

## MULTI-MEDIA COMPLIANCE ASSISTANCE BACKGROUND FACTSHEET

### The Costs of Federal Regulations by Firm Size Across All Business Sectors, *per employee*

Type of Regulation	<20 Employees	500+ Employees
All Federal Regulations	\$7,647	\$5,282
Economic	\$2,127	\$2,952
Workplace	\$920	\$841
Tax Compliance	\$1,304	\$780
<b>Environmental</b>	<b>\$3,296</b>	<b>\$710</b>

*Source: The Impact of Regulatory Costs of Small Firms, W. Mark Crain, September 2005.*

### STATE SMALL BUSINESS ASSISTANCE PROGRAMS HELP

- The Programs help small businesses become **more efficient**, so they use fewer inputs and create less waste, resulting in greater profits, which they can spend on new equipment or other enhancements to their own businesses and thus enhance the US economy – the Programs help small businesses and the economy thrive!
- State assistance programs have been found to reduce the cost of environmental compliance by as much as 50 percent.
- Satisfied small business clients tell us that the programs work!
- Small Businesses tell us that for them there are not air, water or waste issues – there are only environmental issues; they want one source of assistance.

### TOTAL COVERAGE - What does it mean?

Total coverage is an efficient way to provide technical and general environmental compliance assistance for all environmental issues – air, water, waste - to small businesses in one location – a “win-win” approach for businesses, agencies, the environment, the economy, and society.

### SBAPs RECOGNIZE SMALL BUSINESS NEEDS AND ARE TRYING TO RESPOND

- 11 programs have received state legislative authority to provide Total Coverage.
- A number of other programs have evolved into Total Coverage on their own.
- The majority of SBAPs are only authorized to provide assistance with air regulatory compliance.
- SBAPs are anxious to be able to provide “Total Coverage” services.

### THE “TOTAL COVERAGE” GOAL

To secure legislative authority and adequate funding to enable SBAPs to provide Total Coverage services in all US states and territories.

**HOW DOES TOTAL COVERAGE BENEFIT ALL OF US?**

Total Coverage helps small businesses improve their triple bottom line and reinforces sustainability across the wide array of industries small businesses represent.

**The Triple Bottom Line: Economic, environmental, and social responsibility**

- **Economic:** Effective environmental assistance fosters and maintains jobs “at home” – reduced costs to small businesses due to efficient use of time and labor enable businesses to remain in-state *and* attract other businesses to the state.

*Efficient environmental compliance = Reduced operating costs = Investment/Reinvestment in business improvement = Improved/Enhanced profits = Improved state/U S. economy*

- **Environmental:** Proactive environmental compliance assistance for small businesses ensures that impacts to the natural environment and demand for resources are reduced, while furthering environmental agencies’ abilities to meet their goals.

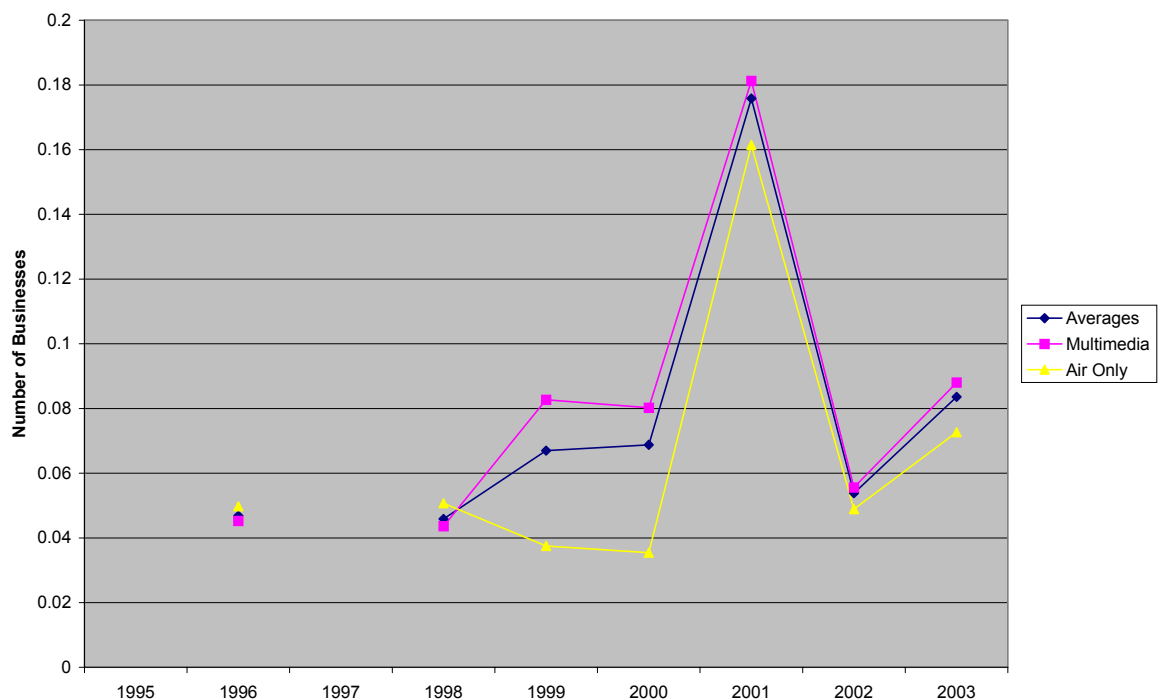
*Comprehensive environmental assistance = Pollution prevention = Cleaner environment*

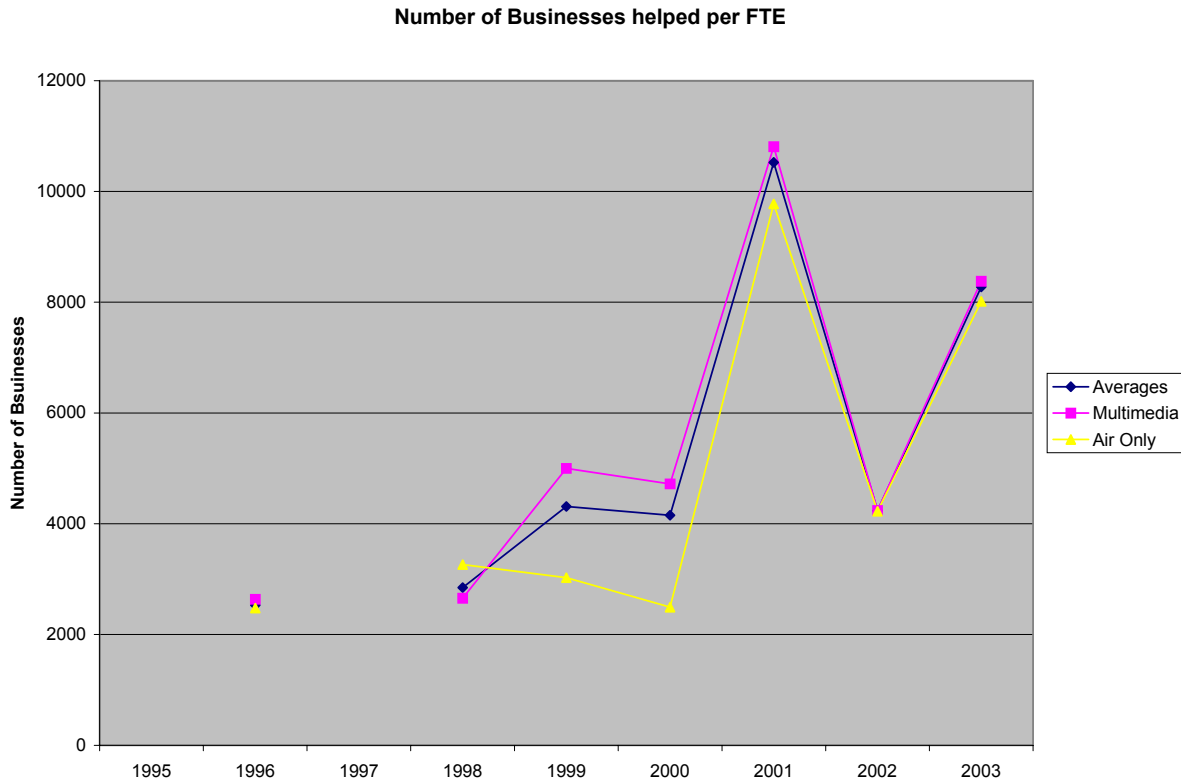
- **Social:** Environmental compliance assistance increases awareness and promotes stewardship, which results in pollution prevention by small businesses. Pollution prevention minimizes human health risks by improving the quality of local and regional air, water, and lands.

*All-inclusive environmental assistance = Wide-ranging education/assistance = Enhanced Awareness = Improved environmental stewardship = Reduced health risks*

Note: See attached “Benefits to All” diagram.

**Number of Businesses Helped Per \$ Spent**





Outliers and states reporting no budget were removed to equalize the data.

### WHAT IS IN IT FOR EPA?

- **Breaks down the paradigms** - Breaks down compliance assistance “stovepipes” at state level.
- **Is innovative** – It is in line with EPA’s innovative thinking: SBAPs are thinking outside the box by bringing it back to basics – Total Coverage is the “common sense” approach to comprehensive environmental assistance;
- **Promotes partnerships** - Strengthens relationships with trade associations that will be helpful in rule development and other initiatives.
- **Promotes Pollution Prevention** - Gets support from trade associations to urge their members to comply and/or improve compliance.
- **EPA’s Mission** – Helps EPA fulfill its mission of protecting human health and the environment, while helping small businesses improve their triple bottom line.
- **Allows Leverage** – Strengthens state programs’ abilities to address small business issues, leveraging EPA and state resources to meet stated Presidential, EPA, and state goals.

### SBAP TOTAL COVERAGE EXPANSION ACTION PLAN

- Generate support at the local, state, and national level for provision of total coverage, including associated funding.
- Pursue legislative authority for total coverage assistance and associated funding in all states and territories

### POTENTIAL FUNDING OPTIONS

#### National

- Include as part of EPA’s budget
- Stand-alone legislation

### State

- Dedicated central budget – as part of the Commissioner’s or Secretary’s budget
- Allocation of some percentage of each media’s budget toward a centralized program fund

**Examples of Existing Funding Structures** – See attached summary of examples.

**NOTE:** In 2003, the state Small Business Assistance Programs, the Pollution Prevention Roundtable, and the Association of Small Business Development Centers signed a *Memorandum of Understanding* stipulating, among other topics, that the ASBDC would support legislation granting total coverage authority and additional funding for the SBAPs.

### WHAT DOES THE INITIATIVE NEED?

- **Chuck Kent/Jay Benforado** – Support initiative; schedule meeting with Rob Brenner;
- **Rob Brenner** – Support initiative; work with OPEI to schedule meeting with Deputy Administrator Marcus Peacock;
- **Brian Mannix** – Support initiative; help engage Deputy Administrator Marcus Peacock; schedule meeting with Marcus Peacock to discuss the initiative and the role of Administrator Steve Johnson;
- **Marcus Peacock** – Support initiative; help engage Administrator Steve Johnson; work with OPEI & OAR to schedule briefing for the Administrator;
- **Steve Johnson** – Support initiative; present the proposal to the NGA at its February 2006 meeting;
- **OMB** – Support initiative; suggest potential funding mechanisms, e.g., include in EPA’s budget;
- **NCAP** – Outreach to national trade associations – ask them to help lobby Congress; lobby Congress, OMB, others;
- **SBD** – Provide support to SBAPs to pursue initiative; outreach to national trade associations – directly and helping the NCAP; help states implement Total Coverage once authorized;
- **State CAPs** – Outreach to state/local trade associations – ask them to help lobby state Congressional delegations and state legislatures; lobby state Congressional delegations and state legislatures; seek support of state Governors;
- **State SBOs/SBAPs** – Outreach to state trade associations;
- **Trade associations (national & state)** – Support initiative; help lobby Congress and state delegations and legislatures; seek support of state Governors;
- **NGA** – Accept concept; establish legislation authorizing and adequately funding Total Coverage services by state and territory SBAPs.

### POTENTIAL “FALL-BACK” APPROACHES – If unable to meet with NGA or if NGA is not interested

- Letter from EPA Administrator Steve Johnson to state Governors urging them to establish legislation authorizing and adequately funding Total Coverage services by state and territory SBAPs.
- Approach ECOS.