



DAIKIN U.S. CORPORATION  
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April 8, 2020

The Honorable John Barrasso  
Chairman  
Committee on Environment & Public Works  
Washington, D.C. 20510

The Honorable Thomas Carper  
Ranking Member  
Committee on Environment & Public Works  
Washington, D.C. 20510

Dear Chairman Barrasso and Ranking Member Carper

On behalf of the Daikin US Corporation, representing the Daikin family of companies operating in the United States, I am writing to urge you to support passage of The American Innovation and Manufacturing Act of 2019 (AIM Act), S. 2754. The AIM Act establishes a phasedown for hydrofluorocarbon (HFCs) and has bipartisan support with more than 30 Republican and Democratic senators cosponsoring. It also has the support of business group and environmental organizations, including the National Association of Manufacturers, the United States Chamber of Commerce, the Natural Resources Defense Council, and major trade associations serving the U.S. HVACR industry.

The national phasedown of HFC refrigerants outlined in the AIM Act ensures a rational, efficient, and cost-effective transition to alternative and environmental effective technologies and refrigerants—many of which are made and produced here in the United States. This common-sense bill would promulgate very limited authority for the Environmental Protection Agency to implement a phasedown of production and consumption of HFCs over a 15-year period.

This phasedown would have abundant downstream effects. According to the *Economic Impacts of U.S. Ratification of the Kigali Amendment* report by the Interindustry Forecasting Project at the University of Maryland, the transition to lower GWP refrigerant 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.



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Passage of the Aim Act helps ensure the US maintain its technological leadership and global market share, and is critical to America's economic recovery.

In addition, the changes to the law would provide consumers with sustainable technology options, not impact refrigerant availability to existing equipment owners, and lower net lifecycle costs for consumers. A preliminary analysis performed by EPA estimates billions of dollars in consumer costs savings over the proposed implementation period. Alternatively, without a federal program, a less efficient technology transition could yield higher costs for consumers and create great uncertainty for US manufacturing.

Daikin employs more than 16,000 US workers who manufacture some of the most advanced and efficient residential and commercial HVACR and air filtration equipment. I strongly urge you to support the American Innovation and Manufacturing Act of 2019 and prioritize innovation, sustainability, and the American economy

Sincerely,

David B. Calabrese

A handwritten signature in black ink that reads "David B. Calabrese".

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