

STATE SMALL BUSINESS ASSISTANCE PROGRAMS (SBAPs) BACKGROUND FACTSHEET

THE SBAP MISSION

The Small Business Assistance Program provides free, non-regulatory technical assistance, publications, and tools to help small businesses comply with environmental regulations, and advocates for small businesses.

PROGRAM BACKGROUND

- Established by Congress as part of the Clean Air Act Amendments of 1990, in all U.S. states and territories
- No federal funding
- Funded primarily through state air permit fees; some get other funding from various sources
- Currently average:
 - budgets of \$300,000;
 - 4 full-time employees.
- Designed to meet the specific needs of state small businesses
- Non-Regulatory
- Housed in various state organizations (state discretion) to provide air emissions regulatory compliance assistance:
 - **Regulatory Agency** – Most programs are housed in the state environmental regulatory agency.
 - **University** –Housed in a college or University located within the state. The University/College has a contract with the state.
 - **Small Business Development Centers** - Housed in a Small Business Development Center (SBDC) located within the state. The SBDC has a contract with the state.
 - **Other State Agency** - Housed in another state agency other than the regulatory agency. The state agency has a contract with the state regulatory agency.
- Over 10 years of experience in providing assistance to small businesses resulting in a clear understanding of small business needs and issues
- Provided assistance to small businesses more than five million times in the past three years
- Oversight by EPA Small Business Ombudsman – established by the CAA; support by SBO – hotline, website, tools, publications, national conference, training, etc.; support by OAR – federal Small Business Technical Assistance Program, technical website

KEY CUSTOMERS

- Small business community
- Trade associations
- Compliance Advisory Panels (comprised of legislatively-appointed small business owners)
- U.S. Congress
- State legislators
- State regulatory officials
- Other state agencies
- State Small Business Ombudsmen
- EPA Small Business Ombudsman
- EPA's Office of Air & Radiation (RTP)
- EPA Regional Small Business Liaisons

KEY ROLES & RESPONSIBILITIES

- Provide free technical and compliance assistance to small businesses on:
 - Applicable requirements
 - General and sector-specific notices of upcoming rules and regulations
 - Rights of small businesses
 - Compliance methods and control technologies
 - Pollution Prevention (P2) and release prevention
 - Permit application development and filing
 - Audit programs
- Deliver free assistance via:
 - Toll-free hotlines
 - On-site visits
 - Workshops/Seminars
 - Publications
 - Targeted and general mailings
 - Websites
 - Partnerships with trade associations, P2 programs, and others
- Develop and provide free compliance tools
- Refer small businesses to other specialists as needed
- Advocate on behalf of small businesses

THE ROLE OF SMALL BUSINESSES IN THE U.S.

- Small Businesses comprise 99.7% of U.S. businesses. As a result, they have a significant impact on the U.S. economy and the environment;
- They generate over 75% of total new jobs;
- They employ over 50% of the private work force;
- They represent 97% of all U.S. exporters;
- They represent 52% of private sector outputs.

SMALL BUSINESS DAY-TO-DAY COSTS

- **90 percent** of businesses in the United States **employ fewer than 20 people**.
- Small businesses **spend 45 percent more per employee than larger firms** to comply with **all** federal regulations.
- Environmental compliance represents the **second largest regulatory compliance cost** for U.S. businesses overall.
- Small businesses pay **364 percent more than large firms** for environmental compliance.
- Environmental compliance **represents almost 50% of small business total regulatory compliance costs** - by far the largest compliance cost for U.S. small businesses. Tax compliance is a distant third averaging slightly over 17 percent.

**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 |
| Environmental | \$3,296 | \$710 |

*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.

KEY SERVICES PROVIDED BY A STATE SMALL BUSINESS ASSISTANCE PROGRAM

Small businesses have told us that the services provided by a compliance assistance program which they consider most crucial are:

- **A Single Point of Contact** – They do not have time to “shop.” They need one place where they can get help on all environmental areas.
- **Site Visits** – They consider these critical. Face-to-face meetings at the place of business educate both the business owner and the agency staff conducting the visit, and promote cooperative relationships.
- **Website** – A website that they can access easily, which is simple, and easy to navigate – “user friendly.”
- **Publications (printed)** – Concise, simple, plain-language publications outlining programs, regulatory requirements, etc. are extremely helpful.
- **Fact sheets** – Simple, easy to understand, one-page fact sheets covering either one topic or one industry sector, but listing all environmental requirements – not only air, water or waste.
- **Layman’s Language** – “Translate” complex rules into simple, plain-language, easy-to-understand fact sheets.
- **Hotline** – Small businesses need a place where they can “get an answer right now” on any environmental topic.