LC 228 2020 Regular Session 1/13/20 (MAM/stn/ps)

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SUMMARY

Prohibits certain products that use or contain hydrofluorocarbons from entering into commerce in Oregon if product was manufactured after specified date.

Permits Department of Consumer and Business Services to adopt rules to conform state building code to restrictions on products that use or contain hydrofluorocarbons.

Permits state contracting agencies to give preference to products that do not use or contain hydrofluorocarbons or that use or contain hydrofluorocarbons with low global warming potential.

Takes effect on 91st day following adjournment sine die.

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A BILL FOR AN ACT

2 Relating to hydrofluorocarbons; and prescribing an effective date.

3 Be It Enacted by the People of the State of Oregon:

4 **SECTION 1.** Sections 2 and 3 of this 2020 Act are added to and made

5 a part of ORS chapter 468A.

6 <u>SECTION 2.</u> As used in this section and section 3 of this 2020 Act:

7 (1) "Class I substances" and "class II substances" mean those sub8 stances listed in 42 U.S.C. 7671a and those substances listed in appen9 dix A or B, subpart A of 40 C.F.R. part 82, as in effect on January 3,
10 2017.

11 (2) "Consumer refrigeration product" has the meaning given that 12 term in 10 C.F.R. 430.2, as in effect on January 3, 2017.

(3) "Hydrofluorocarbon" means a class of greenhouse gases that are
 saturated organic compounds containing hydrogen, fluorine and car bon.

1 (4) "Manufacturer" includes any person, firm, association, partner-2 ship, corporation, governmental entity, organization or joint venture 3 that produces any product or equipment that contains or uses 4 hydrofluorocarbons or is an importer or domestic distributor of such 5 a product.

6 (5) "Retrofit" has the same meaning given that term in 40 C.F.R.
7 82.152, as in effect on January 3, 2017.

8 (6)(a) "Substitute" means a chemical, product substitute or alter-9 native manufacturing process, whether existing or new, that is used 10 to perform a function previously performed by a class I substance or 11 class II substance and any substitute subsequently adopted to perform 12 that function, including but not limited to hydrofluorocarbons.

(b) "Substitute" does not mean 2-BTP or any compound as applied
 to its use in aerospace fire extinguishing systems.

SECTION 3. (1) A person may not offer any product or equipment 15 for sale, lease or rent, or install or otherwise cause any equipment or 16 product to enter into commerce, in Oregon if that product or equip-17ment consists of, uses or will use a substitute for the applications or 18 end uses restricted by appendix U or V, subpart G of 40 C.F.R. part 82, 19 as in effect on January 3, 2017, and that product or equipment was 2021manufactured after the deadline established by subsection (2) of this section. Except where an existing product or equipment is retrofit, 22nothing in this section requires a person that acquired a restricted 23product or equipment prior to the deadline established by subsection 24(2) of this section to cease use of that product or equipment. 25

(2) The restrictions under subsection (1) of this section apply to
 products or equipment manufactured on or after the following dead lines:

29 (a) January 1, 2021, for:

30 (A) Propellants;

31 (B) Rigid polyurethane applications and spray foam, flexible

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polyurethane, integral skin polyurethane, flexible polyurethane foam,
 polystyrene extruded sheet, polyolefin, phenolic insulation board and

3 bunstock;

4 (C) Supermarket systems, remote condensing units and stand-alone
5 units;

6 (D) Refrigerated food processing and dispensing equipment;

7 (E) Compact residential consumer refrigeration products; and

8 (F) Polystyrene extruded boardstock and billet and rigid 9 polyurethane low-pressure two component spray foam.

10 (b) January 1, 2022, for:

(A) Residential consumer refrigeration products other than compact
 and built-in residential consumer refrigeration products; and

13 (B) Vending machines.

14 (c) January 1, 2023, for:

15 (A) Cold storage warehouses; and

16 (B) Built-in residential consumer refrigeration products.

(d) January 1, 2024, for centrifugal chillers and positive displace ment chillers.

(e) January 1, 2021, or the effective date of the restrictions identified in appendix U or V, subpart G of 40 C.F.R. part 82, as in effect
on January 3, 2017, whichever comes later, for all other applications
and end uses for substitutes not described in paragraphs (a) to (d) of
this subsection.

24 (3) The Environmental Quality Commission may by rule:

(a) Modify the deadlines established by subsection (2) of this section
if the commission determines that the modification reduces the overall
risk to human health or the environment and reflects the earliest date
that a substitute is currently or potentially available;

(b) Prohibit the use of a substitute if the commission determines that the prohibition reduces the overall risk to human health or the environment and that a lower risk substitute is currently or poten1 tially available;

(c) Adopt a list of approved substitutes, use conditions or use limits;
(d) Add or remove substitutes, use conditions or use limits to or
from the list of approved substitutes if the commission determines
those substitutes reduce the overall risk to human health and the environment; and

7 (e) Designate acceptable uses of hydrofluorocarbons for medical
8 uses that are exempt from the requirements of subsection (2) of this
9 section.

(4) The commission shall adopt rules requiring manufacturers to
 disclose the substitutes used in their products or equipment by:

12 (a) Labeling products and equipment; or

(b) Submitting information to the Department of Environmental
 Quality.

(5) The commission may adopt rules to administer, implement and 15 enforce this section. When adopting rules under this section, the 16 commission shall, where feasible and appropriate, adopt rules that are 17the same or consistent with the regulatory standards, exemptions, re-18 porting obligations, disclosure requirements and other compliance re-19 quirements of the federal government or other states that have 20adopted restrictions on the use of hydrofluorocarbons and other sub-21stitutes. 22

(6) For the purposes of implementing the restrictions specified in appendix U, subpart G of 40 C.F.R. part 82, as in effect on January 3, 2017, consistent with this section, the commission and the department shall interpret the term "aircraft maintenance" to mean activities that support the production, fabrication, manufacture, rework, inspection, maintenance, overhaul or repair of commercial, civil or military aircraft, aircraft parts, aerospace vehicles or aerospace components.

30 (7) The authority granted by this section to the commission to re-31 strict the use of substitutes is supplementary to the commission's authority to control air pollution pursuant to ORS 468A.025. Nothing
 in this section limits the authority of the commission under ORS
 468A.025.

4 <u>SECTION 4.</u> (1) As used in this section, "substitute" has the mean-5 ing given that term in section 2 of this 2020 Act.

6 (2) The Director of the Department of Consumer and Business Ser-7 vices may adopt rules that conform the state building code to the re-8 strictions on substitutes under section 3 of this 2020 Act or a rule 9 adopted by the Environmental Quality Commission under section 3 of 10 this 2020 Act. The director shall consult with the Department of En-11 vironmental Quality before adopting any rule that requires the use of 12 a substitute.

<u>SECTION 5.</u> Section 6 of this 2020 Act is added to and made a part
 of ORS chapter 279A.

15 <u>SECTION 6.</u> (1) As used in this section, "hydrofluorocarbon" has the
 16 meaning given that term in section 2 of this 2020 Act.

(2) Notwithstanding provisions of law requiring a state contracting 17agency to award a contract to the lowest responsible bidder or best 18 proposer or provider of a quotation, a state contracting agency 19 charged with the procurement of goods for any public use may give 2021preference to the procurement of goods that do not contain or were not manufactured with a hydrofluorocarbon or that contain or were 22manufactured with a hydrofluorocarbon with a comparatively low 23global warming potential. 24

25 <u>SECTION 7.</u> This 2020 Act takes effect on the 91st day after the date 26 on which the 2020 regular session of the Eightieth Legislative Assem-27 bly adjourns sine die.

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