Dear Sir or Madam,

The National Steering Committee (NSC) for the national network of state Small Business Environmental Assistance and Small Business Ombudsman Programs thank you for the opportunity to comment on the President’s Executive Order 13563, “Improving Regulation and Regulatory Review,” and Executive Order 13610, “Identifying and Reducing Regulatory Burdens”. The state Small Business Environmental Assistance and Small Business Ombudsman Programs (SBEAP/SBO) were created under s. 507 of the Clean Air Act Amendments of 1990 and represent nearly all 50 states. For over 20 years, the SBEAP/SBOs have provided extensive, hands-on assistance to small businesses to help them understand environmental regulations such as the New Source Performance Standards (NSPS), National Emissions Standards for Hazardous Air Pollutants (NESHAP), and numerous state-based standards.

The SBEAP/SBOs have previously submitted comments on Executive Order 13563 in a letter dated April 4, 2011. We are reiterating these comments along with additional ones, as they remain relevant. Please find this letter attached as additional comments for the current request-for-comment period. Together these comments provide clarity to USEPA from the on-the-ground troops assigned by their states to help small businesses understand and comply with regulations.

According to the US Census Bureau, in 2011, there were over 5 million small businesses in the US with fewer than 20 employees. Many of these are regulated by EPA rules or more stringent state rules. An additional 500,000 small businesses employed 100 to 499 people and many of these are regulated by USEPA rules. The trend is toward more small businesses opening in the US. All have different degrees of skill, resources, and access to electronic reporting tools. Thousands are located in rural areas that have no access to broadband and limited access to Internet of any kind. This information demonstrates why environmental rules may be outmoded, ineffective, insufficient, or excessively burdensome to small businesses. We agree with EPA’s goal of reducing the reporting burden on small businesses.

The SBEAP/SBO network, through their Technical Subcommittee consisting of over 70 members representing all 10 EPA regions and EPA staff, stands ready to work with EPA to reduce unnecessary red tape for America’s small businesses. On behalf of the national SBEAP/SBO network, the NSC respectfully submits the following additional comments:

**Electronic Reporting under RCRA**

EPA should develop and make available one data system that captures nationally all electronic manifest (e-manifest) and biennial reporting data for all businesses, big and small, and state regulators. This would result in consistency across all states, territories and tribal lands; it would result in only one party incurring the development, maintenance, and training costs thereby reducing cost duplication and effort nationally, and would ease the regulatory
burden for all by providing learning curve benefits across the regulators and regulated community. EPA is in the process of potentially reacquiring and further developing an electronic biennial reporting system for the 2017 biennial reporting year. The current electronic reporting system will be patched together for one more round the 2015 biennial reporting year. With this potentially large scale endeavor EPA might better utilize resources to combine the e-manifest collection system with an electronic biennial reporting system since the manifest data is the driver behind biennial reporting results.

General Comments for Electronic Reporting

The SBEAP/SBO national network understands increased electronic reporting is becoming a mainstay under EPA’s Next Generation of Compliance initiative. However, a “one size fits all” is demonstrated to fail when applied to small businesses without regard to their industry, location, access, and knowledge-base. We ask that EPA consider allowing greater flexibility for small businesses. For instance, if electronic reporting is made mandatory for a particular rule, then please consider that the requirement only be made mandatory for major sources while electronic reporting is made optional for area sources. This captures EPA’s need to track emission reductions over time. Additionally, we ask that EPA consider giving small businesses that are also major sources, a longer period of time to transition to electronic reporting. In our experience, many small businesses may not own computers or do not have access to the internet. Non major small business sources should have the opportunity to opt in to electronic reporting without being required to do so.

The SBEAP/SBO network questions the benefits gained through electronic reporting as it is currently structured. At this time, it appears that making data available online is demonstrating minimal usefulness. Some states have commented that while data might be available in CEDRI, this data is not proving useful in performing a compliance review. In that case, the sources may be asked to submit additional information to the state to supplement the information that was already submitted via CEDRI, and in the end the reporting burden has increased rather than been reduced.

The current electronic reporting infrastructure makes it very confusing for small businesses to submit the required reports. Each rule may have only certain reports (i.e., Notification of Compliance Status, Performance Evaluation Results) that are required to be submitted electronically, while others are still submitted on paper. Yet, when the business (or their representative) attempts to use CEDRI or CDX to submit a required electronic report, the particular test method or form is not available. When questioned, EPA contacts will indicate that a custom report option may be used. This custom option is very generic and takes the submitter additional time, and possibly a few false starts that have to be deleted and started over, to complete the required report. Once submitted, the business is left with a measure of uncertainty regarding whether the custom option truly satisfied the required electronic report and may still submit a paper copy to be certain the report is received. This comment can be applied to many of the National Emissions Standards for Hazardous Air Pollutants.

Comment Periods for Proposed Rules

If EPA is truly focused on streamlining regulations, the SBEAP/SBO network requests that EPA increase the comment period duration for all proposed rules and requests for comments to enable states to reach out to small businesses, their stakeholders, and associated trade associations. Often the standard 60 to 90 days is not enough time for the small business
community to read, review, understand, and provide comments on most proposed rules. Then, when multiple comment periods open up for proposed rules simultaneously, this creates an unfair situation of not having enough time to prepare comments for rules that could have profound impacts on small businesses.

In addition, many states have active small business Compliance Advisory Panels (CAPs) that meet on a quarterly basis. These CAPs are comprised of small business owners and representatives who consult and advise the agencies on small business environmental issues. If a comment period should open up that might not coincide with a particular state’s CAP meeting schedule, then valuable feedback from small business owners themselves may not make its way back to EPA in time before the comment period has closed. We suggest a minimum of 120 days for comment after the proposed rule is published in the federal register. Additionally, early in the rule development process, for rules that are expected to impact small businesses, we encourage EPA to hold a minimum of 3 pre-rule release workshops for small businesses and their service providers. This should benefit the EPA and small businesses in terms of better rule design. The 507 programs are ready to assist EPA in this regard.

We greatly appreciate the opportunity to comment on Executive Orders 13563 and 13610. If you need any additional information or clarification of our comments, please contact Jeremy Hancher, Co-Chair of the NSC Technical Subcommittee at (215) 573-3410 or hancherj@wharton.upenn.edu.

Sincerely,

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Cc: Joan Rogers, EPA/SBO
    Brian Castro, SBA