

TESTIMONY OF TERRY O'SULLIVAN
GENERAL PRESIDENT
LABORERS' INTERNATIONAL UNION OF NORTH AMERICA
COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE
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Chairman Murkowski, it is an honor to be invited to this hearing. On behalf of the 500,000 strong, proud, and united men and women of the Laborers' International Union of North America (LIUNA), thank you for the opportunity to offer testimony to your committee. Thank you, as well, for your longstanding support for the members of our Union, and for your work to protect the living standards of all workers and their families. I also want to thank Ranking Member Cantwell, and all the committee members, for all your work.

As the people who build, repair, and maintain our nation's critical energy infrastructure, LIUNA members support a reasonable, rational, fact-based, energy policy that creates middle-class jobs, meets America's growing energy needs, fosters energy independence, protects the environment, and minimizes greenhouse gas emissions. Our union proudly represents 5,500 laborers in the great state of Alaska. They work across the state from the North Slope to the Valdez Terminal, the end of the Trans-Alaska Pipeline, which Laborers proudly helped build.

Our country needs a common-sense energy policy. Replacing foreign sources of energy with domestically produced energy makes sense. Fostering domestic job creation instead of funding foreign extremists is a rational goal. Incrementally lowering emissions makes more sense than the "all or nothing" approach embraced by the political extremes.

Moving forward with a non-partisan energy agenda will facilitate significant private investment that will create millions of new jobs across all sectors of the economy. It is also critical to

addressing and improving the vital energy infrastructure that keeps our lights on, that heats and cools our homes and businesses, and that moves people and goods across the country. This infrastructure is in desperate need of repair and modernization. In its most recent report card on the state of America's infrastructure, the American Society of Civil Engineers gave our energy infrastructure a grade of D+.

Projects that address this energy infrastructure crisis translate into jobs that put food on their families' tables, roofs over their heads, and gas in their cars and trucks. These jobs enable them to put their children through college, to save for retirement, and to spend money in business establishments that employ others. Although, like all construction jobs, these jobs last only as long as it takes to complete the project, a steady succession of such so-called "temporary" jobs is what enables construction workers to build rewarding, middle-class careers. It is ironic that among those who dismiss these jobs because of their "temporary" nature are Hollywood celebrities whose careers are built on similarly temporary jobs in the entertainment industry, and politicians whose own jobs have specific end dates.

LIUNA and the other building trades unions invest hundreds of millions of dollars in training that enables our members to develop the knowledge and skills they need to work safely and productively while constructing energy and other infrastructure to the highest standards. At a time when it is harder and harder to succeed without a college education and the debt that goes with it, LIUNA and Building Trades Local Unions and training funds are the only places where someone can graduate from high-school, enter a training and apprenticeship program, become a qualified journeyman, and build a rewarding middle-class career, all without spending a dime in tuition. Indeed, apprentices earn while they learn, bringing home steady paychecks that increase as their training progresses. LIUNA is proud that for 114 years, we have provided generations of working-class Americans a pathway to the middle class. We are equally proud that, from the start, we have made that pathway available to all, regardless of race, ethnicity, or national origin.

During the Great Recession, the unemployment rate in the construction sector reached nearly 30%. Were it not for the jobs created by the boom in North American energy development, tens of thousands more workers would have been forced into unemployment. These were good unionized jobs that require a high degree of training and expertise; pay family-sustaining wages with good health insurance benefits; and help provide pensions for the workers when they retire.

Chairman Murkowski, for decades, your own home state has demonstrated that natural resource development can coexist with natural beauty, building family-sustaining careers while maintaining the natural majesty of wild places. The Trans-Alaskan Pipeline has provided employment opportunities for tens of thousands of Alaskans, including many members of LIUNA. Pitting jobs against the environment is a false dichotomy that benefits neither.

That is why LIUNA supports regulatory reform that:

- Streamlines necessary review processes
- Allows reviews by separate agencies and entities to proceed concurrently
- Provides for more definitive permitting processes that enable projects to move forward without delay once all regulatory concerns have been addressed.

Recent reauthorizations of the Surface Transportation Act and the Water Resources Development Act have contained provisions intended to help expedite project approval, and your colleague from Alaska, Senator Dan Sullivan, is working on legislation that would also help achieve these needed goals. These efforts may help with permitting hurdles that have delayed other job creating projects in the Northwest such as the Tacoma Methanol Plant, the Port of Tacoma LNG Facility, the Kalama Methanol Plant, and the Jordan Cove LNG Terminal, in Washington and Oregon.

LIUNA also calls for the speedy filling of vacant spots on the Federal Energy Regulatory Commission (FERC), so that FERC has the quorum necessary to complete regulatory reviews and approvals in a thorough, and timely, manner.

LIUNA applauded President Trump's executive order clearing the way for the completion of the Dakota Access Pipeline, a project that has employed approximately 4,400 building tradespeople, including 1,000 LIUNA members. The President's approval of the Atlantic Sunrise and Rover pipeline projects will generate several thousand construction jobs, including approximately 2,000 for LIUNA members.

These projects are among 20 unionized pipeline projects spanning 20 states that are either under construction, about to begin construction, or awaiting approval. At their peak, we expect all of these projects will employ tens of thousands of highly trained, safe, skilled union tradespeople, including approximately 13,000 LIUNA members. The more than five thousand miles of state-of-the-art pipeline these projects are leaving behind are safer, more environmentally sound, and emit

fewer greenhouse gases than any other method of transporting energy resources. For workers, their families, and the communities through which these projects pass, these pipelines are lifelines to the middle class.

Finally, I appear here today to urge Congress and President Trump to reopen the key Arctic and Atlantic offshore areas recently closed off to future leasing. Sadly, on the way out of office, the prior Administration took a parting shot at workers and the state of Alaska by removing key Arctic and Atlantic offshore areas from future leasing. This “midnight decision” removed lease sales in the Chukchi and Beaufort Seas that were key parts of the five-year Outer Continental Shelf oil and gas leasing plan, slowing Arctic investment and resource development.

Blocking offshore exploration destroys good jobs. Developing Alaska’s outer continental shelf could create an annual average of 54,700 new jobs lasting through 2057 according to the University of Alaska’s Institute of Social and Economic Research. Developing the outer continental shelf could create \$145 billion in new payroll through 2057, including \$63 billion to employees in Alaska and \$82 billion to employees in the lower 48. In addition to Governor Bill Walker, 76% of Alaskans support offshore resource development including 72% of Alaska Natives.

LIUNA supports the responsible exploration and development of energy resources within the Arctic National Wildlife Refuge (ANWR). Opening up parts of ANWR will create jobs, generate government revenue, and increase our nation’s energy security. Studies by the University of Alaska’s Institute of Social and Economic Research have shown that permitting energy production on just 0.1% of ANWR’s total acreage (2,000 acres out of 19 million) could create an annual average of 54,700 new jobs lasting through 2057.

In addition to the safe, environmentally responsible development of America’s abundant oil and natural gas resources, LIUNA supports the development of *all* domestic energy resources, including wind, solar, hydro, and nuclear. Unleashing these energy resources will create economic opportunities in communities across the country, while making us less dependent on energy from nations that seek to undermine the American ideals of freedom and liberty. Adequate investment in surface transportation, water infrastructure, and domestic energy will create millions of jobs for workers across all segments of the economy. We can help grow our economy, rescue struggling working Americans, and leave behind real assets that will benefit taxpayers and our entire nation for generations to come. This isn’t a Republican issue or a Democratic issue; it’s an American

issue. Every American benefits from good roads, safe bridges, clean drinking water, and affordable energy.

Thank you for the opportunity to offer this testimony. We are eager and excited to work with you in the future. Together we can build America so America works.

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