Compliance Best Practices: Evaluation and Improvement

High rates of compliance are essential in order for state appliance standards to have their intended impact. In order to improve compliance rates, states must first understand what the compliance landscape looks like for various product categories. States can do this on their own, in collaboration with other states, and/or with third party implementers.

Evaluating Compliance

As time and budget allow, evaluating compliance rates will give an indication of what is working, where there may be room for improvement, and allow states to determine what kind of compliance improvement would be the most effective.

Identifying Noncompliant Products

States can use various methods to determine if a product is noncompliant, including:

1. **Industry complaints**. A very low-effort yet highly impactful action all states are advised to take is to establish an *Appliance Standard Help Center*, which can be as simple as a designated email address and/or phone number for members of the public to submit complaints. This could also take shape as an online form. This help center is explored further in this document; the **Standard Declaration Template** contains an example form that can be used to standardize submittals.

2. **Online marketplace research.** It is recommended that for any complaint, a basic follow up step through online research is taken. This would entail navigating to a manufacturer, distributor, or retailer website, identify in-scope products and their model numbers, and check them against the State Appliance Standard Database (SASD) or the Modernized Appliance Standard Database System (MAEDbS). Since websites display all product offerings, not just those sold in a particular state, it is likely that states will find noncompliant models online. To accurately evaluate whether a noncompliant product is being sold in a state, state administrators would have to add products to their virtual shopping cart and attempt to check out in order to see if the website prevents the product from being shipped.

   o These findings can support enforcement efforts or provide an indication of what industries might be struggling with compliance.

o While online retail can be a challenge, with every new state adopting consistent appliance standards, national e-commerce retailers are starting to become accustomed to these regulations.

3. **In-store research**. As time and budget allow, an in-store audit is an effective way to spot check compliance. The basic process is the same as #2except evaluating compliance with in-store products. This method will require more resources but is easier to evaluate what products are truly being sold in the state. Programs with field staff visiting retailers, such as energy efficiency implementers, could potentially be tapped to support this effort as they frequently visit retailers.

4. **Test lab report evaluation and product testing**. A much higher effort activity could be pursued if a product can be found in the SASD or MAEDbS but states have reason to believe the product may not meet the performance requirements. In this situation, a state can request the test lab documentation. If there is still reason to believe the product is not compliant, states could purchase several of the products and have them tested in a lab according to the respective test procedure. If the product is found to be noncompliant, the state can decide whether to pursue legal enforcement actions.

Appliance Standard Help Center

Market actors, especially manufacturers, are likely to have various questions about the scope, requirements, test procedure, certification, and compliance processes involved in state standards and the SASD. Even if the answers to their questions can be found online, in some cases, they may want to ask someone a question directly, especially because detailed standard specifications and code language can be confusing. This help center can also serve as the channel for market actors to submit complaints of noncompliant products being sold. Therefore, it's important for states to establish a communication pathway for the market to ask questions and report complaints about noncompliance directly.

Critical components:

- Designate an email specifically for stakeholder questions. As staffing and resources allow, it is best practice to respond to a question in 1-2 business days.

Optional

As resources allow, it is also recommended that states:

- Establish a phone number to accompany the email.

- Document each inquiry, the product category, and who is asking it (e.g., manufacturer, test lab, etc.). This will help states identify trends over time which can help prioritize compliance improvement efforts.

Compliance Improvement

Once a state has an understanding of where there are compliance challenges, there are several steps that can be taken to improve compliance across the board. In many cases, these efforts may look identical for different states; states with the same standards are encouraged to collaborate on compliance improvement efforts as much as possible.

Outreach

Critical

- At a minimum, it is recommended to conduct initial outreach as standards regulations are nearing effect to make sure people are aware of the standards, compliance processes, and enforcement. While it may not always be possible, ideally this occurs as soon as possible so the market actors have time to prepare for compliance.

Optional

As resources allow:

- Host a webinar to discuss the regulations and provide a forum for people to ask questions.

- Attend and/or exhibit at relevant industry events.

- Develop an annual or bi-annual newsletter that contains reminders on standards, information on how to comply, etc.

  - Set up a listserv for market actors to sign up to receive alerts. This will help keep contact lists up to date, and ensure that those receiving an email blast have opted in.

Resource Development

Critical

- Through the SASD development process, NEEP has developed manufacturer and distributor/retailer/installer fact sheets. These resources are designed to help explain both the standards and the importance of certifying to the SASD and MAEDbS. At a minimum, these pre-established resources should be shared. They can be found on the Resources tab of the SASD.

Optional

As resources allow and depending on the challenges for compliance, there may be benefit in:

- Developing additional detailed fact sheets for individual standards or groups of standards (i.e., plumbing products) that break down the requirements.

  o [The Appliance Standards Awareness Project](#) has several fact sheets published and can be a resource here.

- Develop an FAQ document based on the questions that come through the Appliance Standard Help Center. This could be customized per state or could be a collaborated FAQ across states and ultimately could be posted as a resource on the SASD site.

Compliance with state appliance standards is likely to vary significantly as new states pass standards legislation and the market actors adjust. Luckily, across states, there is significant consistency and general alignment between standards. This will help drive market transformation. Any actions taken to improve compliance with state standards will have an impact on the broader market.