

**Statement of Chairman Frank Pallone, Jr.
Committee on Energy and Commerce
Subcommittee on the Environment & Climate Change
Hearing on “Promoting American Innovation and Jobs:
Legislation to Phase Down the Use of Hydrofluorocarbons.”**

January 14, 2020

We are here this morning to discuss H.R. 5544, the bipartisan American Innovation and Manufacturing Leadership Act. This legislation is supported by both industry and the environmental community. It will benefit our economy, maintain American manufacturing leadership, create jobs, and protect the environment.

I congratulate Chairman Tonko, and Representatives Olson, Peters and Stefanik for seizing this opportunity. H.R. 5544 will help the United States maintain its position as a leader in the chemical, appliance, and equipment industries. It will also allow us to continue as a leader in innovation and on global environmental issues.

H.R. 5544 builds upon our previous experience in phasing out CFCs – and their replacement chemicals, HCFCs. Our success working with other nations within the global framework of the Montreal Protocol is healing the ozone layer and reducing risks associated with higher exposures to ultraviolet radiation.

Because CFCs and HCFCs are also potent greenhouse gases, their phase out also averted additional global warming. Their replacement chemicals, hydrofluorocarbons or HFCs, helped us to address the ozone problem, but are also potent greenhouse gases. Fortunately, American companies are innovating new substitutes for HFCs. That means we have an opportunity to gain additional environmental benefits.

Innovation by industry resulted in a transition away from CFCs that was less costly to business and consumers than originally

anticipated. I am confident we can achieve the same outcome in the transition away from HFCs.

The European Union, and other nations like Japan, Canada, and China are already transitioning away from HFCs. This legislation will provide the certainty and stability American companies need to do the same. Not only will it help these companies remain competitive in the global market for air conditioning, heating, and other consumer products, but it will also help them increase their share of the global market. It has the potential of creating tens of thousands of high-quality American jobs.

H.R. 5544 embraces innovation and the power of the market to add billions to our economy while delivering environmental benefits. Phasing down the use of HFCs and transitioning to next-generation technologies provides the policy certainty American companies need

to capitalize on their investments in innovation and provide consumers with quality products that are anticipated to have lower operating costs.

H.R. 5544 is good for workers, good for the economy, good for consumers, and good for the environment. I thank our witnesses for being here today, and welcome back to the Committee Ben Lieberman, who once served on the Republican staff.

I yield my remaining time to Representative Peters.