



CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY

## **BlueGreen Alliance Priorities – Economic Recovery under Budget Reconciliation**

*This document outlines BlueGreen Alliance priorities for economic recovery under budget reconciliation. All economic recovery spending should meet the standards outlined in BGA's full [economic recovery priorities document](#), including labor standards, Buy America(n), community benefit agreements, and increased public sector capacity - we recommend a 10% overhead addition for all new programs. All of these policies must be designed in ways that reduce emissions, enhance environmental justice, uphold and improve labor standards and working conditions, and support vulnerable workers and deindustrialized communities.*

### **Energy Infrastructure**

**Transmission Assistance.** Provide a federal investment of \$40 billion over 10 years in the form of loan guarantees and tax credits to leverage additional private sector investment in transmission projects and increase funding to the Department of Energy (DOE) to provide technical assistance to state and regional entities to identify, site, and ultimately approve transmission projects that are in the public interest.

**Storage and Resiliency Research.** Revitalize the Smart Grid Investment Grant Program, increase funding for the Energy Storage program and Smart Grid Research and Development program in the DOE's Office of Electricity Delivery to \$9 billion over 10 years,<sup>1</sup> building on the track record of partnering with the private sector and increasing emphasis on collaboration with utilities (S.1593: Promoting Grid Storage Act (Smith)).<sup>2</sup>

**Storage Deployment.** Build on the success of the Energy Storage Technology Advancement Partnership and provide \$50 million in funding over 10 years to DOE for competitive grants to communities for the installation of energy storage technologies—prioritizing disadvantaged or underserved communities and at critical facilities, such as hospitals and fire stations.

**Reduce Methane Leaks.** Provide \$250 million over 10 years to PHMSA's Office of Pipeline Safety to provide financial assistance to states to incentivize reducing emissions in the gas distribution system. This can be achieved through targeted funding to offset costs to low-income

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<sup>1</sup> Pollin, R., and Chakraborty, S. 2020. Job Creation Estimates through Proposed Economic Stimulus Measures, available at: <https://www.sierraclub.org/sites/www.sierraclub.org/files/PERI-stimulus-jobs.pdf>

<sup>2</sup> All bills referenced in this document are from the 116th Congress.

households and funding for enhanced directed inspection and maintenance programs (H.R. 5542 (Sherrill)) (H.R. 2 Sec. 33121).

## **Transportation Infrastructure**

**Increase Transit Funding.** COVID-19 has been a “black swan” event for many transit agencies, drastically cutting their ridership and farebox revenue, while increasing costs and threatening their viability.

- Provide at least an additional \$20 billion specifically for operational support to transit during the COVID-19 crisis, as proposed by President Biden, or an updated level of funding commensurate with future need during this prolonged crisis.
- For capital costs and operational improvement and growth (as part of critical recovery investment), increase funding and financing for the Department of Transportation’s (DOT) Federal Transit Administration (FTA) and enhance block and competitive grant programs such as DOT’s BUILD, Private Activity Bonds, the National Highway Freight Program, TIFIA, and RIFF to spur integrated community infrastructure investment, deliver local environmental and economic development benefits, and expand affordable and clean options for transit between communities (H.R. 1428: Transportation Infrastructure Job Creation Act (Waters)).

**Charging Infrastructure.** Fund grants, rebates, and improved tax credits for enough charging stations to support a rapidly growing fleet of electric vehicles, including public and private charging, aligning with the Biden Administration’s goal of 500,000 charging stations.

- Expand the 30C charging infrastructure tax credit; alternatively, convert to a rebate program tailored to unique needs of MHDV charging equipment.
- Prioritize charging infrastructure investment on national highway corridors, as outlined in Rep. Levin’s EV Freedom Act. (116th: H.R. 5770: EV Freedom Act (Levin), and S. 674 Clean Corridors Act of 2019 (Carper)).
- Ensure charging availability for all communities with a priority on filling gaps in serving low income, rural and deindustrialized communities and communities of color, availability for residents of multi-family housing, and for charging stations, require certified training of electric vehicle supply equipment (EVITP training) and domestic manufacture of charging stations.

**Electric Transit and School Buses.** Transition the transit and school bus fleets to domestically manufactured zero-emission vehicles while protecting and creating jobs, maintaining workers’ rights, and ensuring high road labor standards in their manufacture, operation and maintenance.

- Provide up to \$15 billion for transit bus conversion, including through authorities such as the Low and No Emissions Vehicles Program; the Diesel Emissions Reduction Act (DERA); and similar authorities, to aid in transition of the entire transit bus fleet to

electric vehicles. Ensure Buy America standards apply regardless of source of funding, and specifically ensure that Buy America provisions cover CMAQ funding under the authority of the FHWA.

- Provide up to \$50 billion in funding over ten years for school bus conversion, including through DERA; Clean Cities, Clean School Buses; or through programs similar to those in Sen. Harris' Clean School Bus Act (S. 1750) sufficient to make all school buses zero-emission (and to support the deployment of vehicle-to-grid charging and community resilience technologies).

**Freight Electrification.** Provide at least \$500 million over 10 years in enhanced funding to cut emissions from ports and medium- and heavy-duty trucks through diesel emission reduction grant programs (H.R. 2 Sec. 25003), and port modernization grant programs (Sec. 1402 of the Senate ATIA), freight electrification grant programs (H.R. 2 Sec. 25002, 33191), and excise tax breaks or vouchers modeled on state programs for zero-emission trucks. Provide direct funding through DOE's Office of Energy Efficiency and Renewable Energy (EERE), Vehicle Technologies Office (VTO) program, DOT's Private Activity Bonds, Congestion Mitigation and Air Quality (CMAQ) program, Advanced Transportation and Congestion Management Technologies Deployment program, National Highway Freight Program, DERA, and others to sharply cut carbon and criteria pollution from commercial vehicles and trucking, and at ports and their associated infrastructure.

**Electrify Federal Fleets.** Fund conversion of the Federal fleet to domestically produced, union-made electric vehicles. Fleets such as used by the Department of Defense (DOD), the National Park Service, et al., should be upgraded with the specific benchmarks as passed by the U.S. House in the Moving Forward Act (H.R. 2 Sec. 50002), and by using existing authorities. In addition, the United States Postal Service (USPS) faces a critical moment for the overhaul and modernization of its delivery fleet, to replace its Long Life Vehicles (LLVs) with modern, safe "next gen" delivery vehicles. For the USPS, provide at least \$6 billion to replace such aging, high-emission vehicles in the USPS fleet immediately, and to transition all appropriate USPS vehicles to electric or zero-emission by no later than 2026. Such a transition should be prioritized for its climate impacts and for the safety of letter carriers.

## **Water Infrastructure**

**Clean and Drinking Water.** Fund the Clean Water State Revolving Fund (SRF) at \$80- \$100 billion over 10 years and fund the Drinking Water State Revolving Fund at \$50- \$100 billion over 10 years (H.R. 2 Sec. 22110, 33101, 33104).<sup>3</sup> Require at least 20% of this new funding to be provided to disadvantaged communities in the form of grants, and provide technical assistance

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<sup>3</sup> Pollin, R., and Chakraborty, S. 2020. Job Creation Estimates through Proposed Economic Stimulus Measures, available at: <https://www.sierraclub.org/sites/www.sierraclub.org/files/PERI-stimulus-jobs.pdf>

to help such communities access these funds. Permanently extend Buy America provisions for the Drinking Water SRF (H.R. 5193: Buy America for Drinking Water Extension Act of 2019 (Bustos)).

**Critical Water Infrastructure.** Provide \$17.5 billion over 10 years<sup>4</sup> in funding for the U.S. Department of Agriculture's (USDA) Water and Waste Disposal Loan and Grant Program.

**Lead Service Lines.** Provide \$45 billion over 10 years to the Environmental Protection Agency (EPA) for complete Lead Service Line (LSL) Replacement in all homes and child care centers (H.R. 7918: Get the Lead Out Act (Smith/Cuellar)) (H.R. 2 Sec. 33105/H.Amdt. 829 to H.R. 2 (Tlaib)).

**PFAS.** Invest \$4.5 billion over 10 years<sup>5</sup> in the cleanup of per- and polyfluoroalkyl substances (PFAS) (H.R. 535: PFAS Action Act of 2019 (Dingell)) (H.R. 2 Sec. 33101).

- Fund a grant program at \$2.25 billion over 10 years to help affected community water systems pay for treatment technologies.
- Fund a grant program at \$2.25 billion over 10 years to help publicly owned treatment works with implementation of a pretreatment standard.

### **Buildings/School Infrastructure**

**Invest in Building Energy Efficiency,** starting with MUSH (Municipal, University, School, Hospital). Provide a total of \$122.4 billion over 10 years for MUSH buildings,<sup>6</sup> with at least \$4 billion over 10 years provided for hospital infrastructure investments and retrofits (per the Hill-Burton Act), including targeted assistance to speed recovery from extreme weather events, install energy efficiency retrofits, energy storage, and implement micro grids for critical infrastructure systems to improve resilience (H.R. 2 Sec. 34101) (H.R. 2741: LIFT Act, Sec. 41001 (Pallone)). This should include:

- Provide \$2 billion over 10 years for healthcare infrastructure projects through the Indian Health Service (IHS),
- Provide \$100 million to support laboratory infrastructure, including state laboratories involved in combating the COVID 19 virus; and
- Provide \$100 million to fund infrastructure development for community-based care, including teaching health centers and mental health centers.
- Provide funding to DOE to issue grants within the DOE's Building Technologies Office to award states with matching funds to institute a comprehensive program dedicated to meeting at least a 20 percent reduction in energy usage in their MUSH sector.

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<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Pollin, R., and Chakraborty, S. 2020. Job Creation Estimates through Proposed Economic Stimulus Measures, available at: <https://www.sierraclub.org/sites/www.sierraclub.org/files/PERI-stimulus-jobs.pdf>

**Building Retrofits.** Provide \$18 billion to DOE to establish an ambitious, technology neutral building retrofit and emissions reduction program for public, private, residential, commercial and industrial buildings with strong labor standards, domestic content requirements, organizing neutrality, provisions ensuring clean and healthy building materials, and prioritization for low-income households, building off the Open Back Better Act (H.R. 7303/S. 4060 (Blunt Rochester/Smith)).

**School Retrofits.** Direct \$100 billion over 10 years<sup>7</sup> in funds to the Department of Education (DoEd) and the Department of the Interior (DOI) to address critical school infrastructure (H.R. 865: Rebuild America’s Schools Act of 2019 (Scott)) (H.R. 2 Sec. 70000) and reduce lead in schools, especially those with child care operations, such as through increasing funding for EPA’s Lead Testing School and Child Care Drinking Water Grant Program.

**High Performance Schools.** Boost the Healthy High-Performance Schools grant program (DoEd, DOE, EPA) by adding \$50 million over 10 years in additional funding and allowing for direct action (remediation, testing, monitoring, inspections) for polychlorinated biphenyls (PCBs).

**Building Energy Efficiency Programs.** Increase funding for critical building energy efficiency programs, such as:

- \$6.4 billion/10 years for the Energy Efficiency and Conservation Block Grant program;
- \$170 billion/10 years for the Low-Income Home Energy Assistance Program;
- \$14 billion/10 years for the Weatherization Assistance Program; and
- State Energy Efficiency Appliance Rebate Program.

**E-Rate Program.** Provide \$2 billion for the Emergency Connectivity Fund administered through the Federal Communications Commission’s (FCC) E-Rate program for schools and libraries to support distance and remote learning (H.R. 6563: Emergency Educational Connections Act of 2020 (Meng)).

**Deploy High-Speed Broadband.** Provide at least \$20 billion over 10 years to deploy secure and resilient broadband in rural areas, such as in President Biden’s Plan to Build Back Better in Rural America.

## **Clean Energy, Clean Technology Manufacturing, Industrial Transformation**

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<sup>7</sup> Pollin, R., and Chakraborty, S. 2020. Job Creation Estimates through Proposed Economic Stimulus Measures, available at: <https://www.sierraclub.org/sites/www.sierraclub.org/files/PERI-stimulus-jobs.pdf>

**Clean Energy Projects that Deliver Good Jobs.** Provide additional funding for clean energy projects built with high-road labor standards and strong domestic content, such as through Sen. Merkley and Congressman Boyle’s Good Jobs for 21st Century Energy Act, which would provide an additional 10% investment tax credit.

**Offshore Wind.** Provide \$265 million over 10 years for the Bureau of Ocean Energy Management’s (BOEM) Office of Renewable Energy to assist in offshore wind lease sales, environmental review, and stakeholder engagement. Provide \$50 million over 10 years to DOE/DOI for training for jobs in the offshore wind industry (H.R. 3068: Offshore Wind Jobs and Opportunity Act (Keating))(H.R. 2 Sec. 84501).

**Consumer Incentives for ZEVs.** In coordination with an updated 30D (or similar) tax credit, fund point-of-sale rebates for consumers for new and used zero-emission vehicles, with labor standards and domestic content requirements, measures to ensure equity, and at a scale sufficient to support retention and expansion of domestic automotive sector manufacturing, jobs, and job quality during a rapid transition to electric vehicles.

**Industrial Transformation:** Building on the Clean Industrial Technologies Act, provide \$22 billion over 10 years to target, fund, and execute a program to strengthen and upgrade America’s energy intensive industrial base, through five major approaches:

- Provide \$700 million - 1 billion over 10 years (includes \$25-55 million/yr above FY20 funding levels) to DOE’s Advanced Manufacturing Office (AMO) (Industrial Assessment Centers, Better Plants) to enhance technical assistance programs to assist manufacturers and to identify and deploy industrial energy efficiency and decarbonization strategies.
- Provide \$600 million over 10 years to AMO to issue grants to small-medium enterprises to deploy combined heat and power (CHP) and other efficiency and decarbonization technology.
- Provide \$6 billion over 10 years to fund DOE (AMO/Loan Programs Office ((LPO) to issue grants (and/or forgivable loans) for deployment of significant industrial decarbonization projects at energy-intensive industrial facilities.
- Provide \$15 billion over 10 years to DOE (AMO/LPO) to issue grants (and/or forgivable loans) for commercial demonstration and full-scale deployment of first in class ultra-low emissions facilities across all key energy intensive manufacturing sectors.
- Provide funding over 10 years to DOE’s Office of Fossil Energy for technical assistance and grants to support deployment of CCUS, targeting energy-intensive industries.
- Provide \$100 million over 10 years in funding to AMO to establish a grant program to provide financial assistance for the development and verification of Environmental Product Declarations (EPDs) for small and medium businesses who participate in the federal procurement process (e.g. manufacturing such as iron, steel, cement, concrete

etc.) This should include the use of captured carbon in products and processes as a way to lower the embodied carbon emissions of an industrial good (CLEAN Future Act).

**Clean Technology Manufacturing and Supply Chains:** Provide \$15-25 billion over 10 years (enabling a total of \$53-63 billion in loan and grant investment) in diverse incentives to establish, expand, convert or retool domestic clean technology manufacturing, including small, medium, and large (anchor) facilities with a full range of risk profiles. This should include:

- Increase funding for **DOE LPO operations** by \$60 million over 10 years, front loaded, to support increased loan volume, outreach to manufacturers, and applicant support.
- **Advanced Technologies Vehicle Manufacturing (ATVM) Loans.** Provide \$1.9 billion to replace the funds rescinded in 2020 from the ATVM Program, restoring the full \$17.7 billion in loan availability, and enabling expansion to medium and heavy duty vehicles. (H.R. 2 Sec. 33342). If Congress seeks to expand the scope of the program to cover other transportation sectors such as aviation, additional funds of approximately \$2.5 billion in credit subsidy would be needed to support significant additional loan authority).
- Provide at least \$12.5 billion, over the next five years, to fund and update the **Section 132 Domestic Manufacturing Conversion Grant Program**, as referenced in H.R. 2, to support conversion & retooling of vehicle technology manufacturing facilities, including those at risk of closure, to onshore and build EV technology (H.R. 2, Sec. 33341).
- Provide \$3 billion in additional funding for **DOE Title 17 Innovative Energy Loan Programs** (enhancing the availability of \$25 billion in loan authority) - consider an additional \$2 billion in credit subsidy, to support expansion of loans to support industrial decarbonization projects, low and no electricity production, and clean energy manufacturing.

**Tax Provisions for Manufacturing:** Improve, establish or extend clean technology manufacturing tax credits to support good job growth and manufacturing across America. End the uncertainty hobbling critical industries. Extend and improve our most effective energy tax credits to support immediate recovery and growth of critical emerging industries in America. Enhance economic impact with labor standards and domestic manufacturing requirements/incentives.

- Provide \$10 billion over 10 years to robustly fund (and update and target) **48C** to support establishment, retooling, and expansion of clean energy and technology manufacturing facilities, particularly in communities that need it most. Refundable or direct pay, if possible. (Manchin)
- Update and extend the **30D** tax credit to support domestically manufactured EVs, with sound labor standards; improve equity through an income cap and addition of used EV credit. Extend the **30B** and **30C** tax credits with labor standards and domestic manufacturing safeguards.

- Redefine the **45M** manufacturing PTC to support early commercial scale production of economically critical clean technology or components not yet manufactured domestically at scale. 45M eligible technologies to include, for example battery cells and offshore wind components.

**NIST, MEP, Manufacturing USA:** Increase funding for the National Institute of Standards and Technology in the U.S. Department of Commerce, including \$13.14 billion for the Manufacturing Extension Partnership (MEP), and \$1.44 billion for Manufacturing USA over 10 years to support domestic manufacturing, innovation, and supply chains.

### **Social Infrastructure/ Community Resilience**

**Public Health, Care, and Resilience:** Increase funding for the Department of Health and Human Services' (HHS) Hospital Preparedness Program to support hospitals and other critical health facilities to prepare emergency plans that address increasing climate-related risks, including provisions to ensure reliable power and water supplies during disasters. Increase funding to HHS Public Health Service's Ready Reserve Corps to enhance capacity for the public sector. Expand eligibility and increase funding to the Center for Disease Control's (CDC) Public Health Emergency Preparedness Cooperative Agreement to provide state and local public health departments with the resources to help hospitals and health care facilities increase capacities and capabilities to confront climate threats.

**Prioritize investments in the nation's care infrastructure** including Medicaid Home And Community Based Services (HCBS) that would support workforce development, expand access to services, and equip those providing and receiving care in the community with tools necessary for crisis preparedness. Make robust, sustained investments to strengthen and rebuild the public health workforce to address current and future crises (\$400 billion over 10 years)

**Climate Planning and Community Resilience:** In conjunction with administrative action, provide funding to establish a National Climate Adaptation Program that provides grants, finance capacity, and skilled technical assistance to state, local, and tribal governments to finance and insure projects identified through hazard mitigation and climate adaptation plans, prioritizing low-income communities and communities of color that are disproportionately affected by climate impact. Congress should also:

- Establish a new long-term climate adaptation funding program (through grants, financing and/or a revolving loan fund).
- Provide additional funding for FEMA's Flood Mitigation Assistance (FMA) grants to make our coastal and floodplain communities safer and more resilient to extreme weather and disaster events (\$1.5 billion)
- Increase funding to NOAA's National Coastal Resilience Fund (\$4 billion).



- Fund and direct the Federal Emergency Management Agency’s (FEMA) Mitigation Framework Leadership Group (MitFLG) to develop and maintain an accessible inventory of resources for state and local governments for climate resilience training and education
- Increase funding to FEMA’s BRIC program to the maximum amount authorized by the Disaster Recovery Reform Act, which is 6 percent annually of average DRF expenditures. We estimate that amount to be a minimum of \$8.7 billion over the next five years and FEMA has estimated as much as \$3.7 billion for next fiscal year alone. In addition, Congress should create a set-aside within BRIC that is dedicated for assisting low-income and BIPOC communities. These communities often lack the capacity to apply for grant funding.
- Increase funding to \$200 million over 10 years for the CDC’s Climate-Ready States and Cities Initiative (CRSCI) and Building Resilience Against Climate Effects (BRACE) programs to expand grant making to all 50 states.
- Create a new federal grant program (\$100 million/10 years) for the development of local resilience hubs.

**Climate Resilient Infrastructure.** Appropriate funding for the newly established revolving loan fund and grant program for climate resilient infrastructure across the country with an emphasis on natural solutions such as restoring wetlands, dunes and native forests.

**Community Health Centers.** Provide \$20 billion over 10 years for Community Health Centers to address the physical, environmental and mental health impacts and disparities of this current crisis and to take a leadership role in preventing, adapting to, and recovering from future crises (H.R. 2 Sec. 34102).

**Training.** Increase funding to the Occupational Safety and Health Administration’s (OSHA) Susan Harwood Training Grant Program (\$200 million/10 years), and the National Institute of Environmental Health Science (NIEHS) Environmental Career Worker Training Grant Programs (\$100 million/10 years).

**OSHA.** Increase funding to OSHA to hold employers accountable for workplace health and safety, focusing on staffing for timely and effective enforcement and development of standards for climate related health impacts.

### **Fairness to Workers and Communities**

**Economic Development, Infrastructure, and Remediation.** Over 10 years, increase funding for key agencies and programs that focus on investing in communities impacted by energy transition, redeveloping industrial sites, spurring economic development, and remediating environmental degradation, including:

- Increase federal funding for the Economic Development Administration (\$1 billion);

- Increase funding for the Appalachian Regional Commission;
  - ARC POWER: \$1.5 billion;
  - ARC Broadband: \$300 million; and
  - ARC Workplace re-entry strategies: \$300 million.
- Increase federal funding for waste cleanup programs such as EPA’s superfund and Brownfield programs (\$30-42 billion over 10 years<sup>8</sup>); and
- Increase funding to additional critical EPA programs, including EPA’s:
  - Office of Land and Emergency Management
  - Small and Disadvantaged Communities Drinking Water Grant Program;
  - State and Tribal Assistance Grants;
  - Office of Community Revitalization
  - Environmental Justice Program; and
  - Lead Risk Reduction Program.
- Provide targeted investment through Community Development Financial Institutions (CDFI) (\$30 billion).
- Increase funding to Community Development Block Grants (\$50- \$60 billion over 10 years).<sup>9</sup>
- Provide additional funding for Regional Innovation and Growth Clusters and for targeted lending to small businesses (\$150 million).
- Increase funding to USDA Rural Development’s rural business, community facilities, and energy programs;
  - Rural Business - Cooperative Service (\$3.15 billion);
  - Rural Economic Development loans and grants (within Rural Utilities Service): \$1 billion (loans) \$200 million (grants).
- Backfill for state and local revenue loss due to energy transition (\$15 billion).

**Workforce.** Provide support for workers dislocated by energy transition.

- Appropriations to Existing Programs (WIOA) National Dislocated Worker Grants: \$5.42 billion over 10 years.
- Fund DOL for an Energy Worker & Community Package (new programs)
  - 5-year Comprehensive Compensation Replacement: \$47 billion over 10 years;
  - Educational Benefits: \$7.8 billion over 10 years; and
- Provide funding for DOE to establish and fund a jobs strategy council (\$100 million).

**Abandoned Mine Reclamation.** Commit a minimum of \$10 billion over 10 years to fund clean-up of abandoned mine lands (H.R. 2156/S. 1232: RECLAIM Act (Cartwright/Manchin).

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<sup>8</sup> Pollin, R., and Chakraborty, S. 2020. Job Creation Estimates through Proposed Economic Stimulus Measures, available at: <https://www.sierraclub.org/sites/www.sierraclub.org/files/PERI-stimulus-jobs.pdf>

<sup>9</sup> Ibid.

**Black Lung Disability Trust Fund.** Extend coal excise tax for at least 10 years to maintain the fund that provides critical benefits to miners and families. Fund is set to be ~\$15 billion in debt by 2050 (H.R.3876: Black Lung Benefits Disability Trust Fund Solvency Act (Scott)).

**Orphan Well Clean Up.** Establish an orphaned well cleanup fund to plug and reclaim abandoned oil and gas wells (\$2-12 billion over 10 years) (H.R. 2 Sec. 84101).