

THE WHITE HOUSE
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FACT SHEET: Executive Order on Improving Chemical Facility Safety and Security

Today, the President signed an Executive Order to improve the safety and security of chemical facilities and reduce the risks of hazardous chemicals to workers and communities. Chemicals and the facilities that manufacture, store, distribute and use them are essential to our economy. However, incidents such as the devastating explosion at a fertilizer plant in West, Texas in April are tragic reminders that the handling and storage of chemicals present serious risks that must be addressed. While the cause of the Texas explosion is under investigation, we can take some common sense steps now to improve safety and security and build on Federal agencies' ongoing work to reduce the risks associated with hazardous chemicals.

The Executive Order on Improving Chemical Facility Safety and Security directs the Federal Government to:

- improve operational coordination with state and local partners;
- enhance Federal agency coordination and information sharing;
- modernize policies, regulations and standards; and
- work with stakeholders to identify best practices.

Improving Operational Coordination with State and Local Partners

Federal, state, local, and tribal governments have different responsibilities in addressing risks associated with chemical facilities, including response planning for potential emergencies. To improve the effectiveness and efficiency of risk management and response measures, the Executive Order charges Federal agencies with improving coordination and information sharing with state and local governments. For example, the Executive Order requires Federal agencies to develop a plan within 90 days that identifies ways to ensure State homeland security advisors, State Emergency Response Commissions (SERCs), Tribal Emergency Response Commissions (TERCs), Local Emergency Planning Committees (LEPCs), Tribal Emergency Planning Committees (TEPCs), State regulators, and first responders have ready access to key information in a useful format to prevent, prepare for, and respond to chemical incidents.

Enhancing Federal Coordination and Information Sharing

Programs designed to improve the safety and security of chemical facilities through regulations, information reporting requirements, site inspections, and voluntary partnerships are managed by multiple Federal agencies, including the Environmental Protection Agency (EPA), Department of Homeland Security (DHS), Department of

Labor (DOL), and the Department of Justice (DOJ). To improve the collective performance of these Federal programs, the Executive Order calls upon Federal agencies to initiate innovative approaches for working together on a broad range of activities, such as identification of high-risk facilities, inspections, enforcement, and incident investigation and follow up. For example, the Executive Order requires that the Federal agencies deploy a regional pilot program that will validate best practices and test innovative new methods for Federal interagency collaboration on chemical facility safety and security. Additionally, Federal agencies are specifically directed to modernize the collection and sharing of chemical facility information to maximize the effectiveness of risk reduction efforts and reduce duplicative efforts.

Modernizing Policies, Regulations and Standards

The Executive Order directs Federal agencies to work with stakeholders to improve chemical safety and security through agency programs, private sector initiatives, Federal guidance, standards, and regulations. For example, to reduce risks associated with ammonium nitrate, agencies will examine new options to address the safe and secure storage, handling, and sale of this explosive chemical. Agencies will also determine if additional chemicals should be covered by existing Federal regulatory programs, such as EPA's Risk Management Program (RMP), DHS's Chemical Facilities Anti-Terrorism Standards (CFATs), and DOL's Process Safety Management Standards (PSM). In addition, agencies will consider whether to pursue an independent, high-level assessment of the U.S. approach to chemical facility risk management to identify additional recommendations for all levels of government and industry to reduce the risk of catastrophic chemical incidents in the future.

Working with Stakeholders to Identify Best Practices

Many chemical facilities have taken steps to create safer work environments and reduce risks of chemical incidents to nearby communities. The Executive Order directs key Federal agencies to convene a wide range of interested stakeholders, including representatives from industry, state, local, and tribal governments, non-governmental organizations, and the first responder community, to identify and share successes to date and best practices to reduce safety and security risks in the production and storage of potentially harmful chemicals, including through the use of safer alternatives, adoption of best practices, and potential public-private partnerships.

Background on Federal Programs for Chemical Facility Safety and Security

Federal agencies implement a number of programs to help prevent chemical facility accidents, reduce risks of terrorist attacks on chemical facilities, protect chemical facility workers, collect and share relevant information with the public and decision makers, and prepare communities and local, tribal, and state first-responders to respond to potential large-scale accidents. State, local, and tribal authorities also have critical responsibilities in managing risks from chemical facility accidents through setting and enforcing requirements for zoning, siting, and emergency response and planning. The

primary Federal agencies and programs aimed at addressing chemical safety and security at chemical facilities¹ are summarized below:

Environmental Protection Agency (EPA)

- EPA's **Risk Management Program (RMP)**, established under the Clean Air Act, is aimed at reducing chemical risk at the local level. EPA's rules require owners and operators of a facility that manufactures, uses, stores, or otherwise handles certain listed flammable and toxic substances to develop a risk management program that includes hazard assessment (including an evaluation of worst-case and alternative accidental release scenarios), prevention mechanisms, and emergency response measures. Facilities submit information regarding their risk management program (the information submitted is a "Risk Management Plan" or "RMP") to EPA. RMP information helps local fire, police, and emergency response personnel prepare for and respond to chemical accidents, while allowing citizens to understand chemical hazards in their communities. EPA has focused its chemical plant safety inspection and enforcement efforts on the highest risk facilities.
- EPA also implements the **Emergency Planning and Community Right to Know Act (EPCRA)**, which was designed to promote emergency planning and preparedness at the state, local, and tribal levels. EPCRA helps ensure local communities and first responders have needed information on potential chemical hazards within their communities in order to develop community emergency response plans. Under EPCRA, facilities with Extremely Hazardous Chemicals must notify the State Emergency Response Commission or Tribal Emergency Response Committees (TERCs) and Local Emergency Planning Committee (LEPC), as well as participate in local emergency planning activities. LEPCs and TERCs are then responsible for developing a community emergency response plan.

Department of Labor/Occupational Safety and Health Administration (OSHA)

- OSHA's **Process Safety Management (PSM)** standard sets requirements for the management of highly hazardous substances to prevent and mitigate the catastrophic releases of flammable, explosive, reactive, and toxic chemicals that may endanger workers. The PSM standard covers the manufacturing of explosives and processes involving threshold quantities of flammable liquids and flammable gasses, as well as 137 other highly hazardous chemicals.

¹ The Federal government also has a number of regulatory programs related to the safe and secure transportation of chemicals across all modes of transportation, including highway, rail, aviation, maritime, and pipeline. This fact sheet is focused on chemical safety and security at fixed facilities and does not address the programs focused on the transportation of hazardous materials.

- In 2011, OSHA launched its **Chemical Plant National Emphasis Program** (NEP) to conduct focused inspections at randomly-selected facilities among worksites likely to have highly hazardous chemicals in quantities covered by the PSM standard. Under this program, OSHA has corrected serious safety issues through approximately 350 inspections and the issuance of 1,325 violations.

Department of Homeland Security (DHS)/National Protection and Programs Directorate (NPPD)

- DHS/NPPD is responsible for implementing **Chemical Facility Anti-Terrorism Standards** (CFATS), the Federal government's primary regulatory authority for security of chemicals at stationary facilities. CFATS is helping make the nation more secure by requiring high-risk chemical facilities to develop and implement security plans that meet eighteen risk-based performance standards established by the Department. Additionally, since the program's inception, more than 3,000 facilities have voluntarily removed or reduced the onsite quantity of chemicals of interest to the point that the facilities are no longer considered high-risk.

Department of Homeland Security (DHS)/United States Coast Guard (USCG)

- The U.S. Coast Guard (USCG) is responsible for maritime security under the **Maritime Transportation Security Act** (MTSA), 46 U.S.C. § 70101, et seq., which includes authority over certain port facilities that use, store, or transport chemicals or engage in other chemical-related activities.
- MTSA reinforces the national and global importance of security for the marine transportation system, and provides a crucial framework for ensuring the safety of maritime commerce and our domestic ports. MTSA's key requirement is to prevent a maritime transportation security incident (TSI) - defined as any incident that results in a significant loss of life, environmental damage, transportation system disruption, or economic disruptions to a particular area. Within the maritime venue, preventing TSI's has been a core mission of the Coast Guard since its beginning.

Department of Justice/Bureau of Alcohol, Tobacco, Firearms, and Explosives (DOJ/ATF)

- ATF is responsible for enforcing **federal explosives laws** that govern commerce in explosives in the United States including licensing, storage, record keeping, and conduct of business. ATF conducts inspections of federal explosives licensees who manufacture, import, sell or store explosives in the United States to ensure explosives are managed in accordance with federal law. In Fiscal Year 2012, ATF conducted 5,390 explosives inspections resulting in approximately 400 reports of violations.

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