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December 20, 2018

Representative Rob Nosse Oregon House of Representatives 900 Court St. NE, H-472 Salem, OR 97301

## **RE:** Opposition to LC 812 – Draft Right to Repair Legislation

Dear Representative Nosse,

The joint industry partners representing the manufacturers, distributors, and contractors of heating, ventilation, air-conditioning and refrigeration (HVACR) equipment respectfully oppose LC 812 as currently drafted. The draft legislation would mandate original equipment manufacturers (OEMs) make available to owners of digital electronic equipment or independent repair providers any part, tool, service manual or other device, implement or information for the purposes of diagnosing, maintaining, or repairing digital electronic equipment made by the OEM.

Our organizations represent companies dedicated to manufacturing and installing highly effective and efficient heating, cooling and refrigeration systems that benefit the residents of Oregon. However, the equipment our companies manufacture, distribute, and install is complex and requires highly skilled professionals to service and install. HVACR systems operate on 220 volts and 30 amps of electricity, contain pressurized refrigerants that can cause frostbite or skin disfigurements, and use natural gas or propane for heating fuel. These are dangerous combinations for untrained individuals. Under the current draft legislation, many HVACR products would fall under the definition of "digital electronic equipment."

Any legislation that enables untrained individuals to fix HVACR systems could compromise the health and safety of our products' end-users, as well as the ability of products to achieve optimal performance once installed. Our industry places a high value on the use of skilled, trained, and certified contractors to handle the sophisticated equipment our manufacturers produce. HVACR contractors participate in extensive education, training, and certification in order to be able to perform maintenance and repairs on our manufacturers' equipment. By utilizing trained contractors, as an industry, we can better ensure equipment is running safely and efficiently. It is worth noting that Oregon requires contractors to hold a license and participate in continuing education programs, a testament to the importance that Oregon places on training and education.

One of the primary reasons we believe it is critical that HVACR equipment is only repaired or maintained by licensed professionals is to protect the environment. If not properly installed, maintained, and repaired, HVACR equipment, including cutting-edge energy efficient technologies, will not provide important energy saving benefits and will undermine energy efficiency initiatives. Certified technicians are taught about ozone depletion, recovery cylinders for refrigerants and oils, leak repair requirements, and other rules of compliance to protect the environment. Quality installation, in accordance with ACCA's Quality Installation Standard, by certified technicians allows for maximum performance of HVACR equipment, while simultaneously ensuring minimal impact to the environment.

In addition to the aforementioned concerns, equipment warranties could potentially be nullified if service is conducted by an unlicensed contractor. A manufacturer's warranty is critical for consumer protection and confidence in the equipment they are purchasing. Should a homeowner's equipment malfunction, a warranty can be crucial for saving costs and having the equipment properly serviced. Manufacturers rely on qualified contractors to perform maintenance and repairs, ensuring that any future warranty issues or product recalls can be honored.

As an industry, we respect the intent of this legislation, but to avoid these unintended consequences it is necessary to narrow the definition of "digital electronic equipment" and amend the bill language to include an exemption for HVACR equipment, similar to the exclusion for motor vehicles contained in the draft.

We have seen similar legislation to this draft introduced in other states. In most cases, the primary focus of such legislation is on digital, handheld products such as tablets and other mobile devices. We recommend that the definition used in Section 1(1)(B)(b) be stricken and replaced with a definition that more clearly describes the products in the intended scope of the draft. As an example, such a definition can be found in legislation that was introduced in the State of Washington last year (HB 2279):

"Digital electronic product" means a handheld or portable electronic device containing a microprocessor and flat panel computer monitor originally manufactured for distribution and sale in the United States for general consumer purchase. Digital electronic product includes but is not limited to smartphones, electronic reading devices, laptop computers and tablets.

To further clarify, an additional provision may be added, stating: "a digital electronic product shall not include any home appliance that has a digital electronic product embedded within it." As an industry, we believe that clarifying the definition of digital electronic equipment would allow the legislation to serve its intended purpose without creating any unintended consequences for products manufactured, distributed, or installed by our members.

Thank you for allowing us to share our concerns. Please feel free to contact us directly if there are any follow up questions or if you are in need of additional information.

Sincerely,

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