2011 HOUSE TRANSPORTATION

HB 1319

2011 HOUSE STANDING COMMITTEE MINUTES

House Transportation Committee
Fort Totten Room, State Capitol

HB 1319
02/03/2011
Job # 13942

☐ Conference Committee

Committee Clerk Signature Jeanette Cook

Explanation or reason for introduction of bill/resolution:

HB 1319 is a bill relating to air-conditioning equipment in motor vehicles; and to declare an emergency.

Minutes: Attachment #1

Representative Vigesaa, District 23, introduced HB 1319 on behalf of the automobile industry. He is very excited to hear this bill because Joel Gilbertson told him that if this bill does not pass, he will not be able to sell any new cars with air conditioners in them past 2012.

Joel Gilbertson introduced **George Washington Cook** who will explain the technicalities of the bill. George has worked with the bill and various related issues around the country.

George Washington Cook III with the Alliance of Automobile Manufacturers spoke in support of HB 1319 and provided written testimony. See attachment #1.

George Washington Cook III: The automobile manufacturers were asked to be able to create vehicles that would meet these guidelines by a specific date. A lot of the manufacturers have done so. Originally we were hoping to have all of our vehicles compliant by this model year. Things are behind, so by next model year, for sure, all of our vehicles will be made to use the new refrigerants instead. North Dakota is the very last state that we need to pass this legislation, so that we can continue to sell cars in North Dakota.

Representative Weisz: Is R-1234 toxic or flammable or both?

George Washington Cook III: It would be designated very, very slightly toxic and/or flammable.

Representative Weisz: Is it compatible with the current systems?

George Washington Cook III: I believe that there is a specific level of emissions standards that is going to separate the refrigerants that are used now and the refrigerants

that are going to be used. I believe that the limit is GWP of 1200, but I would have to check to make sure.

Chairman Ruby: Is this language broad enough to allow for changes in the future?

George Washington Cook III: Yes, it is. This legislation is drafted in such a way that it would allow for the use of any significant alternative refrigerant that is put on the EPA's SNAP list to be used automatically in the state.

Representative Owens: You said that the US vehicles are rushing to do this by 2012. Are the foreign auto makers already there, or are they in the same rush?

George Washington Cook III: I believe that in all safety and emission standards, global manufacturers are hitting the standards as they go into effect. I am not positive when the emissions standards go into effect in the European Union.

Representative Owens: Can we just use the new stuff in our older vehicles?

George Washington Cook III: This would just pertain to new vehicles. From the model vehicles that are created now and into the future, those would be the ones that these significant alternatives could be used for. It will not be required to use R-1234yf in an old vehicle.

Representative Owens: I want to know if you CAN use the new refrigerant in the older vehicles.

George Washington Cook III: I am not sure about that, I would have to check and get back to you.

Representative Delmore: Would the car dealers still carry the old refrigerant to put in the older vehicles?

Representative Weisz: The manufacturers are all going to move to this by 2012. Is that required by the Federal government, or just so they can get some EPA credits? Is the EPA banning 134 in new vehicles by 2012?

George Washington Cook III: My understanding is that we were mandated to have vehicles that have specific emissions limits. These refrigerants greatly allow us to hit those limits. Therefore, the manufacturers have made a decision to move to this type of refrigerant.

Representative Louser: Do you know how many manufacturers that there are for this type of refrigerant?

George Washington Cook III: I don't know how many there are.

Representative Delmore: Who are the various government agencies named in the bill?

George Washington Cook III: Not so much various government agencies, but US EPA runs the SNAP program. What I meant to say was various different governments, and now the US government has set the specific emissions mandates and asked us to abide by them.

Ross Good, Chrysler Corporation: To answer Representative Delmore question's specifically, it is necessary for us to change some fittings from one type of refrigerant to another to prevent us from putting the old stuff in the new system. You can't just go to the store and buy a can of the 1234yf and put it in your car. There are connectivity issues. It is designed to be a drop-in replacement, meaning that we do not have to do a lot to our manufacturing facilities or to the system. There are no new seals required. There are some software programming and optimization that are required for one refrigerant versus another. You could run an old system on the new stuff, but the system would not be optimized to work with that fluid.

Representative R. Kelsch: If my AC unit would go out in my vehicle that is not manufactured after 2012, would I get a replacement for the new refrigerant, or would I continue to use the old refrigerant?

Ross Good: The replacement would be for the original design of the vehicle.

Representative Weisz: Is this new coolant, more or less cooling than the R-134, and are the compressors larger or smaller? Is there a change there that will also increase the cost? Is it going to cost more than what we are currently using?

Ross Good: A lot has happened since the original R-12 days. We have designed systems that are much more efficient. We use different materials for construction and get better heat exchange. While the system could be optimized to run on 1234yf, there is really no difference in performance. As time goes by compressors are getting smaller. We are looking for ways to save weight and make vehicles more efficient. We recognize that cooling a vehicle is one of the ways that we can make a vehicle more efficient.

Representative Delmore: Will the dealerships still have access to all of the coolants for old and new cars?

Ross Good: Yes, that is correct.

Representative Vigesaa: Is there a possibility that we could reprogram the software to accept the new refrigerant in an old system?

Ross Good: It is always possible, but it might require you to change out the whole computer in the car or change a programming chip. It may not make sense financially.

Representative Vigesaa: Will this require a dealer to buy and use new equipment to use the new refrigerant?

Ross Good: It is very likely that it will require new equipment. You can't store it in the same tank because you will still need the old stuff. You will at least need another tank. The connection tools will be different.

Representative Vigesaa: Are the agricultural machines going to switch to this refrigerant as well?

Ross Good: If they are smart they will because as the world shrinks we become worldwide manufacturers. The machines that are produced in the US go all over the world now. If the world is going away from the R134A and forcing the big car guys to go to R-1234yf with a global warming potential of only 4, they would be smart to do it. I don't know if the legislation is going to specifically require them to do it.

Representative Weisz: What is the cost difference in this product compared to what we are using now?

Ross Good: We don't have the defined answer to that yet. We haven't started buying it in bulk. The manufacturers haven't started putting it out at the auto parts stores yet in bulk. It may be initially a little bit higher, but as time goes on it will come down.

Representative Weisz: You are not seeing this as a dramatic increase?

Ross Good: No.

Representative Gruchalla: Who manufactures the new product?

Ross Good: It is one of the big chemical companies; it may be DuPont. I'm not sure.

Representative Delmore: Is it certain that 2012 is the date that will be used?

Ross Good: Yes, it is a hard target that we are going to try to hit. We don't want to have to build a car that will only go to North Dakota because of the refrigerant.

Representative Delmore: Are all of the major players on board from all the car major companies?

Ross Good: I can only speak for Chrysler. George can speak for the Alliance and his twelve companies. From a practical standpoint it is easy to understand why we would all want to operate with one set of rules worldwide.

There was no further testimony in support of HB 1319.
There was no opposition to HB 1319.

Representative R. Kelsch moved a DO PASS on HB 1319.
Representative Delmore seconded the motion.

A roll call vote was taken. Aye 13 Nay 0 Absent 1
The motion carried.

Representative Delmore will carry HB 1319.

Date: 2-3-11

Roll Call Vote #: _____

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1319

House TRANSPORTATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Kelsch Seconded By Delmore

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby	X		Representative Delmore	X	
Vice Chairman Weiler			Representative Gruchalla	X	
Representative Frantsvog	X		Representative Hogan	X	
Representative Heller	X		Representative Onstad	X	
Representative R. Kelsch	X				
Representative Louser	X				
Representative Owens	X				
Representative Sukut	X				
Representative Vigesaa	X				
Representative Weisz	X				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Delmore

If the vote is on an amendment, briefly indicate intent:

2011 SENATE TRANSPORTATION

HB 1319

2011 SENATE STANDING COMMITTEE MINUTES

Senate Transportation Committee
Lewis and Clark Room, State Capitol

HB 1319
March 11, 2011
15334

☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

The bill would align North Dakota law with EPA's Significant New Alternatives Policy program so ND auto dealers will be able to sell cars manufactured after model year 2012.

Minutes: *One written testimony*

Chairman Senator G. Lee opened the hearing on HB 1319 relating to air-conditioning equipment in motor vehicles.

Representative Ruby, District 38, introduced HB 1319. He said this bill allows a broader term for refrigerants in motor vehicle air conditioner systems. It is a serious situation and that is why there is an emergency clause on it. He stated that if we don't make the changes the manufactures are just going to put a different coolant in cars sold in North Dakota.

Renee Wadsworth testified on behalf of the Alliance of Automobile Manufacturers in support of HB 1319. Written testimony #1

Senator Lee clarified that if we don't pass HB 1319 we wouldn't be able to sell new cars in North Dakota.

Ms. Wadsworth answered yes.

Senator Nodland asked that any vehicle older than 2012 the refrigerant is alright.

Ms. Wadsworth replied that whatever is in them is acceptable under North Dakota statue.

No opposing testimony.

Senator Lee closed the hearing on HB 1319.

Senator Sitte moved a **Do Pass.**

Senator Nodland seconded.

Roll call vote: 5-0-1. **Motion passed.**

Carrier is **Senator Lee.**

Date: 3-11-11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1319

Senate Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☑ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Sitte Seconded By Senator Nodland

Senators	Yes	No	Senators	Yes	No
Chairman Gary Lee	✓		Senator Tim Mathern	✓	
Vice Chairman Dave Oehlke	✓				
Senator Dave Nething	✓				
Senator George Nodland	✓				
Senator Margaret Sitte	✓				

Total (Yes) 5 No 0

Absent 1

Floor Assignment Senator Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1319: Transportation Committee (Sen. G. Lee, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1319 was placed on the Fourteenth order on the calendar.

2011 TESTIMONY

HB 1319

#1

Alliance OF AUTOMOBILE MANUFACTURERS

Talking Points for North Dakota HB 1319:

- Various government agencies are requiring air conditioner refrigerants with reduced contributions to global warming. The current air conditioner refrigerant, R134a, has a high global warming potential (GWP of over 1400).
- R-1234yf is the only viable replacement at this time. R-1234yf has a GWP of 4.
- The EPA provides extra compliance credits for use of low-GWP refrigerants like R-1234yf. Again, R-1234yf is the only viable replacement candidate. Auto manufacturers are moving as quickly as possible to gain R-1234yf credits in the U.S., since they need them for compliance with the new EPA program.
- Many U.S. vehicles are scheduled to get the new refrigerant (R-1234yf) in 2012 calendar year, and so we need state regulations that do not conflict.

The bill would:
Align North Dakota's requirements with the US EPA's Significant New Alternatives Policy (SNAP) program, which is a program to establish safe and acceptable usage requirements for new alternative refrigerants in motor vehicle air conditioner (MVAC) systems.

Without passage of HB 1391:
Existing statute would effectively prevent auto makers from adopting safe and acceptable alternative refrigerants in the future. Passage of HB 1391 would permit vehicles to use these alternative refrigerant systems and to eliminate barriers to the sale, transportation and servicing of vehicles that comply with the European law and with the EPA SNAP program.

BMW Group • Chrysler Group LLC • Ford Motor Company • General Motors Company • Jaguar Land Rover
Mazda • Mercedes-Benz USA • Mitsubishi Motors • Porsche • Toyota • Volkswagen • Volvo
1401 Eye Street, N.W, Suite 900, Washington, DC 20005-6562 • Phone 202.326.5500 • Fax 202.326.5567

#1

Alliance OF AUTOMOBILE MANUFACTURERS

North Dakota Senate Transportation Committee March 11, 2011

Alliance of Automobile Manufacturers Testimony in Support of HB 1319
Refrigerants Legislation

Chairman Lee, members of the Senate Transportation Committee, on behalf of the Alliance of Automobile Manufacturers, I am here to ask you to vote yes on HB 1319. The Alliance of Automobile Manufacturers (Alliance) is a trade association of twelve car and light truck manufacturers including BMW Group, Chrysler Group LLC, Ford Motor Company, General Motors Company, Jaguar Land Rover, Mazda, Mercedes-Benz, Mitsubishi Motors, Porsche, Toyota, Volkswagen and Volvo.

HB 1319 addresses requirements for refrigerants in motor vehicle air conditioner (MVAC) systems. The bill would align North Dakota law with the US EPA's Significant New Alternatives Policy program: also known as (SNAP). The SNAP program (or 42 U.S.C. §7671 K) thoroughly assessed the impact of alternative refrigerants on human health and the environment, and the risks of exposure to potentially hazardous levels of refrigerant for both vehicle occupants and vehicle service technicians.

Manufacturers are currently exploring the use of alternative refrigerants which have been found acceptable under the SNAP rule in order to comply with new greenhouse gas targets set by the federal government. In fact we are depending on the use of these refrigerants to help reach these goals. The automobile industry is moving toward the use of one particular "refrigerant of choice" for new vehicles. (HFO-1234yf)

Under existing law, this refrigerant would be banned in North Dakota, even though the industry has determined it to be the best, lowest-risk alternative. In fact, North Dakota is now the only state limiting the use of these refrigerants. Louisiana, Idaho, Indiana, Washington and Texas recently passed laws to address the same issue within their own statutes.

The bottom line is that if this bill does not pass during this legislative session, North Dakota auto dealers will not be able to sell cars manufactured after model year 2012. Many of these cars will be on sale come this spring and early summer. And while it is pretty cold outside today, we would like for North Dakota residents to be able to have air conditioning in their cars come summertime.

For these reasons, the Alliance urges you to support this bill.

1401 Eye Street, NW—Suite 900, Washington, DC 20005-6562 • Phone 202.326.5500 • Fax 202.326.5567 • www.autoalliance.org