

Press Release



How the BBBA's Union Labor Requirements Undermine Its Climate Goals

PAULINA ENCK | DECEMBER 15, 2021

The House-passed reconciliation package, the Build Back Better Act (BBBA), includes climate change mitigation policies conditioned upon union labor requirements that incentivize union membership. In a new insight, Director of Labor Policy Isabel Soto and Director of Energy Policy Ewelina Czapla discuss the BBBA's electric vehicle (EV) and clean energy tax credits and their effect on the labor market, noting that union labor requirements would stifle production and innovation in these sectors.

Key points:

- The BBBA's clean energy tax credits come with union labor requirements and could have a dramatic impact on the labor market for EVs and clean energy production, including in right-to-work states.
- With 68 percent of workers and 75 percent of EV- and hybrid-producing plants operating in right-to-work states, these sectors would likely see intense pressure from the BBBA's tax credits to consider unionization.
- Saddling the BBBA's climate provisions with union labor requirements would stifle production and innovation in the EV and clean energy sectors, making it more challenging for manufacturers to make and sell EVs and products that facilitate the use of alternative energy, and make these products more costly for consumers.

[Read the analysis](#)