

April 8, 2020

The Honorable John Barrasso Chairman, Committee on Environment and Public Works U.S. Senate 307 Dirksen Senate Office Building Washington, D.C. 20510 The Honorable Tom Carper Ranking Member, Committee on Environment and Public Works U.S. Senate 513 Hart Senate Office Building Washington, D.C. 20510

RE: Written testimony on S. 2754, American Innovation and Manufacturing Act of 2019.

Dear Chairman Barrasso and Ranking Member Carper,

I write to you on behalf of the <u>United States Climate Alliance</u>, a bipartisan coalition of 25 governors¹ that represent over half the U.S. population, an \$11.7 trillion economy and roughly half of domestic hydrofluorocarbons (HFC) emissions. The Alliance appreciates the opportunity to provide written testimony to the U.S. Senate Committee on Environment and Public Works voicing our strong support for the bipartisan *American Innovation and Manufacturing Act of 2019*. As written, the bill creates a strong federal framework for the phasedown of HFCs that complements and upholds state efforts while providing regulatory certainty for industry across the country.

Transitioning towards HFC alternatives could bring as many as 33,000 new manufacturing jobs to our states and communities and add approximately \$12.5 billion per year to the U.S. economy.² By creating national standards, the bill will ensure all communities have access to higher quality products, and that we are giving U.S. industry the best opportunity to innovate and lead the global transition to HFC alternatives. The bill has received strong support from Republicans and Democrats, industry and environmental groups alike. The U.S. Climate Alliance adds their voice to the growing chorus calling for swift passage of the bill as written.

HFC use is growing rapidly across the country and could double in 20 years. The bill, along with state efforts can reverse this trend. HFC alternatives are currently available, widely accepted and used by industry, and offer energy savings for businesses and consumers. In fact, U.S. EPA estimates that the realistic solutions proposed in the bill, many available at lower cost compared to currently allowed practices, would result in a significant decrease in emissions in refrigeration and air conditioning by 2030.³ With many HFCs being several thousand times more potent than carbon dioxide, HFC reductions have both important economic and climate benefits, and are essential to reaching state climate goals.

Effectively designed measures to phase-down HFCs will also increase U.S. businesses and states' competitiveness globally. Under the Kigali Amendment to the Montreal Protocol, the rest of the world has agreed to transition away from HFCs. The European Union has already adopted regulations to phase down HFCs, with more countries to come. Despite this, the U.S. federal government has yet to act, decreasing the global competitiveness of our companies and their products. This bill alone is estimated to increase the global share of the U.S. alternative fluorocarbon product and equipment market by 25 percent.

At a time when a global pandemic has brought hardship, this bill could drive innovation and create jobs, contributing to the economic growth the nation needs. By supporting and promoting the manufacture of next-generation technologies, the bill will help put American companies on a level playing field with their global competitors by proactively phasing down these harmful substances.

The U.S. Climate Alliance supports the American Innovation and Manufacturing Act of 2019 as it is currently written and strongly encourages congress to pass this bill as drafted, and work with states on swift and effective implementation.

Respectfully,

Julie Cerqueira

Executive Director, U.S. Climate Alliance 1750 Pennsylvania Avenue NW, Suite 300

Washington, DC 20006

jcerqueira@usclimatealliance.org

202-864-5652

U.S. Climate Alliance

California | Colorado | Connecticut | Delaware | Hawaii | Illinois | Maine | Maryland | Massachusetts | Michigan | Minnesota | Montana | Nevada | New Jersey | New Mexico | New York | North Carolina | Oregon | Pennsylvania | Puerto Rico | Rhode Island | Vermont | Virginia | Washington | Wisconsin

¹ Illinois, Minnesota and Wisconsin have not endorsed this letter due to bandwidth constraints related to the Governors' response to the COVID-19 crisis. It does not reflect their support or lack thereof for the Alliance's position on the bill.

² American Innovation and Manufacturing Act, S. 2754, 116th Congress. (2019).

³ EPA (2014) Mitigation of Non-CO2 Greenhouse Gases in the United States: 2010 to 2030, United States Environmental Protection Agency, EPA-430-S1-4-002, April. https://www.epa.gov/global-mitigation-non-co2-greenhouse-gases