



Chemical Safety Board Likely to Shut Down – What Employers Need to Know

Insights

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The Trump Administration has allocated no money to fund the Chemical Safety Hazard Investigation Board (CSB) for fiscal year 2026, directing the agency to use its emergency funds to shutter its doors by the end of fiscal year 2025. Still, employers in high-risk sectors (especially the energy industry) shouldn't let their guard down when it comes to protecting workers and maintaining a safe working environment. What does this development mean for employers and what should you do as a result?

What is the CSB?

The CSB is authorized by the Clean Air Act Amendments of 1990 and became operational in 1998. The agency is independent from the executive branch and other agencies and was created to investigate the causes of accidents and prevent future incidents.

The CSB does not issue regulations or citations on its own. Instead, the agency issues safety recommendations, which are used by both private and public entities, including the Occupational Safety and Health Administration (OSHA) and Environmental Protection Agency (EPA).

What Happened?

According to the Office of Management and Budget's Technical Supplement to the 2026 Budget Appendix, President Trump has proposed that funding for the CSB be eliminated "as part of the Administration's plans to move the Nation towards fiscal responsibility and to redefine the proper role of the Federal Government." Specifically, President Trump has denied the CSB's \$14 million budget because, according to the administration, the CSB's investigation of "chemical-related mishaps" duplicates the EPA and OSHA's capabilities.

In addition, the administration has stated that elimination of the CSB is appropriate because the "CSB generates unprompted studies of the chemical industry and recommends policies that they have no authority to create or enforce."

Trump has directed that the CSB use its emergency fund (\$844,145) to close the agency during fiscal year 2025. Any amounts not necessary for the closure of the CSB is directed to "be permanently cancelled not later than September 30, 2026."

Reactions to the CSB's Expected Closure

The closure of the CSB is in line with the Trump administration's aim to deregulate the oil and gas industry. Trump tried to close the agency in his previous term but was blocked by Congress. This term, Republicans control both the House and the Senate so it's unlikely that the CSB will be saved.

Twenty-eight House Democrats have urged the President to reverse his decision to close the CSB. Their letter cites concerns that "[t]he CSB has long received strong bipartisan support...As many devastating chemical incidents amass hundreds of millions of dollars in property and economic damages, the prevention of one disaster would save multiples of the CSB's total FY24 budget."

What Does this Mean for Employers?

Without the CSB, the Trump administration places the burden of investigating chemical-related incidents on government entities like OSHA and the EPA. These agencies, however, are also facing cuts.

- **EPA's budget** is being slashed from \$9.1 billion in FY 2025 to \$4.2 billion in FY 2026, a cut of about 54%. The EPA's scientific research arm, the Office of Research and Development, is also slated for elimination.
- **OSHA's budget** is being cut from \$632.3 million in FY 2025 to \$582.4 million in 2026.

Without the CSB and with these budgetary cuts, enforcement agencies like OSHA and the EPA will have fewer resources to conduct thorough investigations of chemical-related incidents. In addition, investigations currently being conducted by the CSB will be put to an end once the CSB is shut down.

The closure of the CSB removes one agency that often asserted control during chemical incident investigations. Now, employers will primarily deal with other agencies like OSHA and the EPA during major chemical incidents. This shift not only reduces overlapping oversight but also lessens the risk of high-profile negative publicity that often accompanied CSB involvement.

Action Items for Employers

Even with reduced federal oversight, employers in high-risk industries shouldn't lower their guard. Here are steps to consider:

1. Review internal investigation protocols

Ensure your organization can conduct swift and effective internal investigations after chemical incidents, especially if external agency involvement becomes more limited.

2. Reinforce safety training and reporting systems

Without CSB investigations spotlighting systemic failures, it's critical to maintain strong internal reporting and hazard identification mechanisms.

3. Stay informed through alternative safety channels

Follow recommendations from industry groups, safety associations, and professional organizations (e.g., AIChE, ACC) to stay current on best practices and compliance suggestions.

4. Monitor regulatory and litigation trends

Stay updated on any evolving OSHA or EPA guidance and prepare for the possibility of private litigation filling enforcement gaps.

5. Document proactive safety efforts

With a potentially less visible federal watchdog, documenting your company's proactive safety measures can help mitigate risk and demonstrate due diligence.

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Conclusion

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