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HOUSE FILE NO. 3661

FIRST COMMITTEE ENGROSSMENT

March 3, 2008

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The bill was read for the first time and referred to the Committee on Finance

Referred by Chair to Energy Finance and Policy Division.

March 19, 2008

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to environment; requiring reporting of emissions or leakage of
1.3 greenhouse gases with high global warming potential; prohibiting sale of certain
1.4 refrigerants; requiring reports on reducing greenhouse gas emissions; amending
1.5 Minnesota Statutes 2006, section 115.071, subdivision 1; proposing coding for
1.6 new law in Minnesota Statutes, chapter 216H.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2006, section 115.071, subdivision 1, is amended to read:

1.9 Subdivision 1. **Remedies available.** The provisions of sections 103F.701 to
1.10 103F.761, this chapter and chapters 114C, 115A, and 116, and sections 216H.10 to
1.11 216H.15, 325E.10 to 325E.1251₂, and 325E.32 and all rules, standards, orders, stipulation
1.12 agreements, schedules of compliance, and permits adopted or issued by the agency
1.13 thereunder or under any other law now in force or hereafter enacted for the prevention,
1.14 control, or abatement of pollution may be enforced by any one or any combination of
1.15 the following: criminal prosecution; action to recover civil penalties; injunction; action
1.16 to compel performance; or other appropriate action, in accordance with the provisions
1.17 of said chapters and this section.

1.18 Sec. 2. [216H.07] GREENHOUSE GAS EMISSION REDUCTION

1.19 ATTAINMENT; POLICY DEVELOPMENT PROCESS.

1.20 Subdivision 1. Definition. For the purpose of this section, "reductions" means the
1.21 greenhouse gas emissions reductions goals specified in section 216H.02, subdivision 1.

1.22 Subd. 2. Purpose. This section is intended to create a nonexclusive, regular,
1.23 mandated process for the state to develop policies to attain the greenhouse gas reduction
1.24 goals specified in section 216H.02.

2.1 Subd. 3. **Biennial reduction progress report.** By November 1 of each
2.2 even-numbered year, the commissioners of commerce and the Pollution Control Agency
2.3 shall jointly report to the chairs and ranking minority members of the legislative
2.4 committees with primary policy jurisdiction over energy and environmental issues the
2.5 most recent and best available evidence identifying the level of reductions already
2.6 achieved and the level necessary to achieve the reduction goals established in section
2.7 216H.02. The report must be written in easily understood, nontechnical language.

2.8 Subd. 4. **Annual legislative proposal.** The commissioners of commerce and the
2.9 Pollution Control Agency shall annually by November 1 provide to the chairs and ranking
2.10 minority members of the legislative committees with primary policy jurisdiction over
2.11 energy and environmental issues proposed legislation the commissioners determine
2.12 appropriate to achieve the reductions. If the commissioners determine no legislation is
2.13 appropriate, they shall report that determination to the chairs along with an explanation of
2.14 the determination.

2.15 **Sec. 3. [216H.10] DEFINITIONS.**

2.16 Subdivision 1. **Applicability.** For purposes of sections 216H.10 to 216H.15, the
2.17 following terms have the meanings given.

2.18 Subd. 2. **Agency.** "Agency" means the Pollution Control Agency.

2.19 Subd. 3. **Carbon dioxide equivalent.** "Carbon dioxide equivalent" means the
2.20 quantity of carbon dioxide that has the same global warming potential as a given amount
2.21 of another greenhouse gas.

2.22 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of the Pollution
2.23 Control Agency.

2.24 Subd. 5. **Global warming.** "Global warming" means the observed and predicted
2.25 increase in the temperature of the atmosphere near the earth's surface and the oceans.

2.26 Subd. 6. **Global warming potential or GWP.** "Global warming potential" or
2.27 "GWP" means a quantitative measure of the potential of an emission of a greenhouse
2.28 gas to contribute to global warming over a 100-year period expressed in terms of the
2.29 equivalent emission of carbon dioxide needed to produce the same 100-year warming
2.30 effect, as reported in Fourth Assessment Report: Climate Change 2007, International
2.31 Panel on Climate Change.

2.32 Subd. 7. **High-GWP greenhouse gas.** "High-GWP greenhouse gas" means
2.33 hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

3.1 Subd. 8. **Mobile air conditioner.** "Mobile air conditioner" means mechanical
3.2 vapor compression refrigeration equipment used to cool the passenger compartment of a
3.3 motor vehicle.

3.4 Subd. 9. **Motor vehicle.** "Motor vehicle" has the meaning given in section 168.011,
3.5 subdivision 4.

3.6 Subd. 10. **New motor vehicle.** "New motor vehicle" has the meaning given in
3.7 section 80E.03, subdivision 7.

3.8 Subd. 11. **Refrigerant.** "Refrigerant" means a substance used, sold for use, or
3.9 designed and intended for use in a mobile air conditioner to transfer heat out of the space
3.10 being cooled.

3.11 **Sec. 4. [216H.11] HIGH-GWP GREENHOUSE GAS REPORTING.**

3.12 Subdivision 1. **Gas manufacturers.** Beginning October 1, 2008, and each year
3.13 thereafter, a manufacturer of a high-GWP greenhouse gas must report to the agency the
3.14 total amount of each high-GWP greenhouse gas sold to a purchaser in this state during
3.15 the previous year.

3.16 Subd. 2. **Purchases.** Beginning October 1, 2008, and each year thereafter, a
3.17 person in this state who purchases 100 metric tons or more carbon dioxide equivalent
3.18 of a high-GWP greenhouse gas must report to the agency, on a form prescribed by the
3.19 commissioner, the total amount of each high-GWP greenhouse gas purchased during the
3.20 previous year and the purpose for which the gas was used.

3.21 Subd. 3. **Acceptance of federal filing.** With the approval of the commissioner, this
3.22 section may be satisfied by filing with the commissioner a copy of a greenhouse gas
3.23 emissions report filed with a federal agency.

3.24 **Sec. 5. [216H.12] MOBILE AIR CONDITIONER LEAKAGE RATES;**
3.25 **DISCLOSURE.**

3.26 Subdivision 1. **Leakage disclosure.** Beginning January 1, 2009, a manufacturer
3.27 selling or offering for sale a new motor vehicle in this state containing a mobile air
3.28 conditioner that uses the high-GWP greenhouse gas HFC-134a (1,1,1,2-tetrafluoroethane)
3.29 as a refrigerant must, 90 days prior to the initial sale or offer for sale, report to the
3.30 commissioner the leakage rate, in grams of refrigerant per year, for the type of mobile
3.31 air conditioner contained in that make, model, and model year. The leakage rate must be
3.32 calculated using the information provided in the most recently published version of the
3.33 Society of Automotive Engineers International document J2727, "HFC-134a Mobile
3.34 Air Conditioning System Emission Chart." The method by which the leakage rate is

4.1 calculated, accounting for each component of the air conditioning unit, must also be
4.2 reported to the commissioner.

4.3 Subd. 2. **Posting.** Beginning January 1, 2009, the agency and the Office of the
4.4 Attorney General must post on their Web sites:

4.5 (1) the leakage rate disclosed by a manufacturer under subdivision 1 for each model
4.6 and make of new motor vehicle sold or offered for sale in this state; and

4.7 (2) the following statement: "Vehicle air conditioning systems can leak refrigerants
4.8 that contribute to global warming. Some leak more than others. You can use the
4.9 information provided in the chart to compare information about the global warming
4.10 effects of refrigerant leakage from different makes and models when making a decision to
4.11 purchase a vehicle."

4.12 **Sec. 6. [216H.14] MOBILE AIR CONDITIONER REFRIGERANT;**
4.13 **RESTRICTION.**

4.14 After July 1, 2008, no person may buy or sell a refrigerant designed to be used in a
4.15 mobile air conditioner in a container holding less than 15 pounds of refrigerant.

4.16 **Sec. 7. [216H.15] ENFORCEMENT.**

4.17 Sections 216H.10 to 216H.14 may be enforced under sections 115.071 and 116.072.

4.18 **Sec. 8. REPORT.**

4.19 By February 1, 2009, the commissioner of the Pollution Control Agency shall
4.20 submit a report to the chairs and ranking minority members of the senate and house of
4.21 representatives committees with primary jurisdiction over environmental policy that
4.22 identifies the uses and emissions sources of hydrofluorocarbons, perfluorocarbons, and
4.23 sulfur hexafluoride in this state and suggests options for reducing or eliminating those uses
4.24 and emissions and the costs of implementing those options.

4.25 **Sec. 9. EFFECTIVE DATE.**

4.26 Sections 1 to 8 are effective the day following final enactment.