

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4024 - 3

80th Oregon Legislative Assembly – 2020 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

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

Government Unit(s) Affected:

Department of Consumer and Business Services (DCBS), Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
General Fund	\$120,908	\$280,318
Total Funds	\$120,908	\$280,318
Positions	1	1
FTE	0.50	1.00

Analysis:

HB 4024 - 3 prohibits certain products that use or contain hydrofluorocarbons from entering commerce in Oregon if these products were manufactured after a specified date:

- January 2021 for propellants, rigid polyurethane applications and spray foam, supermarket systems, refrigerated food processing and dispensing equipment, compact residential consumer refrigeration products, other boardstock/spray foam, and all other not listed.
- January 2022 for vending machines and other residential consumer refrigeration products.
- January 2023 for cold storage warehouse and built-in consumer refrigeration products.
- January 2024 for centrifugal chillers and positive displacement chillers.

DEQ may by rule modify the deadlines, prohibit use of substitutes, etc., and may adopt rules to administer, implement, and enforce this measure. DEQ is also directed to adopt rules requiring manufacturers to disclose substitutes used in their products or equipment. The agency anticipates that they will need to hire one permanent, full-time Operations and Policy Analyst 3 (OPA 3, 0.50 FTE in 2019-21, 1.00 FTE in 2021-23) to conduct rulemaking and oversee reporting requirements. The total cost of this position is \$120,908 General Fund in 2019-21, and \$280,318 in 2021-23 plus any indirect cost changes.

Under this measure, state agencies may give preference to products that do not use or contain hydrofluorocarbons or that use or contain hydrofluorocarbons with low global warming potential.

The measure further directs the Department of Consumer and Business Services (DCBS) to adopt rules to conform the state building code to restrictions on products that use or contain hydrofluorocarbons. DCBS anticipates no fiscal impact from this work.

This measure takes effect on the 91st day following adjournment sine die, and the measure does not contain any language allowing DEQ to hire positions or conduct rulemaking before the measure takes effect. The Legislative Fiscal Office notes that it may be difficult for DEQ to conduct required rulemaking by January 2021, when the first restrictions on hydrofluorocarbons take effect, given the short timeline.

The budgetary implications of this measure require further consideration by the Joint Committee on Ways and Means.