



March 7th, 2023

TO: Interested Parties

FR: Maine Labor Climate Council

RE: Federal Resources and Labor Standards to Support Offshore Wind Port Development

I. Summary:

The last two years of federal legislation and policy have created an unprecedented landscape of opportunity for offshore wind port development. Between the Infrastructure Investment and Jobs Act (IIJA) of 2021, the Inflation Reduction Act (IRA) of 2022, and most recently the Floating Offshore Wind EarthShot Initiative, significant resources are newly available to catalyze the buildout of a purpose-built offshore wind hub in Maine capable of supporting the commercialization of floating offshore wind.

Strong labor standards run throughout all of these federal opportunities: following from [Executive Order 14008 on Tackling the Climate Crisis at Home and Abroad](#), it is the policy of the Biden Administration to organize a whole-of-government approach to combat the climate crisis by spurring the creation of “well-paying union jobs and economic growth.” Interagency [funding implementation guidance](#) from the Department of Labor, and port funding opportunities released so far, prioritize funding applications that commit to [high-road labor standards](#) — including Project Labor Agreements (PLAs), Labor Peace Agreements (LPAs), and [Community Benefit Agreements](#) (CBAs) — with a proven record for guaranteeing fair wages, meaningful workforce development opportunities, equitable job access opportunities for workers underrepresented in the construction and manufacturing sectors, and offer workers a free and fair chance to join a union.

II. Overview of Federal Ports Funding Sources:

2021 Infrastructure Investment and Jobs Act

Port-Specific programs

- Army Corps of Engineers Coastal Navigation Construction - **\$2.7 billion***
- Army Corps of Engineers Operations & Maintenance - **\$1.2 billion***
- Port Infrastructure Development Program (PIDP) - **\$2.25 billion**
- Marine Highways - **\$25 million**
- Reduction of Truck Emissions at Ports (new) - **\$400 million**

*as estimated by the American Association of Port Authorities

Port-Eligible Programs

- RAISE Grants (formerly, BUILD Grants) - **\$12.5 billion**
- Infrastructure for Rebuilding America (INFRA) Grants - **\$3.2 billion**
- Consolidated Rail Infrastructure and Safety Improvement (CRISI) Grants - **\$5 billion**
- National Infrastructure Project Assistance Program (new) - **\$5 billion**
- Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Grants (new) - **\$1.4 billion**

2022 Inflation Reduction Act

Port-Specific Program

- Healthy ports initiative: zero emissions port equipment, grants and rebates administered by EPA; port authorities and states are eligible - **\$3 billion**

Port-Eligible Programs

- Advanced Manufacturing Tax Credit: for the revitalization of American manufacturing for existing industries like steel, cement, aluminum, through grants, loans and tax credits, some of which is slated for investment tax credits that build clean technology manufacturing facilities that make EVs, solar panels, or wind energy, including hulls for floating WTGs - **\$10 billion**
- Advanced Industrial Facilities Deployment Program, a new program in the Office of Clean Energy Demonstration (OCED) to invest in projects aimed at reducing emissions from energy intensive industries. Includes iron, steel, and concrete production - **\$5.8 billion**
- Funding to NOAA for conservation, restoration and protection of coastal and marine habitats and resources, including fisheries, to prepare for extreme storms and climate change effects, as well as for projects that support natural resources to sustain coastal and marine resource dependent communities - **\$2.6 billion**
- Vehicle pollution reduction grants to establish a new program—Clean Heavy-Duty Vehicles—to award grants and rebates to states, local governments and nonprofit school transportation associations to replace certain heavy-duty vehicles, such as garbage trucks and school busses, with zero-emission vehicles - \$60 million is allocated to the EPA's Diesel Emissions Reduction Act

III. Example Notice of Funding Opportunity from IIJA's Port Infrastructure Development Program Grants

Three sections of the [funding opportunity](#), released by the Department of Transportation in May 2022, deal specifically with labor standards and workforce development:

- Section 4 (Advancing Equity for All) requires applicants to describe how "the project creates good-paying jobs that offer the free and fair choice to join a union to the greatest extent possible; the applicant's use of demonstrated strong labor standards...; the use of project labor agreements; the use of registered apprenticeships... The applicant should also address any worker training initiatives, the purpose and scope of the training, whether it is being conducted

in partnership with labor organizations, how it will benefit workers that are currently underrepresented in relevant jobs" (page 44)

- In addition to technical and capacity considerations, the funding opportunity states that the four criteria for evaluating applicants' ability to fulfill Section 4 (above) include: "(a) equity-focused policies and initiatives related to planning and project delivery; (b) labor standards and the choice to join a union; (c) investments in workforce development efforts for underrepresented populations; and (d) comprehensive planning and policies to promote hiring of underrepresented populations" (p.65)
- "Workforce and Labor Standards" make up one of the 3 administrative requirements placed on this particular ports funding program, and includes a requirement that successful applicants "must demonstrate, to the full extent possible consistent with the law, an effort to create good-paying jobs with the free and fair choice to join a union and incorporation of strong labor standards as described in Section A" (page 78).

Port buildouts that have recently received federal funding through this and other programs for the purpose of supporting OSW have all done so under project labor agreements, with some like NY also requiring labor peace for operation and maintenance jobs. Strong labor standards, including PLA requirements, can be found in [New Jersey](#), [Connecticut](#), and [New York's](#) most recent solicitation for offshore wind.