



Fact Sheet

Building Codes and Compliance with the American Innovation and Manufacturing Act of 2020

What is the American Innovation and Manufacturing Act of 2020?

The American Innovation and Manufacturing Act (AIM Act) provides authority to the U.S. Environmental Protection Agency (EPA) to regulate the production and consumption of hydrofluorocarbons (HFCs).

The AIM Act directs the EPA to phase down the supply of HFCs, including refrigerants, and authorizes the EPA to restrict the use of HFCs in certain applications to direct the transition to HFC substitutes. Businesses and consumers are not required to replace existing refrigeration and air conditioning equipment before the end of its useful life.

What are HFCs?

HFCs are chemicals typically used as refrigerants, solvents, propellants, and fire suppressants, among other applications. They are commonly used in commercial refrigeration, chillers, and stationary air conditioning equipment.

What role do building codes play?

Building codes in all 50 states must be updated to enable the use of HFC replacement refrigerants in chillers, air conditioning, and commercial refrigeration. Manufacturers, contractors, and the firefighting community need the building code update to be complete at least two years before the refrigerant transition goes into effect. The building code update provides the certainty industry needs to comply with the federal regulations and ensure the transition to alternate refrigerants is safe and efficient.

What does my state need to do to prepare for implementation of the AIM Act?

The legislature in your state must adopt language clarifying that state and municipal building codes cannot prohibit the use of a substitute refrigerant allowed by EPA, provided the equipment is listed and installed in compliance with the latest safety standards. Similar legislation has already been adopted in Maine, Vermont, Tennessee, Texas, Missouri, Colorado, Arizona, Oregon, New York, and Washington.

What are the benefits of this technical code correction?

Manufacturers support an orderly federal phasedown of HFCs because it will allow U.S. manufacturers to maintain technological leadership in the global HVACR marketplace rather than a costly state-by-state approach, while creating new domestic jobs and driving economic growth. The phasedown is projected to create 33,000 new manufacturing jobs and sustain 138,400 existing jobs between now and 2027. The phasedown will increase direct manufacturing output by \$12.5 billion, and total (direct and indirect) manufacturing output by \$38.8 billion between now and 2027.

Further, the federal transition will shrink U.S. annual greenhouse gas emissions by the equivalent of approximately 2.4 billion metric tons of carbon dioxide over the next 15 years. The global warming potential of the new refrigerants is approximately 75 percent lower than the global warming potential of the HFC refrigerants currently being used.

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