

**ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

February 6, 2023

3:15 p.m.

MEMBERS PRESENT

Representative Jesse Sumner, Chair
Representative Justin Ruffridge, Vice Chair
Representative Mike Prax
Representative Dan Saddler
Representative Stanley Wright
Representative Ashley Carrick
Representative Zack Fields

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 51

"An Act relating to refrigerants designated as acceptable for use under federal law."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 51

SHORT TITLE: USE OF DESIGNATED REFRIGERANTS

SPONSOR(S): REPRESENTATIVE(S) WRIGHT

01/30/23	(H)	READ THE FIRST TIME - REFERRALS
01/30/23	(H)	L&C
02/06/23	(H)	L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

BILLY HENTHORN, Staff
Representative Stanley Wright
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided information and a PowerPoint presentation on HB 51 on behalf of Representative Wright, prime sponsor.

MIKE NEROZZI, Director
Air-Conditioning, Heating, and Refrigeration Institute
Hershey, Pennsylvania

POSITION STATEMENT: Provided invited testimony during the hearing on HB 51.

HELEN WALTER-TERRINONI, Vice President of Regulatory Affairs
Air-Conditioning, Heating, and Refrigeration Institute
Wilmington, Delaware

POSITION STATEMENT: Provided invited testimony during the hearing on HB 51.

ACTION NARRATIVE

[3:15:25 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:15 p.m. Representatives Prax, Ruffridge, Wright, and Sumner were present at the call to order. Representatives Saddler, Carrick, and Fields arrived as the meeting was in progress.

HB 51-USE OF DESIGNATED REFRIGERANTS

[3:16:05 PM](#)

CHAIR SUMNER announced that the only order of business would be HOUSE BILL NO. 51, "An Act relating to refrigerants designated as acceptable for use under federal law."

[3:16:27 PM](#)

REPRESENTATIVE WRIGHT, as prime sponsor, presented HB 51. He stated that the bill adds a section to the state statutes allowing, but not mandating, the move away from hydrofluorocarbons (HFCs). He said that the bill would prevent building codes from banning EPA approved alternatives to HFCs.

[3:17:58 PM](#)

BILLY HENTHORN, Staff, Representative Stanley Wright, Alaska State Legislature, provided information and a PowerPoint presentation on HB 51 on behalf of Representative Wright, prime sponsor. [A hard copy of the PowerPoint presentation is found in the committee packet.] He said that the proposed legislation would allow the HVAC and construction industries to move to

newer and less polluting refrigerants, and thus keep up with the federal push to do so.

[3:18:56 PM](#)

MR. HENTHORN stressed that the bill does not have any mandates, and instead allows Alaska to move forward by ensuring that building codes cannot prevent the use of HFC alternatives. He said that allowing Alaska to keep up with the rest of the country in this area would be a job creator. He stated that the bill would have a zero fiscal note and introduced two experts on the subject available for questions.

[3:20:41 PM](#)

REPRESENTATIVE SADDLER asked what the motivation was for moving towards next generation refrigerants.

MR. HENTHORN responded that the newer generation refrigerants are more efficient and less polluting.

REPRESENTATIVE SADDLER followed up by asking if it would have a negative impact on any equipment already purchased by businesses.

REPRESENTATIVE WRIGHT responded that it would not, and only creates opportunities to invest in new technology.

[3:22:13 PM](#)

CHAIR SUMNER asked for a clarification on the amount of greenhouse gas emissions HFCs cause.

MR. HENTHORN answered that the reduction would be equivalent to 2.4 million tons of carbon dioxide.

[3:23:23 PM](#)

MIKE NEROZZI, Director, Air-Conditioning, Heating, and Refrigeration Institute, returned to the previous question and added that the reduction of HFCs dates to previous legislation and treaties. He continued that the EPA will be greatly restricting the usage of HFC refrigerants starting in July 2024, and manufacturers will begin producing equipment using the new refrigerants. He said that without allowing the usage of new refrigerants, it could become difficult for Alaska to have access to refrigerants in general.

[3:25:33 PM](#)

REPRESENTATIVE FIELDS asked where the new equipment and refrigerants will be manufactured.

MR. NERROZI answered that his organization represents over 300 North American HVAC, refrigeration, and water heating equipment manufacturers, and that many of the new alternatives are being developed by the manufacturers.

[3:26:59 PM](#)

REPRESENTATIVE SADDLER asked if there had been an attempt at a federal law to achieve the same means.

MR. NERROZI answered that the goal is to align Alaska state law with the new regulations, and that the building codes do not match up with the EPA's timeline. He continued that unless Alaska caught up, the state would not be able to buy new refrigerant equipment.

REPRESENTATIVE SADDLER asked about the building code schedule.

MR. NERROZI deferred the question to Ms. Walter-Terrinoni.

[3:30:09 PM](#)

HELEN WALTER-TERRINONI, Vice President of Regulatory Affairs, Air-Conditioning, Heating, and Refrigeration Institute, answered that the new refrigerants are in the 2024 schedule adopted by the International Code Council, and waiting until then would be too late.

[3:31:07 PM](#)

REPRESENTATIVE PRAX asked about the expected job creation.

[3:31:44 PM](#)

MR. NERROZI answered that the additional jobs would be created by the expansion of facilities.

[3:32:21 PM](#)

HELEN WALTER-TERRINONI added that the jobs would come from an increase in exports of equipment.

[3:32:51 PM](#)

REPRESENTATIVE CARRICK asked if there were people trained in the industry waiting to work with the new technology, and how it would create new jobs.

MS. WALTER-TERRINONI answered that the technicians of "today and tomorrow" would be the same and that the additional jobs created would be manufacturing jobs.

[3:34:31 PM](#)

REPRESENTATIVE SADDLER asked for a specification of the building code being discussed.

MS. WALTER-TERRINONI answered that the 2024 International Code Council adopted the next generation refrigerants, and that the next step would be for Alaska to adopt the national building codes into state and local building codes.

[3:36:07 PM](#)

REPRESENTATIVE FIELDS asked how long the industry has been working on this issue.

MS. WALTER-TERRINONI answered that the industry has been preparing for the transition since 2008.

[3:37:06 PM](#)

REPRESENTATIVE JUSTIN RUFFRIDGE asked about recycling or disposal for HFC replacement.

MS. WALTER-TERRINONI answered that there is a process to recycle or dispose of both old and future refrigerants approved by the EPA.

[3:38:11 PM](#)

REPRESENTATIVE PRAX asked if there was anything the legislature needed to do to prepare technicians and the public for the change.

[3:39:17 PM](#)

MR. NEROZZI answered that the industry has been preparing since 2008 and has been involved in the regulation process for the new regulations.

[3:40:33 PM](#)

MS. WALTER-TERRINONI added that the industry has developed the training needed for the new refrigerants.

[HB 51 was held over.]

[3:41:17 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:41 p.m.