

## **Washington State Senate**

August 21, 2023

Linda Kildahl Department of Ecology Air Quality Program P.O. Box 47600 Olympia, WA 98504-7600

Re: Proposed Rules on Air Conditioning and Refrigeration (WSR 23-15-048)

Dear Ms. Kildahl,

The Department of Ecology's new proposed regulation of air conditioning and refrigeration will reduce business production in Washington by \$619 million, eliminate over 3,000 jobs, and impose costs on small businesses exceeding \$6,000 per employee.<sup>1</sup> Due to these significant costs, we are writing to highlight the Regulatory Fairness Act (RFA) requirement for the department to "reduce the costs imposed by the rule on small businesses."<sup>2</sup>

The RFA was enacted "with the intent of reducing the disproportionate impact of state administrative rules on small business."<sup>3</sup> The Act sets forth several options that agencies must consider in order to reduce regulatory burdens on small businesses:

- Reduce, modify, or eliminate substantive regulatory requirements
- Simplify, reduce, or eliminate recordkeeping and reporting requirements
- Reduce the frequency of inspections
- Delay compliance timetables
- Reduce or modify fine schedules for noncompliance
- Adopt other mitigation techniques suggested by small businesses<sup>4</sup>

Unfortunately, the department rejected most of these options, despite concluding that the new rule will impose large and disproportionate costs on Washington's small businesses in dozens of industry sectors.<sup>5</sup> We urge the department to reevaluate its approach to RFA cost mitigation measures before adopting the final rule, and to consider additional options for reducing the economic impact of the new air conditioning and refrigeration rules.<sup>6</sup>

Sincerely,

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Shelly Short State Senator 7<sup>th</sup> Legislative District

Matt Boehnke State Senator 8<sup>th</sup> Legislative District

<sup>&</sup>lt;sup>1</sup> WSR 23-15-048. Preliminary Regulatory Analyses 96-99, 102 (Publication No. 23-02-081, July 2023).

<sup>&</sup>lt;sup>2</sup> RCW 19.85.030(2).

<sup>&</sup>lt;sup>3</sup> RCW 19.85.011.

<sup>&</sup>lt;sup>4</sup> RCW 19.85.030(2)(a)-(f).

<sup>&</sup>lt;sup>5</sup> Preliminary Regulatory Analyses 99, 101 (Publication No. 23-02-081, July 2023).

<sup>&</sup>lt;sup>6</sup> RCW 19.85.030.