

Trade & Competitiveness

AIM Act (S. 2754)/AIM Leadership Act (H.R. 5544)

The AIM Act ensures an orderly transition to next-generation refrigerants and related products and equipment. The absence of a federal standard means a slower and disorderly transition that places American manufacturers at a competitive disadvantage.

- Major foreign markets such as China, Japan, Canada, and the European Union want to beat the United States in the transition to next-generation refrigerant technologies.
- The more orderly the transition, the more quickly it will happen, as federal legislation provides manufacturers with the regulatory certainty needed for further investment and long-term planning.
- Absent federal legislation in the United States, manufacturers in China and elsewhere will surge ahead of American manufacturers in developing products and equipment using alternative refrigerants, stealing market share here and abroad.
- The U.S. heating, ventilation, air conditioning, and refrigeration (HVACR) industry has a long, proud history of being first to market with new technologies and related products, which has benefitted American businesses, workers, and consumers for more than 100 years.
- Failure to pass the AIM Act surrenders this competitive advantage to manufacturers in China and elsewhere; once lost, it will prove nearly impossible to regain. This will cost American jobs, reduce investment in the U.S. economy, and stifle U.S. innovation.

The AIM Act would limit the quantities of HFCs that can be manufactured here in the United States and also those imported from foreign markets, such as China.

- This is significant for American manufacturers, because some foreign producers are currently exporting HFCs to the United States and heavily subsidizing their prices.
- Subsidizing the prices of goods exported to the United States is commonly referred to as “dumping” and likely violates trade agreements and rules.
- Dumping is an anti-competitive practice that can put U.S. companies out of business.

In 2017, the U.S. International Trade Commission affirmatively determined that products were being sold in the U.S. market at prices below fair value.

- In fact, many foreign-produced products were being sold at or below the cost of manufacture.
- The U.S. Department of Commerce assigned anti-dumping duties, but this failed to solve the problem.



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- Instead, the unlawfully subsidized products were relabeled to appear to be coming from other countries not subject to the anti-dumping duties.

The AIM Act would put an immediate end to these anti-competitive practices by preventing foreign competitors from trying to gain an unfair and potentially illegal advantage over American-made products.

- There is no other feasible way to protect American manufacturers and workers from these anti-competitive practices.
- American-made next-generation products and equipment can outperform those of foreign competitors if all parties play by the same rules. The AIM Act ensures U.S. manufacturers have a level playing field.