BILL ANALYSIS

Senate Research Center 83R5601 SLB-F

S.B. 383 By: Carona Business & Commerce 2/14/2013 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, both the state and the federal government regulate the use of authorized refrigerants and refrigerant substitutes that are used by air conditioning and refrigeration contractors. The federal standards are set by the Environmental Protection Agency (EPA). In Texas, the Texas Department of Licensing and Regulation (TDLR) regulates the air conditioning industry under Chapter 1302 (Air Conditioning and Refrigeration Contractors) of the Occupations Code. This chapter requires those who use refrigerants to comply with federal requirements, but the chapter also prohibits the sale of certain refrigerants and refrigerant substitutes. These two provisions have created confusion between state and federal regulatory standards.

The state's regulation of refrigerant products is unnecessary since those products are effectively regulated by the EPA, which is better qualified to address the scientific questions that dominate this area of regulation.

S.B. 383 removes the state's standards relating to authorized refrigerants and refrigerant substitutes by repealing Subchapter H (Sale and Use of Refrigerants), Chapter 1302, Occupations Code, and other references to the federal standards. With this change, the burden of determining which refrigerants and refrigerant substitutes are permissible will fall solely on the EPA, and TDLR will be able to focus its efforts on ensuring that air conditioning and refrigeration contractors comply with licensing requirements and other statewide regulations.

As proposed, S.B. 383 amends current law relating to the repeal of certain provisions governing the sale and use of certain refrigerants.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation (TCLR) in SECTION 4 of this bill.

Rulemkaing authority previously granted to TCLR is rescinded in SECTION 3 (Sections 1302.354 and 1302.355, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1302.059, Occupations Code, to provide that this chapter does not apply to a person who engages in or employs a person who engages in air conditioning services only on a motor vehicle or an MVAC-like appliance as defined by 40 C.F.R. Section 82.152, rather than only on a motor vehicle or MVAC-like appliance air conditioner.

SECTION 2. Amends Section 1302.453(a), Occupations Code, to delete existing text of Subdivision (3) providing that a person commits an offense if the person purchases a refrigerant or equipment containing a refrigerant in this state in violation of Section 1302.353 (Purchase of Refrigerant: License or Registration Required), 1302.355 (Purchase of Refrigerant: Evidence Requirement), or 1302.356 (Sale or Use of Certain Refrigerants Prohibited).

SECTION 3. Repealers: Sections 1302.002(13) (defining "MVAC-like appliance") and (16) (defining "refrigerant"), Occupations Code.

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Repealer: Section 1302.051 (Limitation on Exemptions), Occupations Code.

Repealer: Section 1302.452(b) (relating to authorizing certain inspectors to issue citations), Occupations Code.

Repealer: Section 1302.453(b) (relating to an exception to purchasing refrigerant equipment), Occupations Code.

Repealer: Subchapter H (Sale and Use of Refrigerants), Chapter 1302 (Air Conditioning and Refrigeration Contractors), Occupations Code.

SECTION 4. Requires the Texas Commission of Licensing and Regulation, not later than May 1, 2014, to adopt rules necessary to implement the changes in law made by this Act to Chapter 1302, Occupations Code.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: upon passage or September 1, 2013.

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