined below).
- ▶ Gather and provide data—including examples of “what works” and lessons from other regions and countries—and programming and resources.
- ▶ Ensure geographic diversity/equitable distribution of funds by region.
- ▶ Connect foundations and investors interested in supporting transition.
- ▶ Coordinate with the National Economic Council (NEC) on economic development efforts and the Council on Environmental Quality (CEQ)-led environmental justice efforts, particularly with respect to the targeting of federal investments in environmental justice and energy transition communities.
- ▶ Coordinate across the federal government to connect transition strategy (Inter-Agency Committee outlined below) and ensure transition strategy is aligned with other national and agency specific strategies (e.g., development of national manufacturing agenda and energy job and job quality strategies at agencies such as the U.S. Department of Energy (DOE) and U.S. Department of Labor (DOL)).
- ▶ In coordination with federal agencies, develop federally-resourced regional economic development and diversification initiatives in areas with projections of significant energy employment loss. If regional technology hubs already exist in an area, the office should prioritize those for additional economic development.
- ▶ In coordination with federal agencies, ensure the creation of good, union, clean energy and technology jobs through the expansive use of labor, Buy America/n, and related standards for federal investments. These policies must also address the historic and systemic racial and gender inequities that affect who has access to, and ultimately get, these jobs. Designing specific strategies to ensure people of color and women have opportunities to gain high-quality jobs—through, for example, intentionally designed pathways from pre-apprenticeship to registered apprenticeship and other union affiliated training programs—is critical to ensuring the accessibility as well as the quality of these jobs.
- Establish a standing Inter-Agency Committee composed of key government agencies. This committee should be charged with securing commitment and buy-in from staff at all relevant agencies, and ensure the internal collaboration of federal agencies on transition strategies. Agencies should include, but are not limited to:
  - ▶ The Office of Energy Jobs and Office of Indian Energy at the DOE;
  - ▶ Appalachian Regional Commission (ARC);
  - ▶ Department of Commerce Economic Development Administration (EDA), SelectUSA, and National Institute of Standards and Technology (NIST)-Manufacturing Extension Partnerships;
  - ▶ DOL Employment and Training Administration (ETA);
  - ▶ Department of Education, Office of Career Technical and Adult Education (OCTAE);
  - ▶ Department of Interior (DOI) and the Office of Surface Mining Reclamation and Enforcement (OSMRE), Bureau of Land Management (BLM), and Bureau of Indian Affairs (BIA);
  - ▶ Small Business Administration (Regional Innovation Clusters and Growth Accelerators)
  - ▶ United States Department of Agriculture (USDA) Rural Development;
  - ▶ Environmental Protection Agency (EPA), Office of Land and Emergency Management and Office of Community Revitalization;
  - ▶ Department of Treasury, Community Development Financial Institutions (CDFI) Fund and Office of Domestic Finance;
  - ▶ Corporation for National and Community Service; and
  - ▶ Tennessee Valley Authority (TVA).
- Establish a multi-stakeholder advisory and oversight board, which should include representatives from labor unions (per representation in impacted sectors—e.g., at least one from mining, utility, manufacturing, and transportation sectors etc.), tribes (including those affected by the closure of the Navajo Generating Station), relevant non-profit partners, industry, state leaders (including Governors, Treasurers, etc.), economic

development experts, and community leaders/members from disproportionately affected and historically marginalized communities. The members of the advisory board will develop, monitor, and assess a set of actions the federal government should take to address the needs of communities affected by energy transition.

- ▶ The advisory board should produce a report within 6 months of establishment to inform the energy transition initiative outlined in this document and make recommendations for how to improve transition efforts—including what actions can be taken under executive authority and recommend new legislation. This should happen in a phased process. Phase One should target communities already in transition. Phase Two should target communities facing transition in the future.
- ▶ The advisory board should conduct listening sessions in energy-transition communities (following a model similar to Canada).<sup>3</sup>
- ▶ The advisory board should make recommendations based on these listening sessions and the NAS study (described below).
- ▶ The advisory and oversight board will monitor and evaluate the activities of the Inter-Agency Committee to ensure accountability to impacted communities.
- Task the National Academy of Sciences (NAS) with conducting a study to comprehensively assess the financial and social costs of the energy transition and identify necessary structural supports. The study should be submitted to the office and advisory board. Following the phased approach of the advisory board, the NAS study should be completed in two phases. Phase One (communities already in transition) will be completed in one year, allowing for the Inter-Agency Committee to make Phase One recommendations at the end of year two. In year two, the NAS study should focus on other communities that will soon face transition, allowing the Inter-Agency Committee to make Phase Two recommendations in year three.
- ▶ The NAS study should include:
  - The status and condition of workers and communities disrupted in the nation’s transition to achieving net-zero greenhouse gas emissions, with an emphasis on potential economic development and diversification pathways in communities already affected by such transition. This should include an inventory of local assets available for economic development, including a list of gaps and needed investments in infrastructure;
  - An analysis of the impacts on state, local, and regional economies, including revenue loss and the short and long term environmental and health impacts; and the impacts of energy transition on local tax and other revenue structures, workers, and communities. This should include an individualized analysis for each state;
  - Current and foreseeable trends in worker and community disruptions associated with the nation’s transition to achieving net-zero greenhouse gas emissions, and the effects of those trends on the social, economic, and other requirements of the nation;
  - A review of potential strategies—consistent with achieving net-zero emissions goals, to avoid future disruptions among businesses and workers—including strategies to retool existing businesses and reskill incumbent workers to fill the new jobs created in clean energy sectors;
  - A review of the relevant programs and activities (including regulatory activities) of the federal government, state, tribal, and local governments, and nongovernmental entities or individuals with an eye to increasing coordination and efficacy; and
  - Recommendations for remedying the deficiencies of existing programs and activities, together with recommendations for legislation.

## Relevant Legislation

- S.4306 - Marshall Plan for Coal Country Act of 2020 (Sen. Duckworth) (116th)
- H.R.7516 - Clean Energy Innovation and Deployment Act of 2020 (Rep. DeGette) (116th)
- H.R. 5762 - Transforming Hiring in Rural Industries and Vital Economies Act of 2020 (Rep. Cartwright) (116th)
- Colorado HB 19-1314 - Creating a Just Transition Advisory Committee and Office of Just Transition (2019 Regular Session) & Colorado Just Transition Action Plan<sup>4</sup>



## Pillar 2: Local Leadership and Support

Invest in bottom-up planning, local leaders, helping communities access federal resources, capacity building, and technical assistance.

- Establish community-based entities (“hubs”). Hubs should not be duplicative, but should align with—and leverage—existing federal efforts. Hubs may be funded directly via the federal government (through the Office of Energy Transition or otherwise), or through the creation of a congressionally-chartered non-profit with the responsibility to set up and fund hubs. These hubs should:
  - ▶ Be based in communities that have already been, or which the data indicates will soon be, negatively affected by energy transition, including but not limited to coal communities;
  - ▶ Coordinate with the Office of Energy Transition and federal agencies that are part of the inter-agency grant program (described below);
  - ▶ Provide critical capacity-building support for local leaders (e.g., local elected leaders, community leaders, business owners, labor leaders, tribal leaders, etc.) such as training and mentorship programs, grant funding to directly support salaries and materials needed for planning and program implementation, support from resource experts, site selectors, or other technical assistance;
    - Many communities have developed Comprehensive Economic Development Strategies (CEDs) and other plans, while many have not. Communities that have not developed transition plans should receive funding to do so. However, in either situation, communities are often not sufficiently empowered or equipped to lead implementation of those plans, or lack the financial resources necessary to start and sustain community-wide efforts, and the expertise and resources needed to build local coalitions to champion efforts and successfully navigate complex and politically-charged environments.
    - Provide technical assistance and/or financial support for local personnel to identify and apply for available funding streams at the state and federal levels including support for grant-writing.
  - ▶ Community hubs would have the following duties:
    - Direct and serve as primary points of contact for community and/or regional economic development efforts;
    - Advising workers and communities that apply for assistance on procedures and deadlines. Every community member and worker must have direct, individual access to programs and services through the hubs; and
    - Connect local foundations and investors with an interest in supporting transition.

### Relevant Legislation

- S. 4306 - Marshall Plan for Coal Country (Sen. Duckworth) (116th)
- H.R.7516 - Clean Energy Innovation and Deployment Act of 2020 (Rep. DeGette) (116th)
- H.R. 5762 - Transforming Hiring in Rural Industries and Vital Economies Act of 2020 (Rep. Cartwright) (116th)
- H.R. 178 - Appalachia Opportunity Grants Act of 2019 (Rep. Griffith) (116th)
- H.R. 6807 - Coal Royalty Fairness and Communities Investment Act of 2018 (Rep. Cartwright) (115th)
- Colorado HB 19-1314 - Creating a Just Transition Advisory Committee and Office of Just Transition (2019 Regular Session) and Colorado Just Transition Action Plan<sup>5</sup>

## Pillar 3: Interagency Grant Program

Align and scale up existing federal resources to support workers and communities.

- Establish an interagency grant program. Programs should prioritize those communities most in need. Significant increases in funding should be directed to interagency grant programs, with a corresponding increase in funding for staffing and overhead costs. Participating agencies should include the DOE Office of Energy Jobs, ARC (POWER Initiative), Economic Development Administration, DOL, USDA, and other agencies as authorized by Congress, which should be provided with authority to transfer appropriated funds across programs. Participating agencies should also execute a Memorandum of Understanding (MOU) to establish a consistent framework for the interagency grant program. Community-based “hubs” (see above) will provide technical assistance to prospective applicants for these grants. In collaboration with grantmaking agencies, the Office of Energy Transition should establish consistent:
  - ▶ Eligibility, application, and reporting requirements, using Congressionally-authorized authority to pool grant funds in one or more program as needed, in order to provide prospective applicants with funding that is accessible and streamlined, and
  - ▶ Labor, equity, and environmental standards and selection criteria across all programs.
- Ensure coordination across all grantmaking agencies and other agencies and programs represented on the Inter-Agency Committee (see above, Pillar 1), including the coordination of staff, in order to provide effectively aligned and targeted federal resources and services to impacted communities and workers.
- Ensure program requirements allow communities to plan early, not only after closures occur.

### Relevant Legislation

- S. 4306 - Marshall Plan for Coal Country (Sen. Duckworth) (116th)
- H.R. 4318 - Providing Recovery Opportunities & Mitigating Industry’s Shifting Economics (PROMISE) Act (Rep. O’Halloran) (116th)
- H.R. 6807 - Coal Royalty Fairness and Communities Investment Act of 2018 (Rep. Cartwright) (115th)
- H.R. 178 - Appalachia Opportunity Grants Act of 2019 (Rep. Griffith) (116th)

## Pillar 4: Economic Development

Support existing jobs and the growth of diverse economic sectors to create good jobs and contribute to stronger, more resilient communities, improved public health, restored ecosystems, and equitable opportunities for all people.

- Retain and expand jobs in these communities.
  - ▶ Continue to strengthen layoff aversion and avoidance measures in the Workforce Innovation and Opportunity Act and make sure that federal reauthorization of the Act fully incorporates labor stakeholders, ensures timely delivery of services to workers to improve work-based skills, and increases federal funding for adult education.
  - ▶ Amend Unemployment Insurance (UI) to allow for job sharing, and encourage and incentivize additional layoff avoidance strategies.
  - ▶ Pair clean technology or manufacturing deployment incentives with job retention and job quality backstops and requirements for retraining.
  - ▶ Couple economic development incentives with employment retention and reskilling initiatives to incentivize social stability and support workers to remain in their communities.
  - ▶ Develop and expand sectoral industry partnerships/skills partnerships.

- ▶ See the BlueGreen Alliance Manufacturing Platform for additional ideas to support and create manufacturing jobs.<sup>6</sup>
- Attract new investment to these communities, and ensure they create good jobs (e.g. S. 2185 - Good Jobs for the 21st Century Act).<sup>7</sup>
  - ▶ Tax incentives
    - All tax incentives should be paired with “clawback/money-back guarantee” provisions to discourage businesses from receiving money and taking investments out of these communities.
    - Reform and simplify the application process to obtain New Markets Tax Credit to coal communities to ensure better outcomes.
    - Reform Opportunity Zones and Promise Zone programs to include the entirety of every transition community and/or rural regions and ensure better outcomes for communities.
    - Deploy 48C and other tax incentives with a geographic set aside for areas with these communities.
    - Supplement the existing production and investment tax credits with a new technology-neutral tax credit available to all clean energy sources in carbon-intensive states.
  - ▶ Expand and target energy transition communities with existing grant and preferential lending programs such as DOE’s Loan Programs Office, USDA’s Rural Utilities Service, Native American Business Development Institute (NABDI) Grants, etc.
  - ▶ Authorize new grant and preferential lending programs to support investments in these communities to bolster high-quality job creation, economic security, and health, environmental, and equity outcomes.
- Establish a National Investment Institution targeting key communities (communities in transition, rural, environmental justice communities, low-income, and other disadvantaged and historically marginalized communities).
  - ▶ Provide funding via grants, preferential lending, equity investments, and public-private equity funds for clean energy, infrastructure, and industrial projects with prioritization for coal and environmental justice communities, including but not limited to:
    - Broadband;
    - Water and wastewater infrastructure;
    - Primary, dental, and mental healthcare facilities;
    - Assisted living and nursing home facilities;
    - Childcare facilities;
    - Community and tribal colleges and public schools;
    - Electricity for homes on tribal lands;
    - Roads, rails, public transit, and airports;
    - Efficiency retrofits for Municipal, University, School, and Hospital (MUSH)
    - Buildings; and
    - Electric grid.
  - ▶ All investments must include the BlueGreen Alliance’s conditions for spending (i.e. Davis Bacon, Buy America, organizing neutrality, Project Labor Agreements (PLA) and Community Benefit Agreements (CBA), etc.). See the “Complementary Policy” at the end of this document for more details on conditions.
  - ▶ See the BlueGreen Alliance Infrastructure Platform and Manufacturing Platform for additional ideas to support and create manufacturing jobs.<sup>89</sup>
- Remediate state, local, and tribal revenue lost as a result of permanent closures (e.g. Hopi and Navajo budgets due to the close of Navajo Generating Station). This is even more important as state, local, and tribal governments suffer budget shortfalls due to COVID-19.

- ▶ The Department of Treasury would make annual payments to state, local, and tribal governments to replace a portion of lost revenue due to the closures of energy sector employers in their jurisdiction. Governments may receive up to eight years of support.
- ▶ Governments must submit an application for assistance with an estimation of lost revenue. The amount of the annual payment would be calculated as follows:
  - 90% of lost revenue in the first and second years;
  - 75% of lost revenue in the third and fourth years;
  - 50% of lost revenue in the fifth and sixth years; and
  - 25% of lost revenue in the seventh and eighth years.

## Relevant Legislation

- S. 2404 - Build Local, Hire Local Act (Sen. Gillibrand) (116th)
- H.R. 3538/S. 2028 - Rural Jobs Act (Rep. Sewell/ Sen. Wicker) (116th)
- S. 4306 - Marshall Plan for Coal Country (Sen. Duckworth) (116th)
- S. 2185 - Good Jobs for the 21st Century (Sen. Merkley) (116th)
- S. 1743 - Coal Community Empowerment Act of 2017 (Sen. Bennet) (115th)
- S. 2951/H.R.5187 - Housing is Infrastructure Act of 2019 (Sen. Harris/Rep. Waters) (116th)
- H.R.2 - Moving America Forward Act (116th)
- H.R. 530 - Accelerating Broadband Development by Empowering Local Communities Act (Rep. Eshoo) (116th)
- H.R. 4318 - Providing Recovery Opportunities; Mitigating Industry's Shifting Economics (PROMISE) Act (Rep. O'Halleran) (116th)
- H.R. 178 - Appalachia Opportunity Grants Act of 2019 (Rep. Griffith) (116th)
- H.R. 2741 - Leading Infrastructure for Tomorrow's America Act (Rep. Pallone) (116th)
- H.R. 5762 - Transforming Hiring in Rural Industries and Vital Economies Act of 2020 (Rep. Cartwright) (116th)
- H.R.5441 - Energy Opportunity Zones Act of 2018 (Rep. Carbajal) (115th)
- H.R. 405 - Creating Opportunities for Rural Economies Act (CORE Act) (Rep. Jenkins) (115th)
- H.R. 4248 - Surface Mining Control and Reclamation Amendments (Rep. Cartwright) (116th)
- S. 1193 - Abandoned Mine Land Reclamation Fee Extension Act (Sen. Manchin) (116th)
- S. 1232/H.R. 2156 - Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More (RECLAIM) Act of 2019 (116th)

## Pillar 5: Workforce

Provide a broad system of support for impacted workers

- Require the DOL to provide a bridge of support for workers. Worker packages should include:
  - ▶ Wage replacement or a wage differential, whichever is applicable, for 5 years (as proposed in the Colorado Just Transition Action Plan);<sup>10</sup>
  - ▶ Five years of pension credit and pension contribution and/or 5 years of 401(k) contribution as applicable for all affected workers regardless of age;
  - ▶ Five years of healthcare support through COBRA subsidy/credit to allow workers to keep their plan;
  - ▶ Relocation assistance; and



- ▶ Presumptive determination of eligibility for certain groups of workers (e.g. all coal miners or workers at coal-fired power plants, including contract workers), while providing a process for any other group to petition ETA (or other relevant agency) for a determination that their job was lost or is in jeopardy due to energy sector transition (as defined by a set of criteria).
- Provide skills training and connect workers to in-demand jobs.
  - ▶ Workforce programs, community colleges, and vocational colleges should position workers to access high-quality, in-demand jobs.
    - Working collaboratively with industry partners, career and technical education teachers should prepare students and trainees by identifying existing workforce skill gaps and building partnerships with local and regional employers, site selectors, and economic developers to develop and deliver demand-driven training to fill identified gaps and directly tie training to emerging professions and family-sustaining jobs.
    - Education benefits should be provided to cover up to 5 years of postsecondary education for affected workers and their dependents.
  - ▶ Connect participants with employment through on-the-job training models, including labor-management and DOL-certified union apprenticeship programs, DOL Employment and Training Administration Programs, and/or other comprehensive job placement support.
- Invest in wrap-around workforce development programs that include income support during training, including healthcare, transportation, childcare, career planning, and other critical services that often prevent workers from completing training programs and obtaining the credentials they need for in-demand jobs.
- Require companies to issue longer periods of advanced closure notices and help prepare for transition. In addition, utilities and other companies that enact mass layoffs in one location while hiring in another should be required to work directly with dislocated workers to create workforce transition plans, which should prioritize creating pathways for these workers into new jobs elsewhere within the utility or company, including any necessary reskilling for such jobs.
  - ▶ Amend the Worker Adjustment and Retraining Notification (WARN) Act to strengthen requirements to increase planning, advanced notice, community engagement, enforcement, and tracking.
- Coal companies must pay their fair share to ensure miners suffering from black lung disease receive the benefits to which they are entitled without having to endure years of legal battles.

## Relevant Legislation

- S. 3172/H.R. 3876 - Black Lung Benefits Disability Trust Fund Solvency Act (Sen. Manchin/Rep. Scott) (116th)
- S. 2938 - Fair Warning Act of 2019 (Sen. Brown) (116th)
- S. 3555 - Trade Adjustment Assistance For Workers Reauthorization Act of 2020 (116th)
- S. 27/H.R. 934 - Health Benefits for Miners Act of 2019 and The American Miners Act (Rep. Scott) (116th)
- S. 671/H.R. 935 - Miners Pension Protection Act (Rep. McKinley); S 2788: Bipartisan American Miners Act of 2019 (Sen. Manchin) (116th)
- S. 1743 - Coal Community Empowerment Act of 2017 (Sen. Bennet) (115th)
- H.R. 2045 - Community College Energy Training Act of 2017 (Rep. Lujan) (115th)
- H.R. 3689 - Healthy Employee Loss Prevention Act of 2015 (Rep. McKinley) (114th)
- S. 2398 - Clean Energy Worker Just Transition Act (Sen. Sanders) (114th)
- Colorado HB 19-1314 - Creating a Just Transition Advisory Committee and Office of Just Transition (2019 Regular Session) and Colorado Just Transition Action Plan<sup>11</sup>

## Pillar 6: Reclamation

Reclaim and remediate sites to create jobs while restoring land and clean water.

- Prioritize hiring of local dislocated workers for any reclamation/remediation, continuing under terms of any existing union contracts or employment agreements.
- Ensure companies reclaim both existing and legacy abandoned coal mine sites by addressing problems with inadequate coal mine bonding, closing loopholes in the Surface Mining Control and Reclamation Act (SMCRA) and strengthening bankruptcy laws (Pillar 7). The decline in the coal industry has revealed serious deficiencies in how reclamation is implemented and enforced by the Office of Surface Mining Reclamation and Enforcement (OSMRE). As a result, there is a high risk that coal mines will go unreclaimed, or that the costs of cleaning up these sites will shift to taxpayers.
  - ▶ Reauthorize Abandoned Mine Land (AML) fee at the current funding level for 15 years.
  - ▶ Pass the RECLAIM Act (H.R. 2156, 116th Congress), which would direct \$1 billion over 5 years to reclaim abandoned mine lands and repurpose them for community-supported economic development projects.
  - ▶ Address problems with inadequate coal mine bonding.
    - OSMRE should issue guidance to reform bonding practices. This guidance should ensure that coal operators meet their obligations with respect to reclamation activities and employment benefits, including eliminating the use of inadequate types of bonds (self-bonds, pool bonds, collateral bonds); require operators to minimize the amount of disturbed but unreclaimed land; and require state regulatory authorities to develop bond forfeiture contingency plans and response plans.
    - OSMRE should enforce the Surface Mining Act's requirement that mine operators engage in "contemporaneous reclamation" to minimize the amount of disturbed, unreclaimed land at each mine site at any given time. Enforcing this provision will maintain coal mine employment and minimize the risk of communities or regulators being left with significant reclamation liabilities at newly abandoned mines.
    - Congress should amend SMCRA to eliminate self-bonding, pool-bonding, and other forms of inadequate bonding.
- Inventory and reclaim orphaned wells. Plugging and reclaiming orphaned oil and gas wells and restoring the surrounding sites would create jobs, while cleaning up leaking oil, methane and brine that can pollute drinking water, posing risks to public health and safety, and contributing to climate change.
- Expand, expedite, and simplify the EPA Brownfields and Superfund programs.
- Require utilities to fully decommission physical facilities.
- Require utilities pay for the complete cleanup and remediation of coal ash waste, asbestos, soil, and groundwater contamination.
  - ▶ Reinstate and strengthen the 2015 Federal Coal Combustion Residual Rule.
  - ▶ Require coal-fired power plants to post bonds that cover the full cost of remediation.

### Relevant Legislation

- S. 4306 - Marshall Plan for Coal Country Act of 2020 (Sen. Duckworth) (116th)
- S. 4617/H.R. 8271 - Environmental Justice Legacy Pollution Cleanup Act (Sen. Booker/Rep. Haaland) (116th)
- H.R. 4248 - Surface Mining Control and Reclamation Amendments (Rep. Cartwright) (116th)
- S. 1193 - Abandoned Mine Land Reclamation Fee Extension Act (Sen. Manchin) (116th)
- S. 1232/H.R. 2156 - Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More (RECLAIM) Act of 2019 (116th)
- S. 1669 - Environmental Cleanup Infrastructure Act (Sen. Booker) (115th)

## Pillar 7: Bankruptcy

Protect workers, taxpayers, communities, and the environment during bankruptcies.

- Close the loophole in Chapter 11 bankruptcy law and proceedings that allows companies to discharge unpaid wages, taxes, royalties, reclamation/environmental cleanup costs, and paycheck contributions to retirement and health plans. This should be addressed by:
  - ▶ Including employee pensions as administrative expenses in bankruptcy proceedings;
  - ▶ Requiring (and enforcing the requirement) that coal companies carry surety bonds to ensure that employee payroll and retiree pensions are covered in the event of bankruptcy and enforce these rules;
  - ▶ Ensuring that companies do not owe back taxes or federal royalties, fines for safety violations, unpaid employee wages or pensions, or paycheck contributions before approving transfer or leases or mining permits, which offloads liabilities to new owners.
  - ▶ Ensuring workers have the same standing as shareholders; and
  - ▶ Requiring that debtor companies comply with all applicable environmental laws—including SMCRA—while in bankruptcy, even if they do not intend to continue operating, and treating any related costs as critical expenses.

### Relevant Legislation

- S. 4306 - Marshall Plan for Coal Country Act of 2020 (Sen. Duckworth) (116th)
- S. 2737 - Stop Looting American Pensions Act of 2019 (Sen. Manchin) (116th)
- S. 1486 - Prioritizing Our Workers Act (Sen. Manchin) (116th)
- H.R. 7370/S. 4089 - Protecting Employees and Retirees in Business Bankruptcies Act of 2020 (Rep. Nadler/Sen. Durbin) (116th)

## Appendix: Complimentary Policy

Investments in infrastructure and manufacturing go hand-in-hand with a successful energy transition. These investments can provide a much-needed jolt to local economies while delivering good jobs and public health and climate benefits to communities. While crucial, these investments also go beyond the scope of this document. This section is a non-exhaustive list of the BlueGreen Alliance priorities that must be included in a comprehensive energy transition strategy.

- **Attach labor, equity, and environmental conditions to federal spending, including:**
  - ▶ Targeting a certain percentage of spending to transition communities;
  - ▶ Prioritizing hiring of dislocated workers;
  - ▶ Ensure all projects built with public resources are subject to Buy America standards that maximize the return to taxpayers and the American economy;
  - ▶ Enforce Davis-Bacon provisions that ensure workers are paid prevailing wages;
  - ▶ Utilize PLAs, CBAs, local hire, and other provisions including card-check and neutrality agreements;
  - ▶ Drive forward-looking planning and investments that meet environmental standards and build resilient infrastructure systems and communities;
  - ▶ Ensure we “Buy Clean” to prioritize use of the most efficient, resilient, and cleanest materials and products with the lowest carbon and toxicity footprints and “Buy Fair” to enhance labor standards, workers’ rights, career pathways, equity, and community benefits;
  - ▶ Enhance and enforce hiring and procurement policies that benefit low-income communities, people of color, and women;
  - ▶ Prioritize investments in those communities most in need;

- ▶ Workers and families must receive the majority of the benefits; funding will be clawed back if workers don't benefit; and
- ▶ Ensure adequate enforcement, including an outside oversight board with the authority to periodically review recipient compliance and adequate funding for state and local enforcement to ensure projects truly meet PLAs, CBAs and other workforce provision requirements.
- **Priorities for Economic Recovery.**<sup>12</sup> As we make investments to get the economy back on track, everything we do must be aimed at building a stronger, fairer, and cleaner economy that creates and sustains the good, high-paying jobs of the future and makes our communities and workers more resilient to crises. Congress must act on a robust economic stimulus and recovery package that:
  - ▶ Addresses working people and families' immediate needs. Congress must act strongly to protect the most vulnerable, safeguard working peoples' jobs, homes, and livelihoods, shore up essential public services, and ensure that frontline workers' health and safety is protected. This must include rejecting any provisions to shield corporations from liability if their workers get sick on the job. Congress must also ensure that essential sectors of the economy are able to continue functioning amidst this state of emergency. These actions are needed now to protect workers, families and communities from acute harm and to help stave off an even graver economic crisis.
  - ▶ Invests in our infrastructure, including by modernizing our schools, hospitals, and transit systems, delivering broadband to rural communities, modernizing our grid and upgrading water systems. These investments can provide a much-needed jolt to our economy while delivering good jobs and public health and climate benefits to communities.
  - ▶ Supports and retools America's manufacturing sector, with a major reinvestment in fortifying and transforming heavy industry and retooling to build more of the products, materials, technologies of the future here—all while providing more pathways into good family-supporting jobs. We cannot cede American manufacturing jobs to our global competitors because we failed to be forward-thinking about boosting the sector for the short and long term.
  - ▶ Rebuilds the public sector and services and invests in social infrastructure. The crisis we are facing has put a spotlight on the critical importance of investing in the workers on the front lines of fighting this virus and keeping our communities functioning, such as first responders, teachers, nurses, and childcare workers. We need to rebuild the capacity of the public sector, the health care system, education, and community-based resources to prepare for and respond to disasters like COVID-19 today and to keep our communities safe and stable for the future.
  - ▶ Provides critical long term support and protections for workers. Workers and communities cannot deal with crises alone—whether they are disastrous hurricanes or fires or global pandemics. We must rebuild and expand the social safety net, including pensions, healthcare, and retirement security, and ensuring and enforcing worker and community health and safety. These policies will help ensure that working families are better equipped to handle the next financial, health, or other crisis we face.
  - ▶ Prioritizes equitable rebuilding and investments in those communities most in need, including low-income communities, communities of color, and deindustrialized communities. This should include supports for workers hardest hit by changes in the energy economy and disabled coal miners with black lung. The response to this crisis should deliver a healthier and more equitable future.
- **Infrastructure**<sup>13</sup>
  - ▶ Prioritize connectivity through broadband access.
  - ▶ Invest in social infrastructure to better serve communities and create jobs. Primary, dental and mental healthcare facilities, assisted living and nursing home facilities, childcare facilities, community and tribal colleges, and public schools should be accessible and modernized.
    - Restore and maintain public community social spaces and provide funds for community programs that support recreation, arts, and other creative programming, including intentional reinvestment in the public sector workforce.
  - ▶ Invest in physical infrastructure that will immediately create jobs and better conditions for long-term economic growth, as well as have a critical impact on public health.



- Prioritize investment in improving roads, rails, public transit, and airports in affected communities.
- Invest in retrofit of MUSH buildings to create jobs, cut utility costs, reduce pollution, improve health, and boost resilience.
- Develop robust water infrastructure to ensure that every community has access to potable water, wastewater systems, and solid waste treatment or removal.
- Modernize the electric grid to support job creation, lower electricity bills, and renewable energy.
- ▶ Maximize benefits of infrastructure investments for workers and communities
  - Ensure projects built with public resources include labor standards, domestic content requirements, project labor agreements, community benefit agreements, local hiring, and other provisions that improve training, working conditions, and project benefits.
- Manufacturing<sup>14</sup>
  - ▶ Invest at scale in a new generation of American manufacturing.
  - ▶ Innovate to transform industry.
  - ▶ Responsibly recycle, reclaim, and mine the critical materials necessary for a secure, clean economy.
  - ▶ Use public investment wisely to support a strong, clean, fair manufacturing economy across America.
  - ▶ Change the rules to build a clean economy that works for all Americans.
- Social infrastructure<sup>15</sup>
  - ▶ Fully invest in the public sector to ensure we have the people and resources needed to help workers and the communities they serve adapt to a changing climate.
  - ▶ Modernize federal health and safety protections to address the realities of climate change and ensure adequate policy enforcement.
  - ▶ Ensure workers' rights, representation, and training.
  - ▶ Rebuild and expand the social safety net.

# End Notes

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