

August 4, 2023

The Honorable Pete Buttigieg Secretary, U.S. Department of Transportation 1200 New Jersey Ave., S.E. Washington, D.C. 20590

The Honorable Deb Haaland Secretary, U.S. Department of Interior 1849 C Street, N.W. Washington DC 20240

The Honorable Jennifer Granholm Secretary, U.S. Department of Energy 100 Independence Ave., S.W. Washington, D.C. 20585

The Honorable Gina Raimondo Secretary, U.S. Department of Commerce 1401 Constitution Ave., NW Washington, DC 20230

The Honorable Michael S. Regan Administrator, U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Dear Secretaries Buttigieg, Granholm, Haaland, and Raimondo and Administrator Regan,

We, the undersigned national and state organizations, applaud the federal administration's efforts to ensure that jobs created by the Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS), Infrastructure Investment and Jobs Act (IIJA), and Inflation Reduction Act (IRA) are high quality jobs in which women, people of color, and people with disabilities can thrive. The unprecedented investment in rebuilding the nation's physical infrastructure, modernizing the clean water supply and broadband infrastructure, bolstering semiconductor manufacturing, and developing advanced energy technology is critical to our country's economic and national security. Employers will need to recruit, train, and hire thousands of new workers to fill the jobs created by these investments.

Without intentional interventions to address the underrepresentation of women and people of color in quality jobs supported by federal investments, we risk replicating current inequities. The National Partnership for Women and Families finds that if nothing changes, women will hold only 29 percent of new jobs created by IIJA, Black women less than 4 percent, Latinas less than 5 percent, and Asian and Pacific Islander women less than 2 percent, in each case substantially

below their share of the workforce. A critical component of this intervention will be access to affordable, quality child care.

In view of the current lack of workforce equity in key sectors, we urge your agencies to require all applicants for CHIPS, IIJA, and IRA discretionary funding to submit detailed workforce equity plans outlining how they plan to create quality jobs, ensure racial and gender diversity in their workforce, and ensure workers have access to affordable, reliable, high quality child care. We note and commend the inclusion of some elements of workforce diversity and equity plans in some grant solicitations, such as grants released by the Department of Transportation (DOT), Department of Commerce (DOC) and the Department of Energy (DOE), but also note the lack of a comprehensive approach - including required plans for target- and goal-setting and monitoring and oversight. We strongly recommend that all grant opportunities require workforce equity plans with the following elements.

Workforce Equity Plans

Many of the grant funding opportunities released by agencies so far require or encourage applicants to create quality jobs and expand workforce training opportunities to underrepresented workers. For example, DOC's Broadband Equity, Access and Deployment (BEAD) Program Notice of Funding Opportunity (NOFO) requires states to provide a Workforce Plan as part of their Initial and Final Proposals, even for the formula funding. This Workforce Plan must include a description of how the state will ensure that the job opportunities created by the BEAD Program are available to a diverse pool of workers, including but not limited to women and people of color.²

Under some DOT IIJA-funded programs, only applicants that address how they will create good-paying jobs with the opportunity to join a union and provide workforce training opportunities will receive a high rating under the workforce selection criteria section. An example is DOT's Charging and Fueling Infrastructure (CFI) Discretionary Grant Program, where a "highly qualified applicant" must demonstrate all of the following components:

"(1) create good-paying jobs with free and fair choice to join a union and expand strong labor standards including, but not limited to the use of project labor agreements; (2) promote investments in high quality workforce development programs with supportive services to help train, place, and retain people in good-paying jobs or registered apprenticeship, with a focus on women, people of color, and others that are

¹ Sharita Gruberg, Jessica Mason, Katherine Gallagher Robbins, *Historic investments in Good Infrastructure Jobs Can't Leave Women Behind*, National Partnership for Women and Families, 2022, https://nationalpartnership.org/report/infrastructure-investment-jobs-act/

² "Broadband Equity, Access, and Deployment Program, Notice of Funding Opportunity," May 12, 2022, National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf

underrepresented in infrastructure jobs (people with disabilities, people with convictions, etc.); (3) utilize hiring policies and provide a workplace culture to promote the entry and retention of underrepresented populations; AND (4) promote local inclusive economic development and entrepreneurship..."³

We recommend all agencies take a similar approach and require all discretionary funding applicants to develop strong job quality and workforce training criteria to be eligible for funding, with higher ratings given to projects with more robust plans, as outlined below.

- 1. To create good-paying jobs with the opportunity to join a union, applicants should:
 - Detail the projected number of jobs to be created and the wages and benefits to be paid to workers;
 - Where there are unionized contractors or subcontractors, utilize project labor agreements;
 - Detail how they plan to utilize community workforce agreements, and community benefits agreements;
 - Detail whether they plan to recognize collective bargaining agreements, engage in labor peace agreements, and voluntarily recognize unions, and if not, why not; and
 - Describe their labor-management training partnerships and what new labor-management training partnerships they plan to develop.
- 2. To expand high-quality training and education programs to help train and place people in good-paying jobs, with a focus on women; Black, Latino, Indigenous, Native, and Asian persons, Pacific Islanders, other persons of color; people with disabilities; and justice-involved individuals, applicants should:
 - Identify skills needs by craft/position type and where the gaps may exist;
 - o Identify populations underrepresented in the sector's workforce;
 - Explain how they will partner with and invest in existing programs that successfully train diverse and underrepresented populations and that can be scaled, including high-quality pre-apprenticeship programs and registered apprenticeship programs;
 - Explain how they will partner with and resource worker and community groups like labor unions and tradeswomen that are trusted by the communities to develop and provide workforce training, including training and job placement of underrepresented and economically disadvantaged populations;

https://www.grants.gov/web/grants/view-opportunity.html?oppId=346798

³ "Charging and Fueling Infrastructure (CFI) Discretionary Grant Program," March 14, 2023, Federal Highway Administration, Department of Transportation,

- Explain the commitments they have secured and will secure from education and vocational training partners like community colleges and state and local workforce development boards to develop and provide workforce training;
- Describe the supportive services and direct cash assistance that they will fund to help people facing systemic barriers to employment succeed in training, apprenticeship and employment. Supportive services include child care, housing, transportation, child care, tools, work clothing, application fees, and other training costs.
- 3. To promote the hiring and retention of underrepresented workers, applicants should:
 - If they are federal construction contractors, explain how they will ensure that they
 and their subcontractors will meet the goals for utilization of women, people of
 color, and people with disabilities that are required by DOL's Office of Federal
 Contract Compliance Programs (OFCCP).⁴
 - Also for federal construction contractors, explain how they will ensure that they
 and their subcontractors comply with the requirements of Executive Order 11246,
 including all of the 16 steps required by 41 CFR section 60.4-3(a)(7).⁵
 - If they are not federal construction contractors, detail the affirmative steps that they will take to ensure the recruitment and retention of women, people of color, people with disabilities, and people impacted by the criminal legal system in their workforces.
 - Detail the effective respectful workplace/anti-harassment and anti-discrimination policies and procedures that they will implement to protect women, people of color, people with disabilities, and people impacted by the criminal legal system in the hiring process and on the jobsite.
 - Commit to conducting periodic pay equity audits to ensure that the annual pay of women, African Americans, Asians, American Indian/Native Americans, Native Hawaiian/Pacific Islanders, Hispanics, and Individuals with Disabilities is determined without discrimination;
 - Commit to consider adoption of local and economic hiring preferences to supplement the OFCCP and Apprenticeship Equal Employment Opportunity (EEO) goals.

⁴ The steps are specified in the regulations of the federal Department of Labor's Office of Contract Compliance Programs (OFCCP), at <u>41 CFR 60.4-3(a)(7)</u>; see also Department of Labor, "<u>Federal contractor affirmative action and related requirements."</u>

⁵ "Grant Application Checklist for a Strong Transportation Workforce and Labor plan," February 13, 2023, Department of Transportation.

https://www.transportation.gov/grants/dot-navigator/grant-application-checklist-for-strong-workforce-and-labor-plan. 6 "Biden-Harris Administration Opens Applications for First Round of \$2.5 Billion Program to Build EV Charging in Communities & Neighborhoods Nationwide", March 14, 2023, Federal Highway Administration, Department of Transportation,

 $[\]underline{\text{https://highways.dot.gov/newsroom/biden-harris-administration-opens-applications-first-round-25-billion-program-buildev.}$

- Include a commitment that they will provide, and require their subcontractors to provide, an OFCCP representative and an ombudsperson from the community with open access to the work site to review compliance, monitor conditions, provide support and assistance, and mediate issues.
- Include a commitment that if OFCCP designates their project a "Mega Project," they will consent to being treated as such;
- o If they employ registered apprentices, explain how they will ensure that the sponsor of the registered apprenticeship programs that supply their apprentices comply with the Apprenticeship Equal Employment Opportunity regulations at 29 CFR part 30, including the requirements to make good-faith efforts to ensure that the percentages of women and people of color in the apprenticeship program match the availability in the relevant recruitment area of women and people of color who have the minimum qualifications for the program, and that at least 7% of the apprentices in the program are people with disabilities.
- Commit to a registered-apprentice utilization of 15% that is, commit that 15% of the work hours on the funded project will be worked by registered apprentices.
- Describe how they will ensure that they and their subcontractors that employ apprentices enter into explicit agreements to hire apprentices from workforce programs that serve underrepresented groups, such as direct-entry commitments from quality pre-apprenticeship programs into registered apprenticeship.⁶

Public transparency and accountability

We also recommend that agencies create plans for the public release on an accessible website of the workforce development and equity commitments made during the application process and of the progress that the awardees make toward these commitments, including utilization rates for women, people of color, and people with disabilities working on the project, alongside the applicable goals. These commitments should also be included as material terms in the final contract between agencies and funding recipients. We ask that agencies include explicit language in their funding opportunity announcements stating that this information will be made publicly available. Some agencies have already incorporated some transparency measures in their funding announcements, including:

- DOT's Rebuilding American Infrastructure with Sustainability and Equity (RAISE)
 Discretionary Grant Program⁶;
- o DOE's Heat Pump Defense Production Act Program; and
- The CHIPS Incentives Program under the Department of Commerce (DOC)

⁶ "About RAISE Grants", July 5, 2023, Department of Transportation, https://www.transportation.gov/RAISEgrants/about#:~:text=The%20RAISE%20program%20enables%20.

⁷ "Biden-Harris Administration Announces \$250 Million to Accelerate Electric Heat Pump Manufacturing across America," April 18, 2023, Energy.gov,

 $[\]underline{\text{https://www.energy.gov/articles/biden-harris-administration-announces-250-million-accelerate-electric-heat-pump.}$

We encourage agencies to build on the transparency provisions included in these funding announcements. Disclosure of these commitments are crucial for workers, labor unions, and communities to help hold recipients of public dollars accountable. Should recipients not follow through on their workforce commitments, we would ask agencies to reevaluate the award.

Access to affordable, accessible, reliable, and high-quality child care

The DOC recently released a NOFO for the CHIPS Incentives Program requiring any applicant requesting CHIPS Direct Funding over \$150 million to provide access to child care for facility and construction workers, and strongly encouraging those applying for smaller grants to do so as well. The NOFO highlights that the child care provided should be affordable, accessible, reliable, and high-quality. In April, the White House also released an executive order that requires federal agencies to identify which of their resources may be available to support child care for workers participating in federally funded projects. We urge all agencies to follow DOC's lead and require plans to invest in and support affordable, accessible, reliable, and high-quality child care for workers in initiatives that utilize federal resources.

Additionally, applicants for federal funding opportunities should be required to demonstrate that jobs they create will, at a minimum, provide adequate health insurance, workers' compensation coverage, paid sick leave, and paid family and medical leave. Federal agencies should ensure that workers can avail themselves of these benefits and are protected from retaliation for doing so.

In closing, we strongly urge your agencies to require all CHIPS, IIJA, and IRA funding applicants to develop robust workforce equity plans detailing how they plan to create quality jobs and ensure racial and gender diversity in their workforce, and make those plans accessible to the public. This will help ensure public dollars are being utilized to build economic opportunity and security for all communities, including women and people of color.

If you have any questions, please do not hesitate to reach out to Lauren Sugerman at lsugerman@cwit2.org or Emily Andrews at eandrews@clasp.org.

Sincerely,

A Better Balance
Asian Pacific American Labor Alliance, AFL-CIO
Caring Across Generations
Center for Law and Social Policy
Center for Worker Justice of Eastern Iowa
Chicago Jobs Council
Chicago Women in Trades
Colorado Fiscal Institute
Communications Workers of America, AFL-CIO

Economic Policy Institute

Equal Rights Advocates

Evergreen Action

Family Values @ Work

Farallon Strategies

Futures Without Violence

In the Public Interest

Jobs With Justice

Jobs to Move America

Main Street Alliance

National Black Worker Center

National Employment Law Project

National Immigration Law Center

National Legal Advocacy Network

National Organization for Women

National Partnership for Women & Families

National Skills Coalition

National Taskforce on Tradeswomen Issues

National Urban League

National Women's Law Center

National Youth Employment Coalition

New America, Center on Education & Labor

Oxfam America

ProgressNow Colorado

Teamsters Local 455

The Leadership Conference on Civil and Human Rights

The Workers Circle

Transport Workers Union of America

West Virginia Center on Budget and Policy

Working Partnerships USA