Regulations, Small Business and Environmental Justice House Committee on Small Business, written testimony

Lemir Teron, PhD Associate Professor Howard University Department of Earth, Environment & Equity

There should be little doubt that small businesses thrive when environmental regulations are conceived and developed in an atmosphere of transparency and in which proper safeguards and enforcement means are enacted. Strong regulations enable small firms to operate on a more even playing field with large business that can often chalk up lax environmental regulations and the "right to pollute" as a standard process within the business cycle. With smart regulation, not only are ecologies strengthened, but so are conditions for labor, local economies and the overall health of communities.

There are a cadre of Federal resources devoted to aid small firms' compliance with state and Federal environmental statutes, including the Office of Small and Disadvantaged Business Utilization, Compliance Assessment Centers and a host of other Federal and state level resources. This is further undergirded by the legal framework designed to aid small businesses and help them shape the regulatory making processes enacted under the Small Business Regulatory Enforcement Fairness Act and the Regulatory Flexibility Act, respectively. When regulatory policies are accessible, and supporting bodies and resources are adequately funded, the regulatory climate consequently benefits everyone.

Environmental regulations make the marketplace safter for us all; not only do they increase confidence that products are safe for users, but also help ensure that products and services are manufactured, developed and delivered in a manner that's beneficial for workers and that the communities in which they are processed and consumed in are protected. Strong standards also help in the competitive space amongst firms, as businesses -- small and large alike -- can act with increased security knowing they are insulated from competitors who'd seek to reduce cost through dangerous methods, engage in excessive polluting or cutting corners which may expose workers to unsafe conditions

Strong regulations are crucial in protecting marginalized communities from being further harmed by industrial pollution. That the consequences of environmental pollution have acted within the context of the long and brutal legacy of environmental racism and inequality is well documented. The uneven vulnerability to air pollution and acts of "super" polluters -- those industrial polluters responsible for a lion's share of air pollution -- exemplifies this. It should be no surprise, to anyone, on the committee or otherwise, as to whose neighborhoods carry the burden for these discharges: disproportionately African American and low income communities. Recent research has revealed that the environmental and public health consequence of large polluting facilities exposes frontline communities, which are disproportionately composed of African American and other groups that have historically been socially, politically and economically marginalized, to dangerous levels of pollution that undermine their life quality and public health on a daily basis. Additionally, these communities carry steep energy burdens (the percent of take home pay that goes towards heating and cooling needs). Not only do labor from these communities often bear the brunt of dangerous work, in a bonanza of insufficient environmental protections, these communities become clustered with suites of polluting facilities that expose the young and old, impoverished and well off, to life harming substances. Though cliché, it's disingenuous and inaccurate to advance tropes regarding regulations being designed to target or disrupt small firms. Of the 20,000+ industrial facilities that have EPA reporting responsibilities, a third of both toxic releases and GHG emissions originate from only about 100 firms, and the list is dominated by large firms which are amongst the most powerful corporations in the world, not the small businesses that anti-regulation advocates feign.

Strong and clear environmental regulations center healthy environments, human livelihoods and dignity and advance the interests of the nation's economic engine: labor. Notwithstanding claims espousing otherwise, the threat to US workers and small businesses aren't imposed by environmental regulations, but the absence of them -- which undermines both public and environmental health. Anti-regulatory activity compromises worker safety, and has historically been driven by the interests of large firms. In a democratic, just and moral society, our regulatory environment shouldn't subsidize harmful actions of the large and powerful under the illusory cloak of protecting small business.

What happens in the absence of regulations? And who benefits from operating in an anti-regulatory climate? It's certainly not those environmental justice communities, cited on the frontlines of polluting industries. Nor is it workers, whose safety gets compromised when the absence of strong regulation and safety measures makes them expendable. Mostly benefiting from an anti-regulatory and safety environment, are large firms and their related interests, the control and management of which are often based and far removed from the local communities that are most directly impacted from industrial pollution which regulations are designed to protect against.

While history is filled with those that proclaim the disastrous impacts of industry harming and job 'killing' regulation, the historical record doesn't bear this out. Prominent examples abound. Notwithstanding those that crusaded against car safety measures, automobile safety efforts save innumerable lives annually, and have spurred innovations which ultimately help the auto industry and small firms through indirect and induced job growth. More recently, dissenting voices have railed against energy sector regulation which decreases pollution levels and clean air in power plants: not only do local airsheds in fenceline communities improve with regulation, lessening incidents of cancer and respiratory illness, but controls also help stave off climate change Furthermore, energy efficiency and the transition to renewable energy technologies all increase opportunities for energy independence, economic development and local autonomy. Why is it that many of those who seemingly espouse those ideals, under the guise of anti-regulation, often fight against the clearest pathways towards them? The irony abounds.

It's critical, for the sake of workers, vulnerable communities and small businesses to resist those voices that dangerously oppose any and all calls for environmental regulations which champion the right to pollute using the shield of being small business friendly

There is reason to be, cautiously, hopeful. Environmental regulations, which not only safeguard communities and workers also spur innovation, workforce and economic development. And when operating in concert with targeted efforts to address economic disparities prevalent in marginalized communities, such as the Justice40 initiative, and its commitment of providing substantial environmental and climate programming resources and benefits to 'disadvantaged' communities, can mean massive economic, health and environmental gains for these communities, that ultimately benefit all of society. As the EPA further concentrates its efforts to combat climate change and environmental inequality, the opportunity for an energy transition, that is more locally controlled, just and which advances the interests of small business and local communities is substantial. Recent and projected job growth in the renewable energy sector provides a clear vision as to what this can look like. Groups like Climate Jobs New York, an alliance of over 2 million labor union members whose dual focus is aligned around work that confronts climate change while combating economic inequality offer a template of what a just and equitable renewable energy economy can aspire to.

The US will continue to push forward efforts to combat climate change and a host of related threats ranging from extreme heat and superstorms, vulnerable agriculture and food systems, flood-prone cities and energy system vulnerability. Strong regulations that work in concert with renewable energy transitions, and that

centers labor and communities that have suffered due to long histories of inequality, are vital in moving the nation and planet forward. As regulations protect the lifeblood of small firms, workers, communities, economies and environments, all of us are better for it. As is the nation.