



AHRI Policy Position Online Permitting

The Air-Conditioning, Heating, and Refrigeration Institute (AHRI) is the trade association representing manufacturers of heating, ventilation, air-conditioning, refrigeration (HVACR) and water heating equipment within the global industry. AHRI's more than 320 member companies account for over 90 percent of HVACR and water heating residential and commercial equipment manufactured and sold in North America.

Background

As an industry, we know that there is a tendency for homeowners and contractors to install HVACR equipment without the proper permits for a variety of reasons. Often, this is because HVACR installations and repairs are unplanned emergencies precipitated by failed equipment. While the repair or replacement is ongoing, the consumer's family is without air-conditioning or heat. Consumers expect that contractors complete the installation and repair as quickly as possible.

One of the major hurdles to increased permitting compliance is the patchwork of highly localized permitting systems, which almost always requires an individual to spend hours at a city or county building office, submitting the application for a permit in person. The process of applying for permits in person serves as a costly barrier to compliance, particularly because a contractor will charge the homeowner by the hour for the time spent completing the permitting process.

Beyond the cost and inconvenience of many existing permitting systems, when permits are not properly secured and unpermitted installations of equipment take place, that equipment may not be properly installed. When equipment is not installed properly, it can lead to an increase in the energy needed to cool a building or home. Unpermitted installations also mean health and safety requirements may not be met, since local agencies tasked with enforcement are unable to ensure the systems are installed to code. These local agencies also miss out on the revenue derived from permits and, finally, contractors that pull proper permits must compete with those that do not, and can offer their services for a lower cost.

Industry Position and Policy Considerations

AHRI supports the establishment of statewide online permitting systems that streamline the permit application process and reduce barriers to permitting compliance. Where such policies are under consideration, AHRI supports a dual-track approach that allows individuals to submit their permit application for review through the online system or in person at their local building office. By preserving the in-person option, consumers and contractors can select the option that best meets their needs.

To increase permitting compliance, some states have considered instituting serial number tracking or digital tracking systems. AHRI opposes this method of attempting to increase permitting compliance, due to industry's significant concerns around the feasibility and cost of implementing such a system, as well as the data privacy concerns inherent to collecting and sharing proprietary information.

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