Agency Climate Implementation Plan

Maryland Department of Labor November 1, 2024







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Department of Labor Climate Implementation Plan required by Executive Order, "Leadership by State Government: Implementing Maryland's Climate Pollution Reduction Plan"

In accordance with Governor Moore's <u>Executive Order 01.01.2024.19</u>, "Leadership by State Government: Implementing Maryland's Climate Pollution Reduction Plan," the Maryland Department of Labor affirms its commitment to:

- Work to address climate change and ensure a just transition to a clean economy;
- Advance environmental justice by working to address the disproportionate impacts of climate change for underserved and overburdened communities, including the application of Justice40 goals, initiatives, and funding;
- Equitably implement all existing laws, regulations, and policies related to climate change, incorporating robust community and stakeholder engagement; and
- Continue to maximize federal funding opportunities on climate.

The Maryland Department of Labor hereby submits its own Climate Implementation Plan (CIP) to demonstrate its commitment to a whole-of-government approach to addressing climate change and fully implementing Maryland's Climate Pollution Reduction Plan.

Part 1: Agency Actions Under the Climate Pollution Reduction Plan

Maryland's Climate Pollution Reduction Plan calls on the Maryland Department of Labor (MDL) to:

- Expand workforce development programs Building on existing programs, significant
 federal investments, such as the \$23 million Good Jobs Challenge grant for Maryland
 Works for Wind and with additional new funding, the Department of Labor will expand
 investments in apprenticeship and workforce development programs for electricians, heat
 pump installers, and other jobs needed for the clean energy transition.
- Apply for federal funding Under the leadership and coordination of the Governor's
 Federal Office, all agencies will apply for federal funding to implement actions that
 support the achievement of this plan. State agencies will work closely with local
 governments, nonprofits, and community-based organizations to ensure Maryland is
 competitive for federal climate action implementation funds and to build capacity for
 local-level implementation. State agencies will offer support to Maryland's businesses and
 private sector to ensure they are competitive for historic federal investments.
- In July 2024, Governor Moore announced \$4.7 million available in federal funding for organizations who will provide workforce training, supportive services, and job placement assistance in occupations that support the offshore wind industry. The new grant opportunity is part of Labor's Maryland Works for Wind initiative and looks to expand the current sectoral partnership of employers, unions, local workforce development areas, business alliances, and training providers. MDL is currently in the application review process and will award both existing and new grantees by December 2024. These programs will contribute to MDL's fiscal 2025 goal to place and/or upskill over 1,000 participants into good jobs through Maryland Works for Wind.
- In addition to workforce investments, MDL has applied for a federal Inflation Reduction Act (IRA) grant with the U.S. Department of Energy (DOE) for assistance for the latest and zero building energy code adoption. While not a direct focus of the grant, the greater adoption of clean energy building codes will result in reduced greenhouse gases over time. MDL expects to hear about the grant application status in December 2024. MDL has applied for \$10 million to be provided over a 9 year period, without a State match required. This funding will likely be used to fund contractual positions to bolster the building codes unit's staff to pursue greater adoption of 2024 International Energy Conservation Codes throughout the State.

Part 2: Recommending Actions to Address Climate Change

State law (MD Code, Environment, § 2-1305) requires that each State agency shall review its planning, regulatory, and fiscal programs to identify and recommend actions to more fully integrate the consideration of Maryland's greenhouse gas reduction goal and the impacts of climate change. The review shall include the consideration of (i) sea level rise; (ii) storm surges and flooding; (iii) increased precipitation and temperature; and (iv) extreme weather events. Furthermore, each State agency shall identify and recommend specific policy, planning, regulatory, and fiscal changes to existing programs that do not currently support the State's greenhouse gas reduction efforts or address climate change.

In compliance with the law, the Maryland Department of Labor is taking or recommending the following actions to more fully integrate the consideration of Maryland's greenhouse gas reduction goal and the impacts of climate change.

In order to meet Maryland's ambitious climate goals, there must be a strong talent pipeline that is readily available and equipped with the right skills. Additional investment into proven models like Registered Apprenticeship and EARN Maryland, initiatives that are industry-driven and responsive to workforce needs will ensure we have the workers to meet our climate goals. In addition, with additional state and federal investments, Labor could explore modeling clean workforce efforts or solar, electrification, etc. after the sectoral approach that guided the Maryland Works for Wind initiative.

Part 3: Considering Greenhouse Gas Emissions Reductions and Impacts on Disproportionately Affected Communities

State law (MD Code, Environment, § 2-1305) requires that each State agency, when conducting long-term planning, developing policy, and drafting regulations, shall take into consideration: (1) the likely climate impact of the agency's decisions relative to Maryland's greenhouse gas emissions reduction goals; and (2) the likely impact of the agency's decisions on disproportionately affected communities identified according to the methodology adopted under § 1-702 of the Environment article. Furthermore, Governor Moore's Executive Order 01.01.2024.19 requires each agency to report on how the agency will advance environmental justice by working to address the disproportionate impacts of climate change for underserved and overburdened communities.

In compliance with the law and Executive Order 01.01.2024.19, the Maryland Department of Labor is taking the following steps to meet these requirements:

- Labor will continue to implement the \$23 million Good Jobs Challenge grant for Maryland Works for Wind (MWW) to execute a pipeline of skilled talent to support the emerging offshore wind industry. The initiative invests in workforce development that support both entry-level and mid-level training programs.
- Entry-level organizations provide other services to ensure equity in the types of populations who can successfully access these career opportunities.
- Supportive services include transportation, barrier removal, job placement support, and
 retention services. There are intentional efforts to recruit jobseekers in underserved
 populations, such as returning citizens, women, and racial minorities. By training residents
 of these underserved communities, it provides an equal opportunity to launch careers in
 the clean energy field where they can be a part of the redevelopment within their own
 communities.
- EARN Maryland is a statewide initiative that provides industry-driven occupational training in an array of industries, including clean and green, and provides supportive services to underserved individuals.

Part 4: Resources for Implementation

Implementing Maryland's Climate Pollution Reduction Plan

Labor leads the efforts of managing industry-led workforce development programs that address the demands of businesses and needs of workers by creating formal career paths to good jobs. The priority at Labor is to continue applying for funding to support Maryland with historic federal investments that benefit green industries.

In order to expand workforce development programs, and continue building on the success of existing programs, significant federal investments are needed. Labor's Division of Workforce Development and Adult Learning (DWDAL) is staffed with a Policy Unit that is responsible for evaluating and developing initiatives for competitive discretionary grant opportunities. The Policy Unit is essential in coordinating with the Governor's Federal Office to apply for federal funding and implement actions in Maryland's Climate Pollution Reduction Plan.

Implementing this Climate Implementation Plan

Labor's implementation of the \$23M Good Jobs Challenge initiative will continue until the end of the grant period in December 2026. This long-term federal investment, which started in 2022, contributes to our goal of building on existing workforce development programs, including registered apprenticeship.

In addition to federal funds, over \$1.25M in state funds have been invested in the green industries over the past two years from the Employment Advancement Right Now (EARN) Maryland program. In a recent study on the economic impact of EARN, the Business Economic and Community Outreach Network (BEACON) at Salisbury University found that for every dollar the state invests into the program, an additional \$17.16 in economic activity is created.

By investing further into green industries, we can work to address climate change while also bringing economic activity to the State. The green and clean energy sector continues to evolve at a rapid rate and in order for Labor to keep up, we will need to secure more funds. Labor continues to dialogue with sister agencies like the Maryland Energy Administration to explore partnership opportunities.

Part 5: Outcomes from Implementation

Investments made to implement the CIPs will result in a skilled workforce that is committed to mitigating the effects of climate change. As mentioned in Maryland's Climate Pollution Reduction Plan, the Maryland Public Service Commission (PSC) awarded offshore wind renewable energy credits with the condition that developers create a minimum of 10,324 direct jobs during the development, construction, and operating phases of their offshore wind projects.

To foster the development of a workforce to support the emerging offshore wind industry, Labor developed a strong talent pipeline through the Good Jobs Challenge grant. In FY24, over 1,000 individuals were trained with GJC funding and placed into positions such as electricians, carpenters, ironworkers, and other critical roles needed to support the clean energy transition. This investment continues into FY25 and FY26 and will result in over 3,800 individuals trained.

Offshore wind is only one of many clean energy sources that contribute to Maryland's reduction of greenhouse gas emissions. The Utilities sector which includes green energy industries such as hydroelectric, solar, wind, and geothermal power is expected to grow by

18% (2,573 jobs) through 2030. Outcomes of these investments will help Maryland to keep pace with long-term industry projections.

While Maryland Works for Wind is specifically supporting the wind industry, EARN Maryland has the flexibility to support all industries that fall into the clean energy transition. The EARN model leads directly to placement into quality jobs and also provides skill advancement for incumbent workers. Since 2014, more than 25,000 Marylanders have benefited from training offered through EARN.