

**November 20, 2020**

*Comments Submitted Regarding Proposed TCI Equity Commitments, Following the “TCI Webinar on Ensuring Environmental Justice and Equity in a Regional Low-Carbon Transportation Program”*

As organizations who represent labor and environmental interests both nationally and throughout the Northeast region, we write to offer comments on the proposed equity commitments announced in the webinar on September 29, 2020. Policy remedies to address the climate crisis must include provisions to create high-quality careers for disadvantaged workers and maximize climate benefits to low income communities of color as we move towards a low-carbon transportation economy. We support the initial framework outlined in the webinar, including a minimum percentage of dedicated investments and a requirement to form equity advisory committees for TCI implementation.

However, as groups representing labor, environmental, and equity interests, we believe that such initial equity commitments must be strengthened, in order to more fully realize equity goals for working class communities, low-income communities, communities of color, and other historically overburdened and underserved communities affected by pollution.

Our groups fundamentally believe that addressing the climate crisis and securing and creating high quality jobs, career ladders for disadvantaged workers, and targeted benefits to disadvantaged communities can and must be done together. States have a significant role to play in making these outcomes happen, and a TCI framework has the potential to cut pollution, to boost investment and create jobs in new transportation technology (in both fuels and infrastructure), spur manufacturing, accelerate community economic development, and expand public transit. But such a regional program will only be effective, equitable, and sustainable if structured dutifully with these goals in mind.

TCI's core equity and jobs provisions must be centered as follows:

**Significant reductions in emissions in overburdened communities.** Undoubtedly, the highest level of air and climate pollutants occur in overburdened and underserved communities -- we need to reduce those pollutants both for the immediate health benefit of residents, but also to achieve the program's aggressive mandates. TCI must prioritize and together with other policies ensure significant emissions reductions in overburdened communities.

**More investment in underserved and overburdened communities.** While we acknowledge the minimum 35% investment requirement to benefit underserved and overburdened communities, as announced in the webinar, we urge you to use this figure as a floor and allocate no less than 50% of program proceeds towards impacted communities. A higher equity investment requirement would meet the best practices and standards of states like California, which requires that at least 35% of cap and trade proceeds benefit disadvantaged communities, and in practice has invested over 50% of proceeds toward such communities. An increased investment threshold ensures that equity as a core deliverable of the program, and would safeguard the success of desired equity outcomes across the board, including those that impact working families. Given the overlapping climate, racial, economic, and public health crises of our time, it is critical that TCI (especially its equity provisions) not only reduce pollution overall but also remedy environmental inequities with an aggressive timeline and a progressive framework. TCI investments should also improve transit affordability and accessibility, especially in underserved communities where transit is too often unreliable and unaffordable.

**Disproportionately affected communities make up the majority of the advisory board.** We recognize the initial recommendation that equity advisory bodies represent “diverse stakeholder groups, including residents of underserved and overburdened communities.” We believe it is imperative, however, that representatives of disproportionately affected communities make up the majority of such decision-making advisory bodies. We also welcome more clarity on how such advisory bodies would operate, and the breadth and specificity of their influence in the TCI implementation process.

**Equity commitments benefit working people.** Equity commitments should benefit working people in every industry and subsector. Only then will TCI deliver a full range of benefits to the public and the economy. We believe that all links in the transportation value chain—from resource mining, to supply chain manufacturing, to vehicle assembly, to vehicle driving, to transit and infrastructure—have a role to play. We also believe that TCI should support pathways to cut emissions, improve efficiency, and lead in workplace and community safety standards in the fuels industry and in energy intensive materials production. TCI investments should incentivize for quality jobs in the United States: jobs that provide family-sustaining wages and benefits, provide a real free and fair opportunity for workers to join unions and engage in collective bargaining, provide hiring, training and advancement opportunities to disadvantaged communities and populations. TCI can encourage clean and emissions reducing processes across the transportation, fuels, and manufacturing sectors, and ensure we don’t just push emissions and jobs overseas (or into other regions of the United States).

**Invest in workforce development.** To reach workforce equity goals, we suggest that TCI must directly invest strategically in the following ways:

- Invest in impacted workers and their communities, to ensure that the needed workforce and livelihoods are sustained as part of the TCI process.
- Funding must support *demand-based* training and retraining connected to actual jobs and aligned with employer business plans. Demand-based strategies connect workers through a variety of program types, such as registered apprenticeship programs in trades, in diverse training models in the driving and maintenance fields, as part of manufacturing careers, or otherwise.
- Training programs must be developed and delivered with organized labor as a key stakeholder with a strong record of workforce training and skill development.
- TCI funding must also invest in adversely impacted communities as a priority, to address immediate equity needs, specifically those communities seeking environmental and economic justice, or impacted by technological or industry change.
- The MOU must set up a system to engage proactively with all stakeholders to avoid (and mitigate) any job loss attached to the regional TCI commitment.
- TCI should safeguard current worker wages and benefits, and support the community tax base and public employment.

**Labor a seat at the table.** The equity framework of the TCI program needs to require that labor representatives from across the transportation value chain are given permanent seats at the table in such advisory bodies and throughout developing and implementing the initiative. This clear commitment to working people should exist in the MOU. This representation ensures that revenues and other benefits uplift workers and their communities, and that the TCI structure delivers not only equity in the form of material goods and services, but equitable employment and economic outcomes.

**High road labor standards.** In order to fully meet its equity commitments to working families, the MOU must *firmly* require jurisdictions to commit to high road labor standards, insist on requirements for domestic jobs with fair pay and family-supporting benefits, and assure union neutrality in industries connected with TCI in any way. Such commitments include clear employment and safety standards with Project Labor Agreements; prevailing wage requirements and benefits such as health care and retirement security; domestic sourcing of products and materials; no mandatory arbitration; strong worker classification standards to ensure bona fide employees are not misclassified as independent contractors; banning the use of temporary staffing agencies (unless agencies certify that temporary employees are necessary to address an acute, short-term labor demand); an explicit neutrality policy on all collective bargaining issues; and a “ban the box” hiring policy to ensure people with criminal records are given access to employment.

We strongly support procurement policies that provide incentives for training (pre-and post-hire) and advancement opportunities for disadvantaged communities and populations including women, people of color, the disabled, veterans, formerly incarcerated, low-income community members, indigenous communities, non-native English speakers, and returning citizens.

Such labor-focused requirements are basic commitments to ensure that workers are treated equitably throughout the planning and implementation of TCI. Workers should never be taken for granted in climate policy, when we know that the transition to low-carbon transportation does not (in and of itself) ensure beneficial economic outcomes for workers and disadvantaged communities.

**No raids on TCI funds.** TCI brings the opportunity to invest in a holistic approach and reduce greenhouse gas emissions from the transportation sector, but only if the funds are wisely invested in clean and equitable transportation solutions. With the right investment strategies, and proactive coordination between utilities, state agencies, and communities, all TCI states must see emissions reductions statewide, and critically, reductions in communities that suffer the most.

**Regular significant interactive public input and a real seat at the table through the development, decision-making and implementing processes.** There needs to be clarity on how such advisory bodies would operate, and the breadth and specificity of their influence in the TCI implementation process. There also needs to be transparency, such as an annual reporting function for each state related to their TCI spending and the program allocation, which is necessary accounting and should be public and distributed widely.

The best outcomes occur when all stakeholders are at the table, including those who represent labor. TCI's commitments to equity will only be effective and sustainable if they are implemented in the right way, and if they include all underserved and overburdened communities and integrate principles of workforce equity. The steps outlined in the webinar represent a good first step—but the MOU must include the needs of working communities as it is finalized, and as the proposed policy is implemented in the region. We welcome further discussion and we ask that these recommendations and priorities are included in the MOU as it is developed by the states.

Sincerely,

BlueGreen Alliance  
Labor Network for Sustainability  
New Jersey Work Environment Council