

March 5, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable John Kennedy  
United States Senate  
Washington, D.C. 20510

Dear Majority Leader McConnell and Senator Kennedy:

On behalf of the 335 member companies of the Air-Conditioning, Heating, and Refrigeration Institute (AHRI), I am writing to urge your support of Senator John Kennedy's amendment to the Senate energy bill (S. 2657) seeking to phase down hydrofluorocarbons (HFCs) and allow American companies to lead the world in the manufacture of next generation technologies.

Senator Kennedy's amendment is the *American Innovation and Manufacturing Act (AIM Act)* (S. 2754), which has more than 30 bipartisan co-sponsors. In phasing down HFCs, the Kennedy Amendment will generate significant new economic benefits for the United States. Specifically, according to a University of Maryland study, it will:

- Create 33,000 new U.S. manufacturing jobs and sustain 138,400 existing jobs between now and 2027;
- Increase direct U.S. manufacturing output by \$12.5 billion, and total (direct and indirect) U.S. manufacturing output by \$38.8 billion between now and 2027; and,
- Improve the U.S. trade balance in equipment and chemicals by \$12.5 billion.

These economic benefits are why the AIM Act has the strong support of every major trade association serving the U.S. heating, ventilation, air conditioning, and refrigeration (HVACR) industry. The National Association of Manufacturers also supports it, as does the U.S. Chamber of Commerce.

Small and medium-sized U.S. businesses support the Kennedy amendment as well, including the service contractors and wholesalers comprising the Air Conditioning Contractors of America (ACCA), the Plumbing-Heating-Cooling Contractors Association (PHCC), the Sheet Metal & Air Conditioning Contractors National Association (SMACNA), and the Heating, Air Conditioning, and Refrigeration Distributors International (HARDI).

This level of consensus in our industry is virtually unprecedented. Our member companies consider this issue absolutely vital to the competitiveness of U.S. manufacturing in the fast-

growing but increasingly competitive global marketplace for HVACR products and equipment, as emphasized in a letter to Congress last October signed by more than 30 CEOs of many of the iconic HVACR brands in the United States.

The reason for such a broad consensus is simple – for all U.S. companies that make and use refrigerants, the best business opportunities going forward will arise from an orderly transition to next generation refrigerant technologies.

With an orderly transition, U.S. companies can plan, invest, hire, and build in anticipation of transitioning to next generation technologies in the coming years. Global HVACR markets are growing rapidly – and are increasingly competitive. U.S. companies can best compete by being the most innovative and having the best performing products.

Important to note is that new equipment will improve substantially in performance, but *not* increase in any meaningful way in price. Our new equipment is more energy efficient, uses smaller refrigerant charge sizes, and emits less. This will lead to significant *cost decreases* in operations and servicing – a big benefit for consumers, and a major sales point for American-made products.

In closing, our team at AHRI is available to you and your staff to answer any questions or furnish any additional information about the Kennedy amendment and the significant benefits it will confer upon American manufacturers, workers, and consumers. I cannot overstate the importance of this issue to our members – hundreds of companies proud to be doing business in the United States and, at this hour, asking respectfully -- *but urgently* -- for of a little help from the U.S. government. Your support for Senator Kennedy's amendment is greatly needed and appreciated.

Thank you for your time and attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen R. Yurek". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Stephen R. Yurek  
President and CEO