



July 30, 2024

President Joseph R. Biden  
The White House  
1600 Pennsylvania Ave.  
Washington, DC 20500

Dear President Biden,

On behalf of the Air Conditioning Contractors of America (ACCA), I am writing to express our concerns regarding the current regulatory environment impacting the HVAC-R industry and we ask your Administration to pause all current rulemaking until there is a thorough legal review of the agency's constitutional and statutory authority to implement such regulations.

The recent Supreme Court decision in *Loper Bright Enterprises et al. v. Raimondo* has significantly altered the legal framework within which federal agencies operate. The Court's decision to overturn Chevron deference mandates that courts no longer defer to agencies' interpretations of statutes. This ruling underscores the necessity for a thorough legal review of all current and proposed regulations to ensure they are grounded in clear statutory authority as defined by Congress.

Our industry has long been subject to extensive regulations from agencies including, but not limited to: the Environmental Protection Agency, the Department of Energy, the Department of Labor, and the Department of Treasury. Implementing these regulations has often resulted in increased costs and operational challenges without clear demonstrable benefits. Specific issues impacting the HVAC-R industry include:

1. **Non-Refillable Cylinder Ban:** The EPA's ban on non-refillable cylinders, which ACCA successfully challenged in court last year, exemplifies the regulatory overreach burdening our industry.
2. **Regional Standards Stranding Inventory:** DOE's Regional Efficiency Standards, under The Energy Policy and Conservation Act of 1975 (EPCA), have created situations where contractors or distributors are unnecessarily left with stranded inventory that cannot be sold or installed, leading to significant financial losses.
3. **Ban on Non-Condensing Furnaces:** DOE's recent rule under EPCA, mandating 95% furnace efficiency, will coerce many American households to pay thousands to renovate their homes to accommodate condensing furnaces or heat pumps.
4. **Reproposed Cylinder Tracking Requirements:** Under the AIM Act, the reintroduction of cylinder tracking requirements, previously thrown out in court, poses unnecessary administrative burdens and costs on contractors.
5. **Proposed Cylinder Return Mandates:** The potential mandates for returning cylinders add further complexity and logistical challenges without clear environmental benefits.

6. **OSHA's Walkaround Rule:** This rule allows union representatives to accompany OSHA inspectors during inspections at non-union workplaces, raising concerns about privacy and operational disruptions for contractors.
7. **Overtime Rule:** The proposed changes to the overtime rule will disproportionately affect small businesses, increasing labor costs and administrative burdens.
8. **Other Regulatory Challenges:** Additional regulations affecting our industry include the joint employer rule, Corporate Transparency Act, and various other standards that impact small businesses and contractors, often without sufficient consideration of their economic impact.

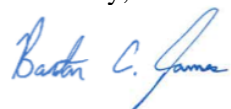
Considering the Supreme Court's ruling, we urge your Administration to:

1. **Pause All Current Rulemakings:** Halt the progress of all pending regulations and refrain from enforcing any new regulations until a comprehensive legal review can confirm their statutory and constitutional validity.
2. **Reevaluate Existing Regulations:** Conduct a detailed reassessment of all existing regulations, particularly those that significantly impact the HVAC-R industry, to ensure they are justified and necessary.
3. **Engage with Industry Stakeholders:** Facilitate open dialogues with industry representatives to ensure that any future regulations are not only legally sound but also economically feasible and practically implementable.

The HVAC-R industry plays a crucial role in the economy, providing essential services to millions of Americans. The regulatory framework within which we operate must be both fair and effective. The recent Supreme Court decision offers a unique opportunity to recalibrate the balance of regulatory power, ensuring that federal agencies operate within the bounds of their legal authority.

Thank you for considering our request. We look forward to working collaboratively with your Administration to achieve a regulatory environment conducive to environmental goals and economic growth.

Sincerely,



Barton James  
President & CEO  
Air Conditioning Contractors of America