## A BILL FOR AN ACT

RELATING TO CLIMATE CHANGE MITIGATION.

#### **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. The legislature finds that hydrofluorocarbons 2 (HFCs) are chemicals commonly used in air conditioning, 3 refrigeration, and insulating foam and as propellants. HFCs 4 were designed to replace ozone depleting substances that were 5 harming the planet's protective ozone layer. However, HFCs are 6 now quickly building up in Earth's atmosphere, where they act as 7 greenhouse gases that can have very high global warming 8 potentials that are thousands of times more potent than carbon 9 dioxide in contributing to climate change. If HFCs continue to 10 be used, it is estimated that they could account for up to 11 twenty per cent of global greenhouse gas emissions by 2050.

12 The legislature further finds that the United States 13 Congress enacted the American Innovation and Manufacturing Act 14 to limit HFC production and to phase out the use of HFCs by 15 eighty-five per cent over the next fifteen years. This action 16 will support the transition to refrigeration and air 17 conditioning systems that use less damaging HFCs or suitable

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substitutes with zero to low potential for global warming. As
 part of the transition to low global warming potential
 alternative refrigerants, existing systems and their
 refrigerants must be carefully managed to minimize the impacts
 on the environment.

6 The legislature finds that California has implemented a 7 successful refrigerant management program to monitor and reduce 8 emissions of refrigerants with high global warming potential and 9 ozone depleting substances. The California refrigerant 10 management program requires registration, leak inspection, and 11 leak repair requirements for their non-residential stationary 12 appliances, including stationary refrigeration systems and air conditioning systems. 13

14 The legislature also finds that a similar state level 15 refrigerant management program in Hawaii would support state 16 greenhouse gas reduction goals and prevent leakage of these 17 harmful chemicals into the atmosphere.

18 Therefore, the purpose of this Act is to establish a Hawaii
19 refrigerant management program designed to:

20 (1) Reduce emissions of high global warming potential
21 refrigerants and any refrigerant that is an ozone



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1		depleting substance from operation of stationary,
2		
		commercial, and industrial refrigeration equipment;
3	(2)	Require registration and regular leak inspections and
4		reporting for commercial and industrial stationary
5		refrigeration systems that are not equipped with
6		automatic leak detection;
7	(3)	Exempt systems with de minimis charging capacity of
8		high global warming potential refrigerant or ozone
9		depleting substance refrigerant in a single system
10		from registration, leak inspection, and reporting
11		requirements; and
12	(4)	Require service practices for the installation,
13		servicing, repair, and disposal of stationary
14		refrigeration and air conditioning systems that use
15		high global warming potential or ozone depleting
16		substance refrigerants.
17	SECT	ION 2. The Hawaii Revised Statutes is amended by
18	adding a	new chapter to be appropriately designated and to read
19	as follow	s:
20		"CHAPTER

21

REFRIGERANT MANAGEMENT - EMISSIONS REDUCTION



1 S -1 **Definitions**. As used in this chapter: 2 "Air conditioning system" means any stationary air 3 conditioning equipment. "Air conditioning system" does not mean 4 mobile air conditioning, including those used in motor vehicles, rail and trains, aircraft, watercraft, recreational vehicles, 5 recreational trailers, and campers. 6 7 "Chlorofluorocarbon" or "CFC" means a class of greenhouse 8 gases that are compounds consisting of chlorine, fluorine, and 9 carbon. 10 "Department" means the department of health. 11 "High-GWP refrigerant" means a compound used as a heat 12 transfer fluid or gas that is a chlorofluorocarbon, a 13 hydrochlorofluorocarbon, a hydrofluorocarbon, a perfluorocarbon, 14 or any compound or blend of compounds with global warming 15 potential values that meet or exceed the global warming 16 potential applicability thresholds established by the 17 department. 18 "Hydrofluorocarbon" or "HFC" means a class of greenhouse

19 gases that are saturated organic compounds containing hydrogen, 20 fluorine, and carbon.

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1 "Refrigeration system" or "refrigeration equipment" means 2 any stationary device that is designed to contain and use 3 refrigerant, including equipment used in retail food, cold 4 storage, and industrial process refrigeration and cooling that 5 does not use a chiller, ice rinks, and other refrigeration 6 applications.

7 S -2 Refrigerant management program; establishment; 8 exemptions. (a) The department shall establish a refrigerant 9 management program designed to reduce emissions of high-GWP 10 refrigerants and ozone depleting substance refrigerants from 11 activities or equipment responsible for significant volumes of 12 such emissions, including the operation of stationary commercial 13 and industrial large refrigeration systems and activities to 14 install, service, repair, and dispose of stationary 15 refrigeration systems and air conditioning systems.

16 (b) The refrigerant management program shall require 17 regular leak inspections and reporting for stationary commercial 18 and industrial refrigeration systems that are not equipped with 19 automatic leak detection.

20 (c) A commercial and industrial refrigeration system with21 a de minimis charging capacity in a single system shall be

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exempt from the registration, leak inspection, and reporting
 requirements of this chapter.

3 (d) Refrigeration systems and air conditioning systems
4 that use refrigerants with a global warming potential less than
5 the global warming potential thresholds established by the
6 department and that are not ozone depleting substances shall be
7 exempt from the registration, leak inspection, and reporting
8 requirements of this chapter.

9 (e) The refrigerant management program shall require
10 service practices for the installation, servicing, repair, and
11 disposal of stationary refrigeration systems and air
12 conditioning systems.

13 (f) The department may require compliance with this14 chapter no earlier than January 1, 2025.

15 (g) The department may exempt refrigeration systems 16 associated with de minimis emissions from the requirements of 17 this chapter.

18 § -3 Rules. (a) The department shall adopt rules in
19 accordance with chapter 91 necessary for the purposes of this
20 chapter.

1 The rules shall apply to operations that utilize high-(b) 2 GWP refrigerants and refrigerants that are ozone depleting 3 substances. 4 (C) The rules shall include the following: 5 (1)Establishment of: 6 (A) De minimis charging capacity level; 7 (B) Global warming potential threshold values; and 8 (C) Leak rate thresholds; 9 (2) Annual registration requirements for each owner or 10 operator of a stationary commercial and industrial 11 refrigeration system that utilizes a high-GWP 12 refrigerant or ozone depletion substance refrigerant 13 and exceeds the de minimis charging capacity level; 14 (3) Refrigerant leak detection, monitoring, and reporting 15 requirements for stationary commercial and industrial 16 refrigeration systems that utilize a high-GWP 17 refrigerant or ozone depletion substance refrigerant and exceed the de minimis charging capacity level; 18 19 (4) Requirements for reporting leaks above the applicable 20 leak rate threshold and submitting the leak repair 21 verification test results, or submitting a retrofit or

1	2	retirement plan, including a timeline for the retrofit
2		or retirement and disposal of retired refrigeration
3		equipment;
4	(5)	Record retention requirements for owners and operators
5		of facilities and technicians servicing equipment that
6		contain and use refrigerant;
7	(6)	Service practices for the installation, servicing,
8		repair, and disposal of stationary appliances,
9		including stationary refrigeration systems and air
10		conditioning systems; and
11	(7)	Implementation and enforcement of the refrigerant
12		management program, including penalties for violations
13		of this chapter.
14	(d)	The department may establish by rule annual fees that
15	adequatel	y cover the direct and indirect costs to develop,
16	support,	and administer the refrigerant management program."
17	SECT	ION 3. Chapter 107, Hawaii Revised Statutes, is
18	amended by	y adding two new sections to be appropriately
19	designate	d and to read as follows:
20	" <u>§10</u>	7- State building code; hydrofluorocarbons; update.
21	When adop	ting, amending, or updating the codes and standards



1	identified in section 107-25, the council shall establish codes			
2	and standards that are consistent with the goal of reducing			
3	greenhouse gas emissions associated with hydrofluorocarbons.			
4	<b>§107- Refrigerant use.</b> Notwithstanding any other law			
5	to the contrary, no law, rule, ordinance, or code, including the			
6	state building code, shall prohibit or limit the use of a			
7	refrigerant designated as acceptable for use pursuant to title			
8	42 United States Code section 7671k; provided that any equipment			
9	containing the refrigerant is listed and installed in accordance			
10	with appropriate safety standards and use conditions."			
11	SECTION 4. There is appropriated out of the general			
12	revenues of the State of Hawaii the sum of \$ or so			
13	much thereof as may be necessary for fiscal year 2023-2024 and			
14	the same sum or so much thereof as may be necessary for fiscal			
15	year 2024-2025 for the establishment of a refrigerant management			
16	program to reduce emissions of hydrofluorocarbon refrigerants			
17	and chlorofluorocarbon cooling agents from activities or			
18	equipment responsible for significant volumes of such emissions.			
19	The sums appropriated shall be expended by the department			
20	of health for the purposes of this Act.			
21	SECTION 5. New statutory material is underscored.			

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1 SECTION 6. This Act shall take effect on July 1, 3000.
2

#### Report Title:

Refrigerant Management Program; High Global Warming Potential Refrigerants; Ozone Depletion Substances; Greenhouse Gas Emissions Reduction; State Building Code; Appropriation

#### **Description**:

Requires the department of health to establish a refrigerant management program to reduce emissions of high global warming potential refrigerants and any refrigerant that is an ozone depleting substance from stationary, commercial, and industrial refrigeration systems and air conditioning systems and adopt rules for the regulation of the use of such refrigerants. Requires the state building code council to establish codes and standards consistent with the goal of reducing greenhouse gas emissions associated with hydrofluorocarbons when updating the state building code. Specifies that no law, rule, ordinance, or code, including the state building code, shall prohibit or limit the use of a refrigerant deemed acceptable under federal law. Appropriates funds. Effective 7/1/3000. (HD1)

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