

TO: California Air Resources Board

FROM: U.C. Berkeley Donald Vial Center on Employment in the Green Economy

October 31, 2013

Comments on the Discussion Draft of the “Climate Change Scoping Plan - First Update”

Thank you for the opportunity to submit comments on the Discussion Draft of the AB 32 Scoping Plan Update. The Donald Vial Center carries out research on the emerging green economy and climate change policy in California as these relate to labor markets, workforce development, and workforce policy. We offer the following comments to guide the update of the Scoping Plan to support successful implementation of state policies and programs to reduce greenhouse gas emissions (“AB 32 policies and programs”) and ensure the best possible jobs and workforce outcomes from these investments.

The Discussion Draft (page 60) states that “there is significant interest in the development of rigorous metrics for monitoring, assessing, and quantifying the potential impacts and benefits of the State’s climate programs, policies, and actions on California’s economy, environment, and public health, particularly with respect to environmental justice communities” and mentions the potential difficulty of measuring some of these impacts and benefits.

Tracking jobs and workforce data, however, is fairly straightforward and is becoming the norm for state investments in carbon reduction programs. For example, SB 73 requires the state to track and report job creation and training outcomes resulting from Proposition 39 investments. This will provide critical data to measure progress toward program goals and help implementers evaluate program outcomes and improve program performance.

We urge you to direct AB 32 policies and programs to track and report metrics for job creation, job quality, and job access for all public investments related to AB 32. The Labor and Workforce Development Agency should help identify appropriate metrics to track the quantity and types of jobs created, quality of jobs (e.g. wages and hours) and access to jobs, particularly for disadvantaged communities (e.g. demographic and geographic distribution of workers).

While the Discussion Draft did not directly address many of the issues we commented on previously, we appreciate and thank the AB 32 Environmental Justice Advisory Committee for addressing employment issues in the green economy in Section 2h of “Appendix E: AB 32 Environmental Justice Advisory Committee Initial Recommendations to Inform Development of the 2013 Update to the AB 32 Scoping Plan”).

For your reference, we include below a slightly revised version of comments previously submitted on July 29, 2013 for further consideration to guide the next phase of the Scoping Plan.

Performance Goals and Data Tracking for Jobs

The Scoping Plan highlights the important economic co-benefit that AB 32 policies and programs will create jobs. Analysis of the plan estimates that more than 100,000 jobs will be created by 2020 compared to the business-as-usual scenario.¹ The Scoping Plan also recognizes the need “to ensure that good jobs accompany our transition to a clean energy future”². The updated Scoping Plan should direct AB 32 policies and programs to track and report data for both the quantity and quality of jobs created and the demographic and geographic distribution of workers for all public investments related to AB 32. This will provide critical data to measure jobs outcomes and related co-benefits.

Employment for Disadvantaged Communities

Communities that suffer disproportionately high unemployment, low educational attainment, and other disadvantaged circumstances are also disproportionately impacted by climate change. The updated Scoping Plan should direct AB 32 policies and programs to include specific goals to train and employ workers from disadvantaged communities. We support the use of the CalEnviroScreen tool to identify priority communities for geographic targeting of employment and training investments. The jobs co-benefits for disadvantaged communities should be explicitly considered in addition to efforts to ensure that AB 32 benefits, such as the health and environmental co-benefits, improve outcomes for disadvantaged communities.

A variety of policy tools exist that have track records in improving access to good, green jobs for disadvantaged workers. Some municipalities and districts have project labor agreements that contain wage floors and local/targeted hire goals which have helped to provide access to career construction jobs for disadvantaged workers. State agencies should adopt agreements that establish wage floors, local/targeted hire and career pathways goals for programs and projects funded through AB 32 investments. Funds should require support for building training partnerships with local institutions that have a proven track record of placing disadvantaged workers in career-track jobs (such as community colleges, nonprofit organizations, labor management partnerships, state-certified apprenticeship programs, and high school career technical academies).

Contractor Standards & Worker Skill Certifications

Many of the jobs created by AB 32 investments will be in the construction industry. The updated Scoping Plan should direct AB 32 policies and programs to promote the highest standard of quality work to maximize carbon reduction and therefore explicitly include standards for participating contractors and minimum training and skill standards for workers. As appropriate, specialized skill certifications that are embedded in broad occupational training, such as a state-certified apprenticeship, should be required for key tasks.

¹ California Air Resources Board for the State of California, “Climate Change Scoping Plan”, version posted May 11, 2009, pages ES-8 and ES-9. http://www.arb.ca.gov/cc/scopingplan/document/adopted_scoping_plan.pdf

² Ibid, page ES-3.

Workforce Development Investments

The Scoping Plan recognizes that a well-trained workforce is critical to achieving AB 32 goals.³ Training investments related to AB 32 policies and programs should align with the rest of the state’s workforce development investments, including the state-certified apprenticeship system and employer-driven community college programs. This will help improve the job placement rate for training graduates, and avoid unnecessary duplication and competition among training programs. Training investments should also include performance goals and tracking systems to measure outcomes and guide future investments.

We agree with the Scoping Plan assertion that “most green jobs are variations of traditional occupations in sectors like construction, utilities, manufacturing and transportation”⁴. Training for specific skills related to AB 32 policies and programs should therefore be embedded in or linked to a broader occupational training program, and not be a stand-alone training that only addresses specialized tasks. Broad occupational training prepares workers for a long-term career and leads to high quality work. Training should lead to industry-recognized credentials and certifications that, to the extent possible, provide college credit or are linked to credit-bearing programs. Training should also expand the utilization of state-approved apprenticeship programs and other “learn-and-earn” models that promote industry-recognized skills and credentials.

Collaboration with the Labor and Workforce Development Agency

The Scoping Plan says that “ARB will coordinate with the [Green Collar Jobs] Council and also with other State agencies to address workforce needs and facilitate a smooth transition to California’s emerging low-carbon economy that maximizes economic development and employment opportunities in California.”⁵ The updated Scoping Plan should provide more detailed direction to guide ARB’s collaboration with state agencies that have expertise and resources to help address workforce issues related to AB 32 policies and programs. In particular, ARB should work more closely with the various departments and councils within the Labor and Workforce Development Agency, including the California Workforce Investment Board and the Green Collar Jobs Council, to maximize the jobs and workforce benefits of these investments and develop practical implementation steps that align with statewide workforce efforts.

Transition Assistance for Adversely-Impacted Incumbent Workers

As California transitions to cleaner sources of energy, workers in carbon-intensive industries, and those in sectors dependent on these industries, may be at higher risk of losing their jobs. AB 32 requires ARB to design measures to protect industries at high risk for leakage, so job loss in these industries may be very small. But if, over time, some businesses cannot be transitioned to meet new standards, any resulting job loss should be met with an array of transition assistance services for incumbent workers such as income support, retraining, and relocation support. It is critical for the State to help adversely-

³ Ibid, pages 101-104.

⁴ Ibid, page 103.

⁵ Ibid, page 26.

impacted incumbent workers transition to new work with relatively equal pay and benefits and provide a bridge to retirement for a limited number of older workers, when retraining and finding a new job may not be viable⁶.

We appreciate this opportunity to comment and look forward to reviewing the updated Scoping Plan.

Thank you,

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⁶ For a framework for displaced worker program design and implementation, see Apollo Alliance and Cornell University ILR School Global Labor Institute, *Making the Transition: Helping Workers and Communities Retool for the Clean Energy Economy* (2009) http://www.climatechange.ca.gov/eaac/comments/2009-12-11_California_Labor_Federation_attachment_2.pdf