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PROMOTING AMERICAN ENERGY JOBS ACT OF 2019

JANUARY 28, 2020.—Ordered to be printed

Ms. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 2508]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 2508) to require the Secretary of Energy to establish a council to conduct a survey and analysis of the employment figures and demographics in the energy, energy efficiency, and motor vehicle sectors of the United States, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

AMENDMENT

The amendment, as amended, is as follows:

On page 3, strike lines 16 and 17 and insert the following:

(B) perform an analysis of the employment figures and demographics in those sectors, including the number of personnel in each sector who devote a substantial portion of working hours, as determined by the Secretary, to compliance matters.

PURPOSE

The purpose of S. 2508 is to require the Secretary of Energy (Secretary) to establish a council to conduct a survey and analysis of the employment figures and demographics in the energy, energy efficiency, and motor vehicle sectors of the United States.

BACKGROUND AND NEED

The second annual United States Energy and Employment Report published by the Department of Energy (DOE) in January 2017 (2017 employment report) found, relying on employment data collected by the Bureau of Labor Statistics, that energy and energy efficiency industries employed 6.4 million Americans in 2016. The

2019 U.S. Energy and Employment Report, published by the National Association of State Energy Officials and the Energy Futures Initiative, a non-profit think tank, using the same methodology that DOE used to produce its 2017 employment report, found that that figure had increased to 6.7 million jobs by the end of 2018.

The 2017 employment report found that 73 percent of energy-related industries reported difficulty hiring qualified workers over the last 12 months, and that 26 percent found it very difficult. As the energy sector grows increasingly more diverse, a wider variety of technical qualifications and skillsets will be required. DOE's second installment of the Quadrennial Energy Review found that workforce retirement is a particularly large issue for the electric power industry. This is due to a decrease in workforce training programs in the 1980s that will lead to a gap in upper management following the retirement of baby boomers. The 2017 employment report also noted that energy employment is less diverse than other industries, with women representing 22 to 34 percent of workforce, compared to the U.S. average of 47 percent.

Traditionally, DOE's role in workforce development has focused on research investments that support students, universities, and the national laboratories. DOE has previously operated a Jobs Strategy Council that has several programs related to workforce development, including a variety of programs dedicated to supporting veterans. DOE also sponsors scholarships and funding for education from K-12 education through postdoctoral fellowships. Each of the national laboratories also has outreach programs dedicated to education and workforce development.

The Promoting American Energy Jobs Act would codify the previous 2017 employment report as an annual DOE requirement. It would also create a permanent Energy Jobs Council at the Department to oversee the report.

LEGISLATIVE HISTORY

Senators Shaheen and McSally introduced S. 2508 on September 18, 2019. The Energy Subcommittee held a hearing on the measure on November 6, 2019.

The Senate Committee on Energy and Natural Resources met in open business session on November 19, 2019, and ordered S. 2508 favorably reported, as amended.

Following the Committee's action, both the House and the Senate passed, and the President signed into law, the Further Consolidated Appropriations Act, 2020, Public Law 116-94. The Act provides \$1.7 million for the Department to complete a U.S. energy employment report as outlined in the reports of the House and Senate Appropriations Committees on their respective Energy and Water Development Appropriations bills for fiscal year 2020. (H. Rept. 116-83 at 117-118 (2019); S. Rept. 116-102 at 71 (2019).

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on November 19, 2019, by a majority voice vote of a quorum present, recommends that the Senate pass S. 2508, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 2508, the Committee adopted an amendment offered by Senator Lee with a modification proposed by Senator Manchin. The amendment amends subparagraph (b) of section 2(b)(1) of the bill, which requires the Energy Jobs Council to perform an analysis of the employment figures and demographics in the energy, energy efficiency, and motor vehicle sectors of the economy, by adding the requirement that the analysis include the number of personnel in each sector who devote a substantial portion of working hours to compliance matters.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

Section 1 sets forth the short title of the bill.

Sec. 2. Survey, analysis, and report on employment and demographics in the energy, energy efficiency, and motor vehicle sectors in the United States

Section 2(a) requires the Secretary of Energy (Secretary) to establish an Energy Jobs Council (Council) to be comprised of members of the Energy Information Agency and members of the State Energy Advisory Board appointed by the Secretary. In addition, the Secretary of Commerce is directed to appoint representatives of the Department of Commerce and representatives of the Bureau of the Census, and the Secretary of Labor is directed to appoint representatives from the Bureau of Labor Statistics. The Secretary is also authorized to request representatives of any Federal agency whose assistance is required to carry out the Act be appointed by the head of the applicable agency.

Subsection (b) sets forth the requirements of the energy and employment survey and analysis. It requires the Council to conduct a survey of energy-related employers and to perform an analysis of employment figures and demographics in those sectors, include the number of personnel focused on compliance matters.

This subsection requires the survey to use the previously approved methodology from 2016 and a representative sample of the United States. It must also be designed to receive responses from businesses similar to those that responded to the 2016 and 2017 energy and employment surveys.

In conducting the survey the Council is required to consult with key stakeholders including Federal agencies, States, the State Energy Advisory Board, and energy industry trade associations.

Subsection (c) requires the Secretary to provide a public report on energy and employment in the United States within one year of enactment, and annually thereafter. The contents must include employment figures for electric power generation sector, the transmission, storage and distribution sector, the energy efficiency sector, and the motor vehicle sector.

COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office estimate of the costs of this measure has been requested but was not received at the time the report was filed. When the Congressional Budget Office completes its cost estimate, it will be posted on the internet at www.cbo.gov.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 2508.

S. 2508 requires the Secretary of Energy to establish an Energy Jobs Council to conduct a voluntary survey of employers in the energy, energy efficiency, and motor vehicle sectors in order to collect employment and demographic data for those sectors. Section 2(b)(2)(A) of the bill, however, requires the Council to employ the survey methodology approved by the Office of Management and Budget (OMB) in 2016 for use in generating the data for the 2017 employment report.

DOE was required to obtain OMB approval to conduct its energy jobs survey in 2016 by the Paperwork Reduction Act of 1995. In seeking OMB's approval of its data collection methodology for the energy jobs survey, DOE estimated that it would need to contact approximately 30,000 companies by electronic mail or telephone per year. DOE estimated that 20,000 of the 30,000 companies contacted would not qualify for the survey and that the average burden to respond to the online survey or phone interview on those companies would average less than a minute and a half per company. DOE further estimated that approximately 10,000 of the 30,000 companies contacted would qualify for the survey and agree to take the survey. It estimated that about 8,800 of the 10,000 companies would employ less than 100 workers, and the average response would take about 15 minutes, and that the response time of the remaining 1,200 companies that employ more than 100 workers would average about 30 minutes. Based upon those assumptions, DOE estimated that the average response burden would be about 6.42 minutes and would cost about \$7.19 per respondent.

Moreover, the survey methodology approved by OMB in 2016 that the bill requires the Energy Jobs Council to use is designed to avoid paperwork burdens on companies by encouraging them to complete the survey electronically or by telephone, and by not requiring them to keep any data, but simply report on their current workforce. Individual responses remain confidential and data is reported only in aggregated format so that individual company responses are not identifiable. No personal data is collected.

Based upon the bill's requirement that the Energy Jobs Council employ the data collection methodology that OMB approved in 2016 (OMB Control Number 1910-5179) and DOE's supporting documentation, which can be found on OMB's website (www.reginfo.gov), the Committee does not believe S. 2508 impose a regulatory burden or additional paperwork requirements on private individuals or businesses, or impact personal privacy.

CONGRESSIONALLY DIRECTED SPENDING

S. 2508, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of Energy at the November 6, 2019, hearing on S. 2508 follows:

TESTIMONY OF ASSISTANT SECRETARY DANIEL SIMMONS,
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE EN-
ERGY, U.S. DEPARTMENT OF ENERGY

INTRODUCTION

Chairman Cassidy, Ranking Member Heinrich, and Members of the Energy Subcommittee of the Committee on Energy and Natural Resources, thank you for the opportunity to testify today on legislation pertinent to the Department of Energy now pending in the Senate. My name is Daniel Simmons, and I am the Assistant Secretary for the Office of Energy Efficiency and Renewable Energy (EERE).

As the Assistant Secretary, I am responsible for overseeing a broad portfolio of energy efficiency and renewable energy programs. The technologies in my portfolio advance America's economic growth and energy security while enhancing the reliability and resilience of the U.S. energy system. The Department of Energy supports improving the energy efficiency and reducing energy costs, while at the same time ensuring important performance standards are met or exceeded. For instance, we want to ensure schools and other buildings are sufficiently bright to ensure safety, and that water flow from faucets is strong enough to clean dirty hands. Today, I would like to share what relevant work my office has done and is doing in the areas that these bills address.

I have been asked to testify on eleven (11) bills today, addressing a range of important energy issues. The Administration continues to review all of these bills. I appreciate the ongoing bipartisan efforts to address our Nation's energy challenges and I look forward to working with the Committee.

BILLS

S. 2508—Promoting American Energy Security Jobs

S. 2508 requires the Secretary of Energy to establish a council to conduct a survey and analysis of the employment figures and demographics in the energy, energy efficiency, and motor vehicle sectors of the United States. In addition to key stakeholders, the Council shall include representatives from Commerce, Transportation, Census Bureau, Bureau of Labor Statistics, EPA, State Energy Advisory Board and energy trade associations. It also directs the Department to publish a report, to be entitled the "U.S. Energy and Employment Report", describing the employment figures and demographics in the energy, energy efficiency, and motor vehicle sectors of the United States based on the survey and analysis conducted.

The Department will continue to review the legislation and looks forward to working with Congress as the legislative process moves forward.

CONCLUSION

Thank you again for the opportunity to testify before the Subcommittee today. The Department appreciates the ongoing bipartisan efforts to address our Nation's energy challenges, and looks forward to working with the Committee on the legislation on today's agenda and any future legislation. I would be happy to answer your questions.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by S. 2508 as ordered reported.

