

108th Congress
Congress of the United States
House of Representatives

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EDUCATION AND THE WORKFORCE
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SELECT EDUCATION SUBCOMMITTEE
TRANSPORTATION AND
INFRASTRUCTURE COMMITTEE
SELECT COMMITTEE ON INTELLIGENCE
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SUBCOMMITTEE ON
TECHNICAL AND TACTICAL INTELLIGENCE

A *COOL* Way to
Aid Manufacturers AND the Environment!

Co-sponsor H.R. 3953
The Cool and Efficient Buildings Act

Dear Colleague,

I am writing to ask that you become a co-sponsor of H.R. 3953, the Cool and Efficient Buildings Act. This *bi-partisan* legislation would reduce the depreciation period of Heating, Ventilation, Air-Conditioning and Refrigeration (HVACR) systems in commercial buildings to 15 years from the current 39-year period. A 15-year period accurately reflects the life-span of these units, while the current 39-year period acts as a disincentive toward investment and replacement of old systems.

This simple change in the tax code would:

Reduce Business Costs: Reducing the depreciation period will provide an incentive for building owners to upgrade to more efficient equipment by allowing them to expense more of the costs of the systems each year. New chillers are 35 to 40 percent more efficient than chillers installed 20 years ago. By replacing a building's existing units, building owners and managers lower energy costs and reduce energy demand.

Provide Economic Stimulus: The U.S. air conditioning and refrigeration industry employs more than 175,000 workers and contributes \$17 billion annually to the U.S. economy. This U.S. industry exports \$4.7 billion annually, providing an industry trade *surplus* of more than \$2.1 billion. Lowering the depreciation period to an accurate 15 years would encourage building owners to invest in new systems, creating business for American manufacturers and contractors.

Reduce Energy Use and CFCs: The replacement of old systems with newer, advanced technological systems greatly increases efficiency and reduces carbon dioxide emissions. H.R. 3953 provides an incentive for the replacement of the 36,226 chillers still in use as of January 1, 2004, that use chlorofluorocarbon (CFC) refrigerants. This represents 45 percent of the original 80,000 CFC chillers banned from production in the United States in 1995 due to concerns over the impact of CFCs on the environment.

Please join me as a co-sponsor of H.R. 3953 and help bring common sense to the U.S. tax code while creating an incentive to invest in new, efficient HVACR systems. For more information or to become a co-sponsor, please contact John McDonald in my office at x54401 or at john.mcdonald@mail.house.gov.

Sincerely,



Pete Hoekstra
Member of Congress