

## **Text of Letter from the President of Laborers' International Union to the Secretaries of Labor and Energy**

It is the position of LIUNA that ARRA's Davis-Bacon provision requires full and complete coverage of projects funded directly by or assisted in whole or in part by and through the Federal government pursuant to ARRA. Therefore, all residential weatherization projects performed by local non-profit entities and contractors funded by DOE grants under ARRA must be covered by the Davis- Bacon Act, including work performed by employees of non-profit organizations.

The installation of home energy efficiency measures is a rapidly growing segment of the residential construction industry. None of the residential construction labor classifications currently used to determine prevailing wages under the Davis-Bacon Act accurately captures the prevailing wage rates for workers engaged in home energy efficiency work. LIUNA instead supports the issuance of project wage determinations reflecting the practice to utilize a residential classification of laborer known as a "residential energy efficiency laborer." LIUNA Locals currently represent residential energy efficiency laborers; and Laborers labor-management training funds provide and are preparing to expand training offerings for residential energy efficiency laborers.

LIUNA believes that the failure to issue a new classification of residential energy efficiency labor will result in prevailing wage determinations that do not reflect true labor market conditions. In some localities, the use of existing classifications will produce wage and benefit rates below the rates typical in this sector, potentially lowering labor standards. In other localities, the use of existing classifications will impose heavy cost burdens on weatherization programs, damaging both the programs and the energy efficiency industry at a critical moment in their development and will not reflect market conditions.

LIUNA further believes that the Department of Labor should take all appropriate steps to issue new wage determinations for residential energy efficiency laborers as quickly as possible in order to meet the Congressional mandate to stimulate the U.S. economy. We believe based on conversations with stakeholders that our proposal for the use of a residential energy efficiency laborer classification and the expedited issuance of preliminary prevailing wage determinations under that classification will enjoy broad support from public and nonprofit officials charged with implementing weatherization programs, as well as community and environmental groups concerned with the programs' welfare and will meet the requirements of ARRA's Davis-Bacon provision.

In summary, in implementing Davis-Bacon coverage of ARRA funded residential weatherization projects, we support the issuance of project wage determinations reflecting the practice to utilize a residential classification of laborer known as a "residential energy efficiency laborer." LIUNA would be happy to furnish examples of the use of the classification of residential energy efficiency laborer in collective bargaining agreements executed by LIUNA demonstrating the wages and fringe benefits of residential energy efficiency laborers in the localities covered by those agreements.