

“Examining the Chemical Facility Anti-Terrorism Standards Program”
Opening Statement of Chairman Ron Johnson
June 12, 2018

The purpose of this roundtable is to examine the state of the Department of Homeland Security’s Chemical Facility Anti-Terrorism Standards program, or CFATS, a regulatory program intended to improve security at high-risk chemical facilities.

The nation’s chemical industries are critical to our economy and way of life. According to the American Chemistry Council, who is here today, the chemical industry is directly involved in 96 percent of manufactured goods. Businesses that use chemicals employ millions of American citizens, and help to feed, clothe, and shelter people around the world. Chemical industries are critical to our nation’s exports and economic prosperity. As a former plastics manufacturer, I understand that these enterprises are the backbone of our nation’s economy.

The chemical industries also pose a potential security risk. Adversaries, including terrorists, may seek certain chemicals to harm Americans. In 2007, Congress created the CFATS program to regulate security standards for certain high-risk chemical facilities. The program is now set to sunset in January 2019. In the coming months, this Committee will consider whether and how to reauthorize the program. Today’s roundtable will assist us in that task.

The CFATS program has a troubled track record. GAO and other watchdogs have identified major problems in the past, including long backlogs to review security plans, a flawed categorizing methodology that did not consider key risk elements, and program management issues. Interest groups have raised questions about the program’s security value and potential duplication with other regulatory regimes. Other stakeholders have highlighted the absence of effective metrics to measure the value of security investments and whether the program is keeping us safer. They also asked for greater transparency from the Department so they can make more informed security adjustments moving forward.

In 2014, the Committee passed legislation to reauthorize and reform the CFATS program. I am pleased that DHS has made progress managing the program, including working through the large backlog of Site Security Plans and conducting outreach efforts and inspections that emphasize security performance over compliance. These improvements helped lead many industry groups, including some present today, to support the program’s reauthorization. I am also mindful that there may be other reasons for why industry groups may favor this program’s continuation, including the fear of more costly or disruptive regulatory regimes that could appear in CFATS’s absence.

Today we have assembled a roundtable of key stakeholders to discuss the program’s future. We welcome representatives from DHS, GAO, and the private sector, including representatives of industries regulated by CFATS. I thank everyone for joining this roundtable, and look forward to your comments.