



### **Client Note: Congress Remains Stalled as UAW Marches Forward**

Congress ended this week having made zero progress on avoiding a government shutdown. The far-right House Freedom Caucus [has foiled any attempt](#) by House Speaker Kevin McCarthy to pass a funding bill. The Speaker even sent the U.S. House home early in frustration after a second failed vote on a rule to consider the Defense Appropriations bill. With just over a week left before funding expires, it is notable that the House has not passed a short-term continuing resolution (CR) for the federal government nor even a single stand-alone appropriations bill. As we've highlighted, even the typically easy-to-pass defense appropriations bill is stalled.

The House plans to [spend next week trying](#) to pass several individual appropriations bills, but that's a sideshow at this point. Instead, [focus turns to the Senate](#), which is poised to take up a CR using the House's Federal Aviation Administration reauthorization bill as a vehicle. This effort is reported to include the President's request for Ukraine aid and disaster relief funding. We expect that bill to pass the Senate with strong bipartisan support.

Eventually, Speaker McCarthy will be forced to choose whether to 1) take up the Senate bill and pass it with the help of Democratic votes and dare the Freedom Caucus to oust him as Speaker or 2) refuse to take up the bill and embrace the reality of owning a government shutdown (and likely rely on Democratic votes to reopen the government later).

At this point, everyone is betting that the government will shut down on Sept. 30.

### **UAW Strike Throws Uncertainty into Auto Manufacturing**

Last Friday, following weeks of failed negotiations, the United Auto Workers (UAW) union began a strike against the Big Three automakers: General Motors (GM), Ford, and Stellantis – their first against all three of the nation's unionized automakers at the same time. While the strike started with about 13,000 UAW members walking off the job and picketing at three plants in Michigan, Ohio, and Missouri, UAW President Shawn Fain [today announced](#) that “parts distribution workers at 38 locations across 20 states” would be **called to strike this afternoon**. The UAW has enough capital to afford [eleven weeks](#) of a full-scale strike, and if they do so, it could come at the expense of U.S. economic growth and the rollout of EVs.

Supporters of the UAW's strike include a diverse group of public officials from across the political spectrum. A handful of progressive lawmakers, including [those representing Michigan](#), joined striking UAW members over the weekend to express their support for a more fair contract for workers and against the historic profits made by company executives in recent years. A host of [environmental advocates](#) also came out in support of the movement. President Biden [endorsed the strike](#) last week (even though the [UAW hasn't endorsed him](#)), despite what it could do to his EV deployment goals, Bidenomics, and re-election campaign if it were to drag on.

Former President Trump (who reportedly plans to visit the strike in Detroit in lieu of the second GOP debate) and other populist Republicans are exploiting it to attack the Biden Administration's clean energy agenda, [saying](#) it is subsidizing China. This GOP support for the strike is wrapped up in an anti-EV, anti-Biden construct — they have not indicated support for any of the UAW's demands, just opposition to EVs and Biden.

Unfortunately for climate advocates, the longer it takes to come to an agreement and the more UAW expands its strike, the more the public might perceive labor and clean energy manufacturing as at odds with each other. The best case scenario is that the public hears more support from UAW for EVs, such as [this recent statement](#) from their leadership that “Union workers will not be used as political pawns... We reject this attempt to pit ICE jobs against EV jobs... The UAW supports and is ready to lead the EV transition.”

#### How an Autoworkers' Strike Affects Bidenomics and EV Rollout

It's no secret that an extended, full-on UAW strike could greatly undermine the ability of the Big Three to make the shift to producing EVs. Ford and GM are [struggling](#) to profit from EV sales and today's announcement of expanding the strike into parts distribution workers will surely create chaos for the entire manufacturing supply chain.

A larger-scale strike [could also push](#) more automaking jobs and facilities to right-to-work states over time, particularly those in the South, which has [already begun](#). If the Big Three agree to a generous contract with UAW workers, who are demanding substantial wage increases and four-day work weeks, among other priorities, some industry experts are warning that it [could set](#) automotive competitiveness back even further and create a ripple effect across U.S. manufacturing.

GM and Stellantis laid off over 2,000 employees on Wednesday due to storage and supply-chain constraints, begging the question of how many more workers could be impacted given today's announcement. More layoffs and less consumer spending [could result](#) in negative economic consequences at a time when the economy is beginning to slow due to student loan repayment on the horizon, high oil and housing prices, and a looming government shutdown.

#### **Funding Opportunity Announcements (FOAs)**

On Wednesday, the EPA [announced](#) \$4.6 billion in funding for two competitions under the [Climate Pollution Reduction Grants Program](#) to support state, tribal, and local efforts to cut pollution, advance environmental justice, and deploy clean energy solutions. Applications from state and local governments are due April 1, 2024; tribes and territories must submit them May 1, 2024.

Yesterday, DOE [announced](#) a \$30 million funding opportunity for RD&D projects that accelerate solar-thermal energy storage for fuels, other industrial applications, and power production. Eight to fifteen awards ranging between \$750,000 to \$10 million are available to selected universities, nonprofit entities, for-profit companies, state, local, and tribal governments. Concept papers are due November 3rd.

Applications for states to apply for the non-competitive solicitation of EPA's [Methane Emissions Reduction Program](#) are due Friday, September 30th.

For more on other funding opportunities in the space, please see [this memo](#).

### **Pioneer and Clients in the News**

On Wednesday, [Bobbie](#) Co-Founder and COO Sarah Hardy [testified](#) at the Senate Banking, Housing, and Urban Affairs Economic Policy subcommittee [hearing](#) on the need to invest in quality childcare.

[The Wall Street Journal](#) covered [The Conservation Fund](#)'s major announcement of its purchase of Mount Democrat in Colorado, and its plans to transfer the land to the U.S. Forest Service.

[Universal Hydrogen](#) cleared its first FAA certification hurdle upon receipt of its G-1 certification, as covered by [Reuters](#).

Pioneer's Communications Director [Brian Willis](#) was quoted in [Politico](#) supporting DOT's adoption of DOE's categorical exclusion that will waive environmental reviews for federally funded EV charging stations on already-developed land, such as parking lots.

### **[Next Week: Hearings to Watch](#)**

*Wednesday, September 27, 2023*

#### **House Financial Services**

“Oversight of the Securities and Exchange Commission”  
(10:00 AM EDT), watch [here](#)

#### **Senate Rules and Administration**

“Hearings to examine AI and the future of our elections”  
(3:30 PM EDT), watch [here](#)

*Thursday, September 28, 2023*

#### **House Small Business Subcommittee on Rural Development, Energy, and Supply Chains**

“Energy Independence: How Burdensome Regulations are Crushing Offshore Small Energy Producers”  
(10:00 AM EDT), watch [here](#)

#### **Senate Energy and Natural Resources**

“Hearings to examine opportunities to counter the People's Republic of China's control of critical mineral supply chains through increased mining and processing in the United States as well as international engagement and trade.”  
(10:00 AM EDT), watch [here](#)

#### **Senate Environment and Public Works Subcommittee on Superfund, Waste Management, and Regulatory Oversight**

“Hearings to examine solutions to address beverage container waste”  
10:00 AM EDT, watch [here](#)

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