

ASSEMBLY, No. 5583

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 13, 2019

Sponsored by:

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District 18 (Middlesex)

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SYNOPSIS

Prohibits sale, lease, rent, or installation of certain equipment or products containing hydrofluorocarbons or other greenhouse gases.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/14/2019)

1 AN ACT concerning the reduction of greenhouse gas emissions from
2 hydrofluorocarbons and supplementing Title 26 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. As used in this act:

9 “Class I substance” and “class II substance” mean those
10 substances listed in 42 U.S.C. Sec. 7671a, as it read on November
11 15, 1990, or those substances listed in Appendix A or B of Subpart
12 A of 40 C.F.R. Part 82, as those read on January 3, 2017.

13 “Department” means the Department of Environmental
14 Protection.

15 “Hydrofluorocarbons” means the class of greenhouse gases that
16 are saturated organic compounds containing hydrogen, fluorine, and
17 carbon.

18 “Manufacturer” means any person, firm, association, partnership,
19 corporation, governmental entity, organization, or joint venture that
20 produces any product that contains or uses hydrofluorocarbons or is
21 an importer or domestic distributor of such a product.

22 “Residential consumer refrigeration product” means the same as
23 defined in section 430.2 of Subpart A of 10 C.F.R. Part 430 (2017).

24 “Substitute” means a chemical, product substitute, or alternative
25 manufacturing process, whether existing or new, that is used to
26 perform a function previously performed by a class I substance or
27 class II substance and any substitute subsequently adopted to
28 perform that function, including, but not limited to,
29 hydrofluorocarbons.

30

31 2. a. No person shall offer any product or equipment for sale,
32 lease, or rent, or install any equipment or product in New Jersey if
33 that equipment or product consists of, uses, or will use a substitute,
34 as set forth in Appendix U and Appendix V of Subpart G of 40
35 C.F.R. Part 82, as those read on January 3, 2017, for the
36 applications or end uses restricted by Appendix U or V of the
37 federal regulation, as those read on January 3, 2017, consistent with
38 the deadlines set forth in subsection b. of this section.

39 Nothing in this subsection shall require a person to cease using a
40 product or equipment that was manufactured prior to the effective
41 date of restrictions set forth in subsection b. of this section. A
42 product or equipment manufactured prior to the applicable date of
43 the restrictions specified in subsection b. of this section may be
44 sold, imported, exported, distributed, installed, and used after such
45 specified date.

46 b. For the following products and equipment identified in
47 Appendix U and Appendix V of Subpart G of 40 C.F.R. Part 82, as

1 those read on January 3, 2017, the prohibition set forth in
2 subsection a. of this section shall take effect beginning:

3 (1) January 1, 2020, for:

4 (a) propellants;

5 (b) rigid polyurethane applications and spray foam, flexible
6 polyurethane, integral skin polyurethane, flexible polyurethane
7 foam, polystyrene extruded sheet, polyolefin, and phenolic
8 insulation board and bunstock; and

9 (c) supermarket systems, remote condensing units, stand-alone
10 units, and vending machines;

11 (2) January 1, 2021, for:

12 (a) refrigerated food processing and dispensing equipment;

13 (b) compact residential consumer refrigeration products; and

14 (c) polystyrene extruded boardstock and billet, and rigid
15 polyurethane low-pressure two-component spray foam;

16 (3) January 1, 2022, for residential consumer refrigeration
17 products other than compact and built-in residential consumer
18 refrigeration products;

19 (4) January 1, 2023, for:

20 (a) cold storage warehouses; and

21 (b) built-in residential consumer refrigeration products;

22 (5) January 1, 2024, for centrifugal chillers and positive
23 displacement chillers; and

24 (6) On either January 1, 2020, or the effective date of the
25 restrictions identified in Appendix U and Appendix V of Subpart G
26 of 40 C.F.R. Part 82, as those read on January 3, 2017, whichever is
27 later, for all other applications and end uses for substitutes not
28 covered by the categories set forth in listed in paragraphs (1)
29 through (5) of this subsection.

30 c. The department may, by rule or regulation adopted pursuant
31 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
32 1 et seq.):

33 (1) modify the effective date of a prohibition established in
34 subsection b. of this section, if the department determines that such
35 modification reduces the overall risk to human health or the
36 environment and reflects the earliest date that a substitute is
37 currently or potentially available;

38 (2) prohibit the use of a substitute if the department determines
39 that the prohibition reduces the overall risk to human health or the
40 environment and that a lower risk substitute is currently or
41 potentially available;

42 (3) (a) adopt a list of approved substitutes, use conditions, or use
43 limits, if any; and (b) add or remove substitutes, use conditions, or
44 use limits to or from such list if the department determines such
45 action reduces the overall risk to human health and the
46 environment; and

1 (4) designate acceptable issue uses of hydrofluorocarbons for
2 medical uses that shall be exempt from the prohibitions set forth in
3 subsection b. of this section.

4 d. The authority granted by this section to the department for
5 restricting the use of substitutes is supplementary to the authority to
6 control air pollution pursuant to the “Air Pollution Control Act
7 (1954),” P.L.1954, c.212 (C.26:2C-1 et seq.).

8
9 3. a. A manufacturer shall disclose the hydrofluorocarbons and
10 substitutes used in its products or equipment. Such disclosure shall
11 take the form of a label on the equipment or product that meets the
12 requirements set forth by the department pursuant to rules and
13 regulations adopted pursuant to the “Administrative Procedure
14 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) or the model rule
15 established by the United States Climate Alliance. To the extent
16 feasible, the department shall recognize existing labeling that
17 provides sufficient disclosure of the use of substitutes in the product
18 or equipment.

19 b. Beginning December 31, 2019, and annually thereafter, a
20 manufacturer shall notify the department of the types of products
21 and equipment containing hydrofluorocarbons that the manufacturer
22 sells, offers for sale, leases, installs, or rents in the State. This
23 notice shall identify each product or piece of equipment and must
24 identify the individual substitutes used in each product or piece of
25 equipment.

26 c. The department may adopt, pursuant to the “Administrative
27 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), rules and
28 regulations to administer, implement, and enforce this section.
29 Where feasible and appropriate, such rules and regulations shall be
30 consistent with the regulatory standards, exemptions, reporting
31 obligations, disclosure requirements, and other compliance
32 requirements of other states that have adopted restrictions on the
33 use of hydrofluorocarbons, or a model rule established by the
34 United States Climate Alliance.

35
36 4. Any person who installs, repairs, maintains, services,
37 replaces, recycles, or disposes of a stationary refrigeration or air
38 conditioning appliance, or any person who distributes or reclaims
39 refrigerants, shall follow the requirements, including prohibitions
40 on venting of refrigerants, as set forth in Subpart F of 40 C.F.R.
41 Part 82, as those read on January 3, 2017. The department may by
42 rule or regulation adopted pursuant to the “Administrative
43 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), modify or
44 add to such requirements if the department determines that such
45 modifications or additions reduce overall risk to human health or
46 the environment.

1 5. A person who violates the provisions of sections 2 through 4
2 of this act, or any rule or regulation adopted pursuant thereto, shall
3 be subject to the provisions of section 19 of P.L.1954, c.212
4 (C.26:2C-19), as appropriate.

5
6 6. No later than December 1, 2020, the department, in
7 consultation with other relevant departments and agencies, shall
8 prepare and submit, to the Governor and, pursuant to section 2 of
9 P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a report
10 addressing how to increase the use of substitutes with low global
11 warming potential that reduce overall risk to human health and the
12 environment in mobile sources, utility equipment, and consumer
13 appliances, and how to reduce other uses of hydrofluorocarbons in
14 the State, including recommendations, if deemed appropriate,
15 concerning how to structure, fund, and prioritize a State incentive
16 program to reduce uses of hydrofluorocarbons in the State.

17
18 7. a. The department, in consultation with the Department of
19 the Treasury, shall establish a purchasing and procurement policy
20 that (1) provides a preference for products that are not restricted
21 pursuant to section 2 of this act, and (2) uses substitutes with low
22 global warming potential that reduce overall risk to human health
23 and the environment.

24 b. Nothing in this section requires the department or any other
25 State agency to breach an existing contract or dispose of stock that
26 has been ordered or is in the possession of the department or other
27 state agency as of the effective date of this act.

28
29 8. This act shall take effect immediately.
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31
32 STATEMENT
33

34 Hydrofluorocarbons (HFCs) are potent greenhouse gases used
35 primarily as refrigerants in a variety of commercial and industrial
36 applications. The United States Environmental Protection Agency
37 (USEPA) and leading companies have identified the availability of
38 safer alternatives that do not have the same adverse climate effects
39 as HFCs, and that are readily available and cost-effective. This bill
40 would transition New Jersey from HFCs to replacements that have
41 lower global warming potential and that pose lower overall risks to
42 human health and the environment. This bill is similar to a law
43 enacted in California in 2018 and enacted in Washington in May
44 2019.

45 Specifically, this bill would provide that persons may not sell,
46 install, offer for lease, or rent restricted equipment or products in
47 the State, in accordance with timeframes established in the bill.

1 The bill would establish the following effective dates for
2 restrictions:

- 3 • January 1, 2020, for: propellants; rigid polyurethane
4 applications and spray foam, flexible polyurethane, integral
5 skin polyurethane, flexible polyurethane foam, polystyrene
6 extruded sheet, polyolefin, and phenolic insulation board and
7 bunstock; and supermarket systems, remote condensing
8 units, stand-alone units, and vending machines;
- 9 • January 1, 2021, for: refrigerated food processing and
10 dispensing equipment; compact residential consumer
11 refrigeration products; and polystyrene extruded boardstock
12 and billet, and rigid polyurethane low-pressure two
13 component spray foam;
- 14 • January 1, 2022, for: residential consumer refrigeration
15 products, other than compact and built-in residential
16 consumer refrigeration products;
- 17 • January 1, 2023, for: cold storage warehouses; and built-in
18 residential consumer refrigeration products; and
- 19 • January 1, 2024, for centrifugal chillers and positive
20 displacement chillers.

21 In addition, for all other applications and end uses for substitutes
22 not covered by the categories set forth above, the effective date of
23 the restrictions would be either January 1, 2020, or the effective
24 date of the restrictions identified in Appendix U and Appendix V of
25 Subpart G of 40 C.F.R. Part 82, as those read on January 3, 2017,
26 whichever is later.

27 The bill would require every manufacturer to disclose on a label
28 the HFCs and substitutes used in its products or equipment. In
29 addition, beginning December 31, 2019, and annually thereafter, the
30 bill would require every manufacturer to notify the Department of
31 Environmental Protection (DEP) of the types of products and
32 equipment containing HFCs that the manufacturer sells, offers for
33 sale, leases, installs, or rents in the State.

34 Products manufactured prior to the effective date of a restriction
35 may be sold, imported, exported, distributed, installed, and used
36 after the effective date of the restriction, and persons that acquired
37 products or equipment, including commercial refrigeration
38 equipment, prior to the effective date are not required to cease use
39 of restricted types of products or equipment.

40 In addition, the bill would require the DEP, no later than
41 December 1, 2020, to prepare and submit, to the Governor and the
42 Legislature, a report addressing how to increase the use of
43 substitutes for HFCs that reduce overall risk to human health and
44 the environment in mobile sources, utility equipment, and consumer
45 appliances, and how to reduce other uses of HFCs in the State,
46 including recommendations, if deemed appropriate, concerning how
47 to structure, fund, and prioritize a State incentive program to reduce
48 uses of HFCs in the State.

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1 Lastly, the bill would require the DEP, in consultation with the
2 Department of the Treasury, to establish a purchasing and
3 procurement policy that provides a preference for products that are
4 not restricted pursuant to the bill and uses substitutes that reduce
5 overall risk to human health and the environment. The bill would
6 not require any State agency to breach an existing contract or
7 dispose of stock that has been ordered or is in its possession when
8 the bill is enacted into law.