

**Testimony before the Subcommittee on Regulatory Affairs, Stimulus Oversight and
Government Spending**

November 2, 2011

My name is Brett McMahon. I am President of the recently founded Miller & Long DC, Inc., a Washington, DC based concrete subcontractor.

My previous employer, Miller & Long Co., Inc., was founded in Washington, DC in 1947. It is one of the nation's oldest and largest subcontractors. The company regularly employs approximately 1,500 people as form building carpenters, cement finishers, reinforcing rodmen, layout engineers, equipment operators, and laborers. We have provided employment for over 75,000 DC area residents over the last 64 years.

During my 19 years in construction, I have overseen more than 50 high-rise concrete structures. I have been proud to employ several thousand construction workers in the DC metro area and in the Carolinas.

I have also been active in various industry organizations such as the DC Chamber of Commerce, DCBIA, and Associated Builders & Contractors among others. I served on the DC Workforce Investment Council and participate with the DC Construction Trades Academy at Cardozo Senior High School here in Washington. I am here today in my capacity as a contractor.

I first heard the term Green Collar jobs four years ago. Like many, I was not sure what the term meant. Since so much of the focus seemed to center around my industry, I thought it would be wise to learn more about it.

I learned that the term was actually more political than actual. Over time it became clear that the term was just a new label on jobs that have existed for years.

A lot of public relations effort has gone into trying to claim that there is something new here. Unfortunately, that is not the case.

Consider the following example from a report Green Collar Workers and Other Mythical Creatures by Marc Anderberg of the Texas Workforce Development Commission:

Green Collar Jobs 101 Pop Quiz

Before reading the attached monograph, please take the pop quiz below. (It is sort of a pretest as used in an experimental design to establish a baseline for assessing learning gains.)

Q1) What is the difference between Exhibit A and Exhibit B?

Q2) Which one is “green”?



Exhibit A



Exhibit B

Q3) When did federal legislation mandate the installation of toilets like the one in Exhibit B?

Q4) Do the design differences between Exhibits A and B require radically different sets of know-ledge, skills and abilities for their respective installation and repair by a licensed plumber?

Q5) Do the design differences have any impact on employment demand for plumbers?

Q6) Do the design differences have any effect on employment demand in general?

(Pop Quiz and Quiz Answers continued in Appendix D)

This picture explains the problem better than any words. Please take note of Questions 4 and 5. There is nothing significantly different in terms of knowledge, skills or abilities required to installer

either toilet pictured above. Furthermore, the design differences do not lead to any increase in employment demand for plumbers.

For a non-construction example, I hope we can agree that the skills necessary to drive an electric car are the same skills needed to drive the largest SUV. The same driver can operate either vehicle just as the same plumber can install either toilet. The difference is in the product, not the operator.

However, a great deal of effort and tax dollars have gone for the purpose of convincing the public that the plumber who installs the 'Lo-Flow' toilet should now be called a Green Collar plumber, and that that new label should count as a new job. This kind of thing makes those of us in construction wonder who comes up with such an idea.

But there is something important about the new label that I did not understand at first. If the new label is more than just a political talking point, but is actually a formal, new Occupation title per the US Department of Labor, then a new problem is created.

When a new Occupation is designated for the construction industry, a new set of standards is developed. In addition to the antiquated and complex determination of a prevailing wage, a new apprenticeship training standard is established even though, in this case, the only difference is in nomenclature, not skill set.

With that understanding, I will relate how this program unfolded in the District of Columbia.

On October 4, 2007, I attended a meeting in the DC Department of Employment Services. The purpose of the meeting was to discuss the roll-out of the Green Collar Jobs initiative. There were many attendees, but the conversation and agenda was directed by staff from the Center for American Progress. The handout we received is attached to this document¹.

I kept the handout because it laid out the goals of their program very clearly. It even included a bar chart schedule detailing the new mandatory apprenticeships that would be required to work on any project covered by the DC Green Building Act.

This proposal was of great concern because it took my company twenty-six (26) years to get our apprenticeship program passed by the DC Apprenticeship Council. In fact, the only reason we were finally accepted was because the Apprenticeship Council had its first and only non-union member.

Union control of apprenticeship boards is a common roadblock for the 87% of construction workers who have chosen the merit shop over the unions.

When a new Occupation gets its own Apprenticeship Training Standards, the participating employers must apply to have their program accepted. Having spent the better part of three decades getting our current program accepted, we were not looking forward to going through the whole process again.

In the District, the local hiring ordinance known as First Source includes mandatory registered apprenticeship participation. First Source applies to any project that receives a certain level of

participation by the DC government. About 30% of the projects we construct include First Source because the building owners get some kind of assistance for the local government. Therefore, it is very important that we retain our standing with our apprenticeship program. Without it, we could not bid on the work.

What is shown in the handout is that the advocates were planning to take the First Source/Mandatory Apprenticeship concept to a whole new level.

Apprenticeship	1 day?	Tue 9/4/07	Tue 9/4/07
Apply mandatory apprenticeship guidelines to new green project development	180 days	Tue 9/4/07	Mon 5/12/08
Identify planned development projects in the District subject to green requirements	90 days	Tue 9/4/07	Mon 1/7/08
Identify types of green collar jobs and training requirements	1 day?	Wed 10/10/07	Wed 10/10/07

The inset above is taken from the handout from that meeting. The advocates were planning to make new Green Collar apprenticeship mandates apply to every project covered by the new DC Green Building Act.

They were not saying that there was going to be an exchange of compliance with a program for some government benefit. Rather, they were trying to create a mandatory apprenticeship program, to which we would have to apply all over again, because of a new zoning law. That zoning law, the DC Green Building Act, covers every public and private brick and stick within city limits.

Given our multi-decade tussle with the Apprenticeship Council, we had no expectation that we would be a reasonable shot at having our new “green collar” programs approved. We were looking at the potential of being excluded from working in DC.

After this meeting I began researching the initiative and discovered that it was not what it appeared to be. It was not an overall jobs initiative; it was a union jobs initiative.

Green Collar is supposed to be Union

The literature from the green collar jobs advocates shows that they are seeking union friendly and union exclusive policies.

“New Energy for States”

This publication contains a list of best-practices and suggested policies for state lawmakers. Many of the recommended public policy initiatives – from ‘smart growth’ planning to improvements to mass transit to incentives for hybrid cars – are of only modest consequence to labor and, certainly, it is here one sees some good-faith contributions from the environmental groups connected with the Alliance (e.g. Sierra Club). Yet, in critical areas of the publication, the

attempt to use ‘green jobs’ public policy as a vehicle for union jobs is blatant. From the first priority in the section, “Skilled Workers for Our New Energy Future”:

As states begin to emphasis clean energy development, it is more important than ever to have a supply of workers who are well-trained in modern energy technologies. For this reason, states should add requirements or incentives for employing workers trained through state-approved apprenticeship programs to any energy legislation. To date, these requirements have been most successfully integrated into Project Labor Agreements (PLAs)...ⁱⁱ

“New Energy for Cities”

This volume has virtually the identical template as the “New Energy for States” report, but with the focus on cities and local jurisdictions. Again, the publication focuses on a wide-range of issues, but the focus on jobs – and organized labor – is clear. Some of the top priorities from the section, “Building a Workforce for the Clean Energy Future,” include:

Prevailing wage or self-sufficiency wage plus adequate health benefits... Ties to state-approved apprenticeship programs... Job preparation training in coordination with community-based job training programs... Appropriate level of workers compensation...ⁱⁱⁱ

“Model Legislation”

Using much of the same material from, and building on, the ‘New Energy’ reports, this section of Apollo Alliance’s website (in the “Action Center”) presents legislation that can be enacted by state and local governments. The recommendations include Project Labor Agreements, requiring community-based pre-apprenticeship programs, and changes to building codes. One “model” example cited is an effort proposed by the California Chapter of the Apollo Alliance:

In December 2004, the California Apollo Alliance submitted comments to the California Environmental Protection Agency and the California Resources Agency in response to the Administration’s Million Solar Roofs Initiative... The CA Apollo Alliance recommended that specific workforce standards be included in the legislation, including apprenticeship utilization requirements. The Alliance urged a requirement that electrician apprentices be hired on projects with housing tracts of 25 homes or more and non-residential projects totaling 10 kilowatts or more. Apprentices must come from CA State-certified programs with at least a 60% graduation rate in each of the preceding 5 years.^{iv}

Part of the “models” for building codes advocated by the Alliance:

Passing or updating building codes to incorporate modern building efficiency standards has the potential to benefit three key Apollo Alliance stakeholders: environmentalists, labor, and the community. Constructing buildings up to IECC or other high-efficiency standards is labor intensive and requires skilled workers, bolstering demand for high-pay union jobs. One goal of state and local Apollo Alliances is to work with community-based job training programs to develop meaningful employment opportunities for the communities in which projects are located.^v

The construction industry is one of the Alliance’s key targets. In the website’s “Why the Apollo Alliance Matters to Labor” section, the building trades are specifically highlighted:

Renewable energy, smart growth and energy efficiency all require construction, sometimes on a very large scale. Renewable energy, for instance, requires construction of wind towers and geothermal generation facilities. Renovating buildings to make them more efficient requires weatherization and appliance upgrades, while green building requires solar installations, HVAC and lighting retrofits and other upgrades. Smart growth requires new transit infrastructure, such as high speed rail.

Unions, especially those in the building trades, are seeing the importance of capitalizing on the economic benefits of emerging clean energy markets, energy efficiency initiatives, and green building. Given the labor movement’s expertise in providing training and continuing education in state of the art facilities – as well as its significant political clout and legislative experience – labor is a necessary partner in any Apollo Alliance project.^{vi}

In the end, the Green Collar jobs initiative is really just a scheme to bar non-union construction companies. The advocates never got much farther than planning before the economic meltdown scuttled their plans. Had the advocates been able to pull this off, we would have been excluded from a market that has historically accounted for 35% of our revenues.

Thank you for the opportunity to speak to you. I look forward to answering your questions.

ⁱ Attached

ⁱⁱ *New Energy for States*. Apollo Alliance, 37

ⁱⁱⁱ *New Energy for Cities*. Apollo Alliance, 46

^{iv} http://www.apolloalliance.org/strategy_center/model_legislation/aur.cfm

^v www.apolloalliance.org/strategy_center/model_legislation/eelegis.cfm

^{vi} http://www.apolloalliance.org/about_the_alliance/benefits_of_apollo_s_plan/labor.cfm