A-Engrossed House Bill 4024

Ordered by the House February 18 Including House Amendments dated February 18

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Rules for Representative Julie Fahey)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure

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.] Requires Department of Consumer and Business Services to amend, by rule, state build-ing code to align requirements for use of certain equipment or products with Environmental Quality Commission prohibitions and requirements for use of hydrofluorocarbons or substitutes in such equipment or products.

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.

A BILL FOR AN ACT

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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 a part of ORS
5	chapter 468A.
6	SECTION 2. As used in this section and section 3 of this 2020 Act:
7	(1) "Class I substances" and "class II substances" mean those substances listed in 42
8	U.S.C. 7671a and those substances listed in appendix A or B, subpart A of 40 C.F.R. part 82,
9	as in effect on January 3, 2017.
10	(2) "Consumer refrigeration product" has the meaning given that term in 10 C.F.R. 430.2,
11	as in effect on January 3, 2017.
12	(3) "Hydrofluorocarbon" means a class of greenhouse gases that are saturated organic
13	compounds containing hydrogen, fluorine and carbon.
14	(4) "Manufacturer" includes any person, firm, association, partnership, corporation,
15	governmental entity, organization or joint venture that produces any product or equipment
16	that contains or uses hydrofluorocarbons or is an importer or domestic distributor of such
17	a product.
18	(5) "Retrofit" has the same meaning given that term in 40 C.F.R. 82.152, as in effect on
19	January 3, 2017.
20	(6)(a) "Substitute" means a chemical, product substitute or alternative manufacturing
21	process, whether existing or new, that is used to perform a function previously performed
22	by a class I substance or class II substance and any substitute subsequently adopted to

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perform that function, including but not limited to hydrofluorocarbons. 1 2 (b) "Substitute" does not mean 2-BTP or any compound as applied to its use in aerospace fire extinguishing systems. 3 SECTION 3. (1) A person may not offer any product or equipment for sale, lease or rent, 4 or install or otherwise cause any equipment or product to enter into commerce, in Oregon 5 if that product or equipment consists of, uses or will use a substitute for the applications 6 or end uses restricted by appendix U or V, subpart G of 40 C.F.R. part 82, as in effect on 7 January 3, 2017, and that product or equipment was manufactured after the deadline estab-8 9 lished by subsection (2) of this section. Except where an existing product or equipment is retrofit, nothing in this section requires a person that acquired a restricted product or 10 equipment prior to the deadline established by subsection (2) of this section to cease use of 11 12 that product or equipment. 13 (2) The restrictions under subsection (1) of this section apply to products or equipment manufactured on or after the following deadlines: 14 15 (a) January 1, 2021, for: 16 (A) Propellants; 17 (B) Rigid polyurethane applications and spray foam, flexible polyurethane, integral skin polyurethane, flexible polyurethane foam, polystyrene extruded sheet, polyolefin, phenolic 18 19 insulation board and bunstock; 20(C) Supermarket systems, remote condensing units and stand-alone units; 21(D) Refrigerated food processing and dispensing equipment; 22(E) Compact residential consumer refrigeration products; and 23(F) Polystyrene extruded boardstock and billet and rigid polyurethane low-pressure two 24component spray foam. (b) January 1, 2022, for: 25(A) Residential consumer refrigeration products other than compact and built-in resi-2627dential consumer refrigeration products; and (B) Vending machines. 28(c) January 1, 2023, for: 2930 (A) Cold storage warehouses; and 31 (B) Built-in residential consumer refrigeration products. (d) January 1, 2024, for centrifugal chillers and positive displacement chillers. 32(e) January 1, 2021, or the effective date of the restrictions identified in appendix U or 33 34 V, subpart G of 40 C.F.R. part 82, as in effect on January 3, 2017, whichever comes later, 35 for all other applications and end uses for substitutes not described in paragraphs (a) to (d) of this subsection. 36 37 (3) The Environmental Quality Commission may by rule: 38 (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 environ-39 ment and reflects the earliest date that a substitute is currently or potentially available; 40 (b) Prohibit the use of a substitute if the commission determines that the prohibition 41 reduces the overall risk to human health or the environment and that a lower risk substitute 42 is currently or potentially available; 43 (c) Adopt a list of approved substitutes, use conditions or use limits; 44

45 (d) Add or remove substitutes, use conditions or use limits to or from the list of approved

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1 substitutes if the commission determines those substitutes reduce the overall risk to human

2 health and the environment; and

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

5 (4) The commission shall adopt rules requiring manufacturers of products or equipment 6 containing substitutes restricted under this section to disclose the substitutes used in their 7 products or equipment or disclose the compliance status of their products or equipment. In 8 adopting rules under this subsection, the commission shall consider, and to the extent pos-9 sible recognize:

10 (a) Existing labels that, in the opinion of the commission, provide sufficient disclosure;

11 (b) Labels required by state building codes;

12 (c) Disclosure requirements of other states and the federal government; and

13 (d) Other relevant safety standards.

(5) The commission may adopt rules to administer, implement and enforce this section.
When adopting rules under this section, the commission shall, where feasible and appropriate, adopt rules that are the same or consistent with the regulatory standards, exemptions,
reporting obligations, disclosure requirements and other compliance requirements of other
states that have adopted restrictions on the use of hydrofluorocarbons and other substitutes.
(6) If the United States Environmental Protection Agency approves a previously prohib-

ited hydrofluorocarbon blend with a global warming potential of 750 or less for foam blowing of polystyrene extruded boardstock and billet and rigid polyurethane low-pressure twocomponent spray foam pursuant to the Significant New Alternatives Policy program under section 7671k of the federal Clean Air Act, 42 U.S.C. 7401 et seq., the commission shall adopt rules to conform the requirements established under this section with that approval.

(7) 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 of Environmental Quality 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.

(8) The authority granted by this section to the commission to restrict 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.

35 <u>SECTION 4.</u> (1) As used in this section, "substitute" has the meaning given that term in
 36 section 2 of this 2020 Act.

(2) The Department of Consumer and Business Services shall adopt rules to amend the state building code as necessary to align the requirements for the use of certain equipment or products with the prohibitions and requirements for the use of hydrofluorocarbons or other substitutes in that equipment or those products as adopted by rule by the Environmental Quality Commission under section 3 of this 2020 Act.

42 <u>SECTION 5.</u> Section 6 of this 2020 Act is added to and made a part of ORS chapter 279A. 43 <u>SECTION 6.</u> (1) As used in this section, "hydrofluorocarbon" has the meaning given that 44 term in section 2 of this 2020 Act.

45 (2) Notwithstanding provisions of law requiring a state contracting agency to award a

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contract to the lowest responsible bidder or best proposer or provider of a quotation, a state contracting agency charged with the procurement of goods for any public use may give preference to the procurement of goods that do not contain or were not manufactured with a hydrofluorocarbon or that contain or were manufactured with a hydrofluorocarbon with a comparatively low global warming potential. SECTION 7. This 2020 Act takes effect on the 91st day after the date on which the 2020

7 regular session of the Eightieth Legislative Assembly adjourns sine die.

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