

Frank Pallone Jr., Chairman, Committee on Energy and Commerce
Opening Statement
Markup of CFATS and HFCs Legislation
Subcommittee on Environmental and Climate Change
March 12, 2020

Today we are marking up legislation to promote American manufacturing and innovation, protect communities and consumers, and address the climate crisis.

We will first consider H.R. 6160, a bill to extend the authorization for the Chemical Facility Antiterrorism Standards program, commonly referred to as CFATS. Without this bill, the CFATS program will end next month, leaving dangerous chemicals unguarded and the surrounding communities at risk.

The CFATS program isn't perfect. We need serious changes in the program to address transparency, environmental justice, worker participation, resilience and more. I had hoped to bring up a comprehensive CFATS reauthorization bill to make these important changes.

Unfortunately, this Administration and some in the Senate want this program to expire. President Trump's budget eliminated the CFATS program, and the Senate Republican Chairman responsible for the program has repeatedly said that he supports eliminating it.

But eliminating the program with no alternative in place would create unnecessary and unreasonable risks for the communities around these facilities. For that reason, I have been negotiating with my colleagues on this Committee, on the House Homeland Security Committee and in the Senate to find a path to continue this program.

This bill provides that path and I strongly urge all my colleagues on both sides of the aisle to support it.

Next, we will consider H.R. 5544, the American Innovation and Manufacturing Leadership Act or the 'AIM Leadership Act.' This bipartisan legislation offers us a unique opportunity to support American manufacturing leadership, protect consumers, create jobs and confront the climate crisis – all at zero cost to the taxpayer.

I commend Chairman Tonko and Representatives Olson, Peters and Stefanik for their leadership on this legislation, as well as the 12 other Republicans and 12 other Democrats who have cosponsored the bill. I also want to thank the Natural Resources Defense Council, the Chamber of Commerce and the National Association of Manufacturers for supporting the bill. In fact, H.R. 5544 is widely supported by both industry and the environmental community because they recognize that what is good for the economy can be good for the environment, and vice versa.

The global shift away from hydrofluorocarbons, or HFCs, is already underway. But absent a strong federal framework, American manufacturers risk falling behind in this transition and American consumers face the risk of price spikes.

H.R. 5544 builds upon our previous experience phasing out ozone-depleting substances and their replacement chemicals. Transitioning away from those substances helped heal the ozone layer, but the shift to HFCs has presented new challenges because they are potent greenhouse gases. Prior phasedowns of ozone-depleting substances have not only been seamless, but also less costly to businesses and consumers than expected. This bill puts the country on a path to replicate that success.

American companies are already developing new, innovative alternatives to HFCs. But they have warned that without a federal framework, the transition will be slower, less efficient, and more expensive to consumers than it needs to be. In fact, U.S. manufacturers have indicated that they are already at risk of losing their competitive advantage to foreign companies.

If signed into law, H.R. 5544 will help the United States maintain its position as a leader in the chemical, appliance and equipment industries. The legislation will provide the policy certainty manufacturers need to reap the benefits of their investments in innovation. And it will ensure a transition to next-generation technologies that is predictable and less costly.

The AIM Leadership Act will help companies not only to remain competitive in the global market for air conditioning, heating and other consumer products, but also to increase their share of the global market. It could potentially create tens of thousands of high-quality American jobs. And we expect it will save American consumers billions of dollars.

In addition, the climate benefits of transitioning away from HFCs cannot be overstated. These chemicals are enormously powerful greenhouse gases. Phasing down their use would significantly reduce climate-damaging emissions. I'm encouraged by recent bipartisan interest in climate action, and since this legislation comes with zero cost to the federal government, I see no reason why Members on both sides of the aisle would not support it.

H.R. 5544 is a win for the economy, a win for consumers, and win for the environment.

I thank my colleagues on both sides of the aisle for their leadership on both of these bills, and I look forward to continuing our work to advance both bills out of Committee on a bipartisan basis.

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