

ILLINOIS PASSED THE MOST PRO-WORKER, PRO-CLIMATE LAW IN THE UNITED STATES



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POLICY MEMO

This week, the Illinois General Assembly passed landmark clean energy legislation. The Climate and Equitable Jobs Act (SB 2408) is a historic law that combats climate change, creates middle-class careers in the clean energy sector, improves public health, and supports disadvantaged communities. The bipartisan legislation overwhelmingly passed by a vote of 83-33 in the Illinois House of Representatives (72 percent support) and 37-17 in the Illinois Senate (69 percent support) ([Miller, 2021a](#); [Miller, 2021b](#)). Governor Pritzker signed the bill into law on September 15, 2021 ([Associated Press, 2021](#)).

The Climate and Equitable Jobs Act creates tens of thousands of jobs putting Illinois residents to work on the path to 100 percent renewable energy by 2050, with an interim goal of 50 percent renewables by 2040 ([Budzinski, 2021](#)). All private coal-fired and oil-fired power plants in the state will close before the end of the decade, replaced by clean energy alternatives such as wind and solar power. In Illinois, every one gigawatt (GW) of utility-scale wind power installed creates 6,700 total jobs (2,400 direct construction jobs) and every one GW of utility-scale solar power installed produces 7,600 total jobs (2,800 direct construction jobs) ([CJI, 2020a](#); [CJI, 2020b](#)). The legislation also provides nearly \$700 million in negotiated subsidies over 5 years to keep the Byron, Dresden, and Braidwood nuclear power plants open. Stabilizing these zero-carbon energy sources saves 24,000 jobs ([Murphy & Berkman, 2019](#)).

The Climate and Equitable Jobs Act includes a goal of having one million electric vehicles in Illinois by 2030. This represents 10 percent of the total number of private and commercial automobiles and trucks registered in the state ([FHWA, 2020](#)). To accomplish this goal, the law creates a \$4,000 rebate for consumers purchasing an electric vehicle and, through the Illinois Environmental Protection Agency (IEPA), awards rebates to help fund up to 80 percent of the cost of installing charging stations. However, because the primary source of funding for road and bridge construction projects is currently motor fuel taxes collected at gas stations, one million electric vehicles on the roads would hamper the state's ability to invest in transportation infrastructure. The law asks the Illinois Department of Transportation (IDOT) to conduct a study to assess the magnitude of this impact and detail alternative revenue sources.

The Climate and Equitable Jobs Act is the most pro-worker clean energy law in the United States, with strong labor standards and equity provisions that support disadvantaged communities. The law:

- Expands prevailing wages to all non-residential wind and solar developments and electric vehicle charging stations ([ILEPI, 2021](#));
- Includes project labor agreements (PLAs)—which are comprehensive pre-hire agreements that include apprenticeship ratios and targeted hire goals—on all utility-scale wind and solar projects;
- Creates a Clean Jobs Workforce Hubs Program in 13 communities across the state to build a pipeline for young workers into clean energy jobs;
- Implements a Climate Works Pre-Apprenticeship Program to recruit candidates from historically underrepresented populations and conduct career readiness training ([CJI, 2020c](#)); and
- Establishes a Displaced Energy Workers Bill of Rights to provide 2 years of advance notice of a power plant closure and state support for transitioning energy sector workers.

There are also important items for public school districts. The law establishes a Public Schools Carbon-Free Assessment program to analyze the infrastructure necessary for energy efficiency and solar energy installation at Illinois' public schools while allowing schools to lease property for longer than 25 years to support renewable energy projects. Schools can leverage private investments and federal incentives to finance renewable energy projects while paying skilled construction tradespeople prevailing wages to install solar and wind systems.

This bipartisan legislation will ensure that the clean energy economy is built locally by skilled workers. The move from fossil fuels to renewable energy sources will uphold—not undermine—local standards of compensation and craftsmanship while creating thousands of stable middle-class careers. The Illinois Economic Policy Institute (ILEPI) looks forward to continuing its partnership with the Project for Middle Class Renewal at the University of Illinois at Urbana-Champaign, the Cornell University Worker Institute, and Climate Jobs Illinois. ILEPI and its partners will study the immediate and long-run effects of the Climate and Equitable Jobs Act on businesses and working families while providing additional, innovative policy options for elected officials to consider as Illinois transitions to a strong, resilient, and sustainable clean energy economy.

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