



Labor Standards on Clean Energy

"The men and women of the IBEW have been part of America's clean-energy revolution for years now. We are pleased to work with Congress and the Biden administration to build a clean and sustainable economy that can both save our planet and help rebuild the American middle class."

*— International President
Lonnie R. Stephenson*

IBEW POLICY BRIEF

GOVERNMENT AFFAIRS DEPARTMENT LEGISLATIVE ACTIVITY

Labor Standards on Clean Energy

The IBEW believes that all forms of federal financial assistance and incentives for infrastructure projects – including, but not limited to tax incentives, loans, bonds, grants and direct federal spending – must include labor standards requirements for all recipient contractors and subcontractors. Federal tax credits and deductions, including renewable energy tax credits, have been one of the main tools Congress has used to drive the construction of clean energy infrastructure projects to combat climate change. However, recipients of renewable energy tax credits are not always required to comply with prevailing wage requirements and other labor standards policies.

The IBEW supports the following labor standards on all legislation that provides renewable energy tax credits or other federal financial assistance or incentives for renewable energy projects:

- Prevailing wage requirements
- Registered apprenticeship utilization requirements
- Pre-construction neutrality agreements
- The application of the ABC test to combat worker misclassification
- Local hire provisions

Examples of renewable energy tax incentives that need labor standards include:

- Section 45, the Production Tax Credit
- Section 48, the Investment Tax Credit
- Section 30C, the EV Infrastructure Tax Credit
- Section 45Q, the Carbon Capture Tax Credit
- Section 48C, the Advanced Manufacturing Tax Credit
- Section 179D, Energy Efficiency Deductions

Importantly, these labor standards must be applied to the underlying or base of the tax credit or other incentive, not as a bonus associated with it.

Pending Priorities: Build Back Better

The Build Back Better Act included several labor standard provisions on renewable energy credits. The IBEW continues to advocate for the passage of any new legislation that will attach labor standards requirements to federal tax incentives for clean energy projects.

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