Office of the Governor

Dear Governor:

The Laborers’ International Union of North America (LIUNA) believes that, among all the initiatives funded by the American Recovery and Reinvestment Act of 2009 (ARRA), none holds greater promise or harbors greater peril than home energy efficiency programs. We are enclosing a comprehensive proposal for a groundbreaking partnership among state governments and agencies, community groups, community action agencies, the environmental community and LIUNA. We embrace President Obama’s direction and vision in calling for our complete commitment to critical environmental initiatives that will take the high road to ensure that green jobs are good jobs.

It is estimated that three in every four American homes could benefit from cost-effective energy efficiency measures. The widespread implementation of such measures is the most cost-effective means to achieve significant reductions in carbon emissions, energy bills, and our nation’s dependence on foreign oil. Yet the private market for comprehensive residential energy efficiency services is virtually nonexistent, while public investments in home efficiency prior to ARRA can only be described as anemic.

The investment of $5 billion in the federal Weatherization Assistance Program creates an historic opportunity to begin to address this policy and market failure. Properly managed, these funds can be used to create the foundations for a robust residential energy efficiency industry. The new funds can be used to support the recruitment and training of tens of thousands of new workers for living-wage, long-term construction jobs. They could be used to facilitate the expansion of the capacity of existing contractors and the entry of additional contractors into the residential weatherization market. Finally, working with existing community action agencies the funds could be used to organize communities and improve methods of service delivery to do the work on a much larger scale. The potential is extraordinary: tens of thousands of new permanent jobs,
billions of dollars in energy savings, and ultimately a self-funded private market for energy efficiency services. No better argument could be made for making the transition to a clean energy economy.

But there are perils as well. The scale of new federal investment in residential weatherization vastly exceeds the capacity of existing program and contractor infrastructure. The ramp-up will require, conservatively, a five-fold increase in the workforce from under 10,000 to roughly 50,000; an even greater increase in contractor capacity to take on a greater share of the work; and the increase of a million new households in the program. The need to scale-up quickly will put tremendous pressure on the ability of non-profit and public providers to manage the program as effectively as they have done in the past. It will be all too easy for the quality of training, service delivery, and program management to suffer as providers attempt to cope with the proliferation of contractors and training programs. Failure to address the low labor standards and limited career options that confront most weatherization workers could also weaken the program’s economic benefits and long-term stability.

LIUNA is ready, along with our community and environmental allies, to put our collective shoulder to the wheel to achieve the full promise of residential energy efficiency in a new green economy. We are prepared to invest significant human and financial resources to an effort to ensure that residential weatherization programs meet our nation’s economic, environmental and social needs. We bring to the table:

- Unparalleled national training capacity through the Laborers-AGC Education and Training Trust, which trains 140,000 workers annually at our 70 training centers and through mobile training, offering more than 300 construction and environmental skills and safety training modules
- Experienced contractors capable of managing large-scale projects and ready to enter the residential efficiency sector who can partner with contractors already performing the work
- National and local partnerships with community, environmental, and labor organizations such as Change to Win, Green for All, the Blue Green Alliance, the Natural Resources Defense Council and the Sierra Club
A track record of successful collaboration with non-profit community organizations on construction projects and training initiatives, including on-going dialogue with non-profit providers of low-income weatherization service.

We want the opportunity to collaborate with state and local policymakers and weatherization service providers to help create a residential energy efficiency industry that works for all. Our vision for this industry includes:

- Provision of a living wage (a wage that is both fair and affordable) and health coverage for all weatherization workers
- Utilization of training programs such as those sponsored by Laborers-AGC which provide both high-quality training and long-term career opportunities for workers
- Access to training, apprenticeship and job opportunities for residents of low-income communities where the work takes place, including those who face barriers to employment
- Contracting processes that support high-road employers and contractors that are ready to take residential energy efficiency work to scale

These principles are more fully articulated in the enclosed "Proposal of the Laborers' International Union North America for Residential Weatherization Work." We invite your consideration of this proposal. We actively seek to address those within your administration having direct responsibility for residential weatherization regarding the possibility of working collaboratively with LIUNA to make this national initiative a success. Those who are interested should contact LIUNA through Ted Green, Advisor to the General President, at this address, tgreen@liuna.org or by phone, (202) 942-2270.

Working together, "Yes We Can" secure critical environmental objectives while ensuring that green jobs are good jobs.

Sincerely yours,

TERENCE M. O'SULLIVAN
General President

TMO/jk
Enclosure