

**Unifying EPA's Small Business
Activities:
*A Strategy to Meet the Needs of Small
Businesses***

IMPLEMENTATION PLAN

FINAL
October 12, 2004

INTRODUCTION

The Environmental Protection Agency (EPA) issued its revised small business strategy on June 27, 2003 entitled *Unifying EPA's Small Business Activities: A Strategy to Meet the Needs of Small Businesses*. The Strategy was developed through the efforts of EPA's Small Business Workgroup that is led by EPA's Small Business Division and composed of representatives from EPA's Program and Regional Offices. This document presents the proposed plan for implementing that Strategy and achieving its goals; it also was developed by the Small Business Workgroup. The table below displays the flow of events that were involved in developing this document.

Strategy Elements

The Strategy focuses on four major elements aimed at unifying EPA's small business activities.

- Strengthen the Agency's Small Business Advocacy Roles
- Expand Small Business Involvement in the Regulatory Process
- Evaluate and Develop Compliance Assistance Tools and Resources
- Promote Programs that Reward Environmental Leadership

Priority Activities

The Workgroup developed recommended action activities to implement the Strategy in the near term and then prioritized the activities based on expected outcome, feasibility, and resource requirements. Virtually all of the activities addressed are already existent and to some degree operational within the Agency. The priority activities identified by the Workgroup may change over time but they all fall under five Overarching Actions listed below.

Five Overarching Actions

The Small Business Workgroup has combined all top priority recommendations to implement the Small Business Strategy into three overarching actions that reflect the three major stages of implementation. They are Assessment/Analysis, Communications/ Dialogue, and Advocacy. Additionally, the Workgroup identified two programmatic actions which can occur either in conjunction with the three Overarching Actions, or independently. Due to the natural interaction of the activities within these actions there will be some overlap. In these cases the activity is placed in the action where it fits best.

The three basic overarching actions to implement the Small Business Strategy can be briefly described as follows:

- **Assessment and Analysis:** Ensure consideration of small business sectors with greatest impact on the environment in Agency planning processes, as follows: 1) As EPA Program and Regional Offices develop priorities, determine which small business sectors contribute to their identified environmental problems and ensure they are considered and addressed as appropriate; 2) Determine which small business sectors contribute the most to nation-wide environmental problems and ensure they are considered in Agency-wide planning processes, as appropriate, and addressed.
- **Communications and Dialogue:** Continue to expand interactions within the Agency and with small business sectors to ensure early small business involvement in development of rules, policies and programs and to improve and simplify access to and exchange of information concerning them.
- **Advocacy:** Advocate the cause of small businesses within EPA by effectively addressing small business regulatory issues that significantly affect their environmental performance and regulatory burden, while protecting public health and the environment.

The two programmatic actions identified by the Workgroup are described below:

- **Compliance Assistance Tools, Voluntary Programs & Innovative Technologies:** Improve EPA's marketing of compliance assistance tools and voluntary programs, promote more small business involvement in the development of innovative technologies, and apply all to more effectively address the needs of and improve the environmental performance of small businesses.
- **Recognition and Awards:** Establish a program of recognition for EPA activities, small businesses, and other organizations that contribute significantly to improved environmental performance by small businesses. Where possible, work with other existing awards programs to recognize the contributions small businesses make to all segments of EPA

Each of the five overarching actions incorporates, as appropriate, ongoing Agency activities in the Program and Regional Offices. The overall goal of this plan is to bring unity and improved effectiveness to Agency efforts to assist small businesses in improving their environmental performance, while preserving flexibility for appropriate action by Program and Regional Offices in accordance with the needs of their small business constituencies while contributing to protection of the environment.

It is anticipated that coordination and collaboration, coupled with stakeholder feedback on approaches and tools that work for small businesses, will enable Program and Regional Offices to more effectively integrate small business issues into their planning processes and activities. This should result in efficiencies of time and cost. Within the framework of improved use of existing activities and resources, the Agency can improve its governmental performance while improving small business environmental performance.

The descriptions of the actions in this implementation plan do not include specific operational plan details such as lead personnel, schedules, and milestones. It is not a workplan but a general plan of action that focuses on actions and commitments. Each of the Program and Regional Offices should use its best judgment on how to carry out this plan of action, based on its available resources.

The Suggested Outcome Measures presented are examples and will not be universally applied. Rather, each Program and Regional Office may modify the suggested outcome measures and as necessary create new ones based on their own Government Performance and Results Act (GPRA) and office priorities.

Acknowledging that there are few additional resources to perform the tasks identified by the workgroup, this implementation plan focuses on maximizing the benefits of programs already in place. It must be noted, however, that the enhancement of some activities will require some additional resources. Actions recommended which would require additional resources are:

- The creation of a Regional Small Business Liaison position in each region
- Adjustments determined by Program and Regional Offices to be necessary as a result of assessments conducted.

This Implementation Plan was developed by the dedicated efforts of over fifty EPA staff representing all the major Program Offices and several Regions, working as the Small Business Workgroup (SBWG). Through the development process, four subgroups were established to address the four key elements of the Small Business Strategy and to develop preliminary action activities for consideration and prioritization by the full Workgroup. Each Subgroup developed a separate report listing all actions recommended to implement its assigned element. This document includes only the near-term recommended actions and priorities; however, it is the intent of the SBWG that all recommendations made by the Subgroups be retained as a resource of potential actions to be considered for implementation in the future.

This proposed Implementation Plan addresses environmental and regulatory compliance assistance and does not apply to federal assistance for contracting, grants,

or cooperative agreements

In order to maintain simplicity and limit the volume of this document, supplemental materials developed as part of the process and other background documents are not included in this Implementation Plan. The supplemental materials and background documents are available as reference materials and include the following:

- A. Participants in Development of the Small Business Strategy Implementation Plan
- B. Compilation of the Subgroup Reports
- C. Detailed Analytical Blueprint for EPA's Small Business Strategy Implementation Plan
- D. Unifying EPA's Small Business Activities: A Strategy to Meet the Needs of Small Businesses

PRIORITY RECOMMENDATIONS

The priority recommendations are identified under five overarching actions and are presented in the following format for clarity and ease of reference: Action, Objective, Basis, Action Activities, Suggested Outcome Measures, and Involved Offices.

Action	Presents a brief description of the recommendation and acts as the recommendation's title.
Objective	Details the anticipated outcome of the recommendation.
Basis	Identifies the current situation and provides the reasoning behind the recommendation as well as the activities listed immediately below it.
Action Activities	Lists a series of recommended activities to implement the recommended action. The activities are primarily focused on meeting the goal presented in the objective, but may have some overlapping features with other recommended actions due to their intertwined nature.
Suggested Outcome Measures	Provides suggested indicators to measure the success of the action activities. The actual measures used by each office will vary dependant upon GPRA and other Program and Regional Office priorities.
Involved Offices	While all offices have some involvement with each aspect of the Implementation Plan, this section designates the offices that have a heightened role in the action's coordination and implementation.

Assessment/Analysis

Action:

Ensure consideration of small business sectors with greatest impact on the environment in Agency planning processes, as follows:

- As EPA Program and Regional Offices develop priorities, determine which small business sectors contribute to their identified environmental problems and ensure the small business contributions are considered and addressed, as appropriate.
- Determine which small business sectors contribute the most to nation-wide environmental problems and ensure they are considered in Agency-wide planning processes and addressed as appropriate.

Objective:

Maximize the effectiveness of EPA's environmental programs by ensuring that the contribution by small businesses to national, regional or media-specific environmental problems are identified and appropriately addressed with respect to pollution reduction efforts during the Agency's planning process.

Basis:

Small businesses account for the vast majority of all businesses in the US. Due to the diffuse nature and varying composition of types of small businesses, Program and Regional Offices address small business sectors independently. Individually, small businesses may often have little impact on a Program or Regional Office's overarching plans. However, due to the large number of small businesses, their effect on regional and programmatic environmental problems may be substantial and should be considered when determining priorities. Operating without a firm understanding and plan about how small businesses affect Program and Regional priorities increases the difficulty of achieving stated goals. Additionally, EPA lacks an in-depth nation-wide picture of the impact of small businesses and faces many challenges in attempting to help them reduce their environmental footprint. Determination of small business sectors contributing to nation-wide environmental problems will allow coordination and collaboration among Programs and Regions, which will result in economies of scale and will maximize the Agency's ability to derive environmental benefits. It should be noted that, as the Program and Regional offices prioritize the contribution of small businesses to environmental problems nationwide, there may be instances where some small businesses should appropriately be affected by EPA's programs, policies and rules that are not the highest national priorities, but that are part of an environmental concern that needs to be addressed.

Action Activities:

- Program and Regional Offices determine, during priority-setting processes, which small business sectors contribute to their identified environmental problems and address these sectors as appropriate;
- The Small Business Division will conduct an analysis of which small business sectors contribute to identified national environmental problems;

- The Small Business Division, in collaboration with the Regional Small Business Liaisons, will identify sectors common to Program and Regional Offices and explore potential synergies and opportunities to increase coordination among the various EPA organizations;
- Based on feedback received from small business stakeholders during communications and dialogue, determine the issues that create environmental performance barriers for small business sectors contributing to identified environmental problems and develop strategies to address them as appropriate;
- Assess the effectiveness of existing rules in reducing small business environmental impacts per RFA/SBREFA requirements, and explore and identify opportunities to assess the effectiveness of other existing rules, policies, and programs in reducing small business environmental impacts, consistent with identified priorities.
- Use the small business “flag” in the Integrated Compliance Information System (ICIS) as an Agency-wide mechanism to track and assess the effectiveness of compliance assistance activities provided to small businesses; Assess the value of assistance tools and services to selected small business audiences to help improve their environmental performance.

Suggested Outcome Measures:

- Minimized environmental impacts of small business sectors on identified nationwide, Program and Regional -specific environmental priority areas; e.g., as evidenced by increased participation in voluntary programs and implementation of Environmental Management Systems and Best Management Practices;
- Increased coordination and collaboration among EPA Program and Regional Offices in addressing common small business sector issues; e.g., via the Small Business Workgroup managed by the Small Business Division;
- Reduced barriers to small business environmental performance; e.g., as identified via communications/dialogue;
- The needs and issues of both Program and Regional Offices and respective small businesses are effectively integrated into Agency planning processes, as appropriate, and addressed;
- Improved overall effectiveness of activities to reduce pollution contributions and improve environmental performance for the small business sectors; e.g., as evidenced by increased participation in voluntary programs, implementation of Environmental Management Systems, and/or Best Management Practices.

Involved Offices:

OPEI/SBD
Program and Regional Offices

Communications/Dialogue

Action:

Continue to expand interactions within the Agency and with small business sectors to ensure early small business involvement in development of rules, policies and programs and to improve and simplify access to and exchange of information concerning them.

Objective:

To increase involvement and participation of small businesses and to enhance understanding of mutual issues and needs during the development of EPA's rules, policies, and programs to improve small business environmental performance.

Basis:

Dialogue to date with small businesses has revealed that small businesses feel they are not given an opportunity to get involved in the development processes of rules, policies and programs early enough to be able to share their concerns, issues and suggestions for potential mutually-beneficial approaches, and frequently do not even know about them. On the other hand, rule writers feel that frequently small businesses do not adequately respond to their outreach efforts, thus handicapping their ability to address mutual needs and issues. Additionally, small businesses are confused by the volume of information from many diverse sources; they lack the time and resources to conduct research; are frustrated by having to contact different offices to get information; and clamor for a "one-stop-shopping" source of environmental information. EPA needs to ensure that interaction with small businesses and available information are adequate to achieve mutual understanding so mutual needs will be properly addressed.

Action Activities:

- Convene meetings with representatives of small business sectors identified as significant contributors to national or regional environmental problems early in the development process of rules, policies and programs to ensure the needs and issues of such sectors are clearly understood by EPA, and EPA's needs and constraints are understood by those small businesses, relevant to the specific regulatory actions. Such meetings will comply with the Federal Advisory Committee Act, when applicable. The Small Business Division will help identify the stakeholders and facilitate meetings, with involvement of Program and/or Regional Offices, as needed;
- Convene meetings that are designed to:
 - Increase awareness and achieve knowledge and understanding of regulatory requirements by small businesses;
 - Increase awareness and achieve knowledge and understanding of small business needs and issues by EPA Programs and Regional Offices;
 - Obtain constructive feedback from small businesses on rules, policies and programs to improve the development of effective compliance assistance information and tools;
 - The Small Business Division will help identify the stakeholders and facilitate meetings, with involvement of Program and/or Regional Offices, as needed;
- The Small Business Division will lead efforts to improve Internet availability of Agency information for small businesses through enhancement of the existing "Small

Business Gateway” on EPA’s website to serve as a portal for all EPA small business information and resources, and link EPA’s Portal to the SBA multi-agency “Business Gateway.”

Suggested Outcome Measures:

- Increased understanding by EPA Program and Regional Offices of small business needs and issues relevant to specific rule, policy and program development actions; e.g., as evidenced by pre- and post-tests associated with training, and fewer small business issues;
- Increased understanding by small businesses of EPA’s needs and constraints relevant to specific development actions; e.g., as reflected by less complaints about EPA rules, policies and programs;
- Reduced pollution discharges by small business sectors contributing to priority Program or Regional environmental problems; e.g., resulting from increased participation in voluntary programs, implementation of Environmental Management Systems, and/or Best Management Practices;
- Improved environmental performance by small businesses due to increased understanding attained via personal interaction or electronic information venues.

Involved Offices:

OPEI/SBD

Program and Regional Offices

Advocacy

Action:

Advocate the cause of small businesses within EPA by effectively addressing small business regulatory issues that significantly affect their environmental performance and regulatory burden, while protecting public health and the environment.

Objective:

Ensure that small business needs are represented and supported throughout EPA by strengthening various advocacy roles.

Basis:

To appropriately and adequately meet the needs of small businesses, their needs must be represented and supported throughout EPA. To achieve that, the Small Business Division must play a leadership role to foster a sense of responsibility within the Agency by broadening awareness of small business issues and needs, by promoting consideration of small business needs during strategic planning, by developing positions on small business issues, and by advocating those positions within the Agency. Appropriate and adequate handling of small business issues will result in increased interaction, heightened environmental awareness, a more collaborative attitude, and thus result in improved environmental performance by small businesses.

Action Activities:

- The Small Business Division will work with the Regions to establish a Regional Small Business Liaison FTE in each Region. This position would:
 - Serve as the regional point of contact for small business issues/activities;
 - Serve as an additional resource for state SBOs/SBAPs;
 - Develop strong and collaborative/cooperative relationships with other regional staff, state SBAPs, other regional offices of federal agencies, regional offices of trade associations, and other regional small business stakeholders;
- Seek to achieve a commitment as an Agency to engage in dialogue, reach policy decisions, and take action on issues for which small business advocacy is warranted;
- As appropriate, and where economically or environmentally significant, develop strategies to address policy, regulatory, compliance, and compliance assistance issues identified via assessments and analyses conducted for specific small business segments;
- As appropriate, and where economically or environmentally significant, conduct systematic analyses of small business stakeholder group perspectives on factors affecting environmental performance and identify public and/or private programs that address them cost-effectively;
- Where appropriate, the Small Business Division will advocate for change on issues that significantly affect small business environmental performance and regulatory burden;
- Explore opportunities for introducing small business consideration during strategic planning and prioritization conducted as part of defining Strategic Plan Goal 5;

Program Offices should explore such opportunities when developing MOAs between headquarters Program Offices and Regions, and when developing program grants for the states.

Suggested Outcome Measures:

- Increased recognition and proactive consideration of small business issues and concerns in EPA; e.g., as evidenced by small business issues identified and addressed during strategic planning and prioritization processes;
- Improved understanding and handling of small business issues by rule writers, as reflected by regulatory language;
- Increased coordination of small business issues across EPA; e.g., as a result of Small Business Workgroup interaction, and/or as evidenced by Program and Regional Office involvement in specific small business issues;
- Improved coordination and collaboration among small business stakeholders; e.g., as facilitated by the Small Business Division;
- Small businesses react positively to changed actions/operations/environmental management resulting from advocacy efforts and become stronger environmental stewards; e.g., as evidenced by increased participation in voluntary programs, implementation of Environmental Management Systems, and/or Best Management Practices.

Involved Offices:

OPEI/SBD

Program and Regional Offices

Compliance Assistance Tools, Voluntary Programs & Innovative Technologies

Action:

Improve EPA's marketing of compliance assistance tools and voluntary programs, promote more small business involvement in the development of innovative technologies, and apply all to more effectively address the needs of and improve the environmental performance of small businesses.

Objective:

Increase the extent to which compliance assistance tools and voluntary programs address small business needs in ways that improve their environmental performance, and expand opportunities for small businesses to develop and verify new environmental technologies.

Basis:

EPA's compliance assistance tools and voluntary programs have untapped potential to reduce small businesses' environmental footprint. However, small businesses are frequently not aware of available compliance assistance tools that would ease their burden and small business participation in EPA's voluntary programs is limited by the lack of awareness. EPA's promotion of compliance assistance tools and voluntary programs would result in increased small business participation. EPA's Small Business Innovative Research (SBIR) and Environmental Technologies Verification (ETV) programs provide assistance with developing and verifying new technologies to address specific environmental problems, and expanded linkages with other programs will promote collaboration and reach more small businesses. All would, in turn, result in improved environmental performance by small businesses.

Action Activities:

- The Small Business Division will work with the Program and Regional Offices to:
 - Review the current list of compliance assistance tools available to small businesses to determine applicability to needs identified via Assessment and Analysis and Communications and Dialogue activities;
 - Review past small business use to determine their effectiveness; and
 - Make recommendations, based on the effectiveness determinations, on how to improve existing and new compliance assistance tools. Program and Regional Offices are responsible for determining whether and how to make appropriate adjustments.
- The Small Business Division will coordinate review of the current list of voluntary programs to:
 - Develop a baseline of small business participation in voluntary programs;
 - Determine potential applicability to needs identified by the Program and Regional Offices via assessment and analysis;
 - Review past small business participation to determine the effectiveness of the voluntary programs for selected audience groups;
 - Adjust voluntary programs as needed based on effectiveness determination;
 - Monitor environmental performance of Program and Regional priority small business sectors over time after improvement of voluntary programs

management and unification of Agency activities to support the small business strategy;

- Expand partnerships between research programs (SBIR and ETV) and federal, state, and local small business programs to expand small business awareness of funding mechanisms to develop and verify new and innovative technologies;
 - The Small Business Division, working with the Office of Research and Development, will provide small businesses with technology needs identified by EPA to address specific environmental problems, and will work to expand networks to help small businesses develop successful SBIR proposals and to commercialize technologies that address specific environmental problems.
- Work with state SBAPs, local programs, the NCAP, state CAPs, trade associations and other small-business-serving entities to identify new technologies and compliance assistance tools needed for successful environmental protection programs by small businesses;
- Identify synergies between new technologies and voluntary programs;
- Develop an Agency-wide internal notification process for new and existing technologies, compliance assistance tools, and voluntary programs;
- Market innovative technologies, voluntary programs, and compliance assistance tools through SBD, EPA Regions, state SBAPs, local programs, the NCAP, state CAPs, trade associations and other small-business-serving entities, based on guidance from the IAC.
- Explore the feasibility of supporting authority for state Small Business Assistance Programs to improve their efficiency and effectiveness by meeting multi-media needs of small businesses rather than medium-specific, and develop a model of a multi-media compliance assistance program to guide states wishing to expand their services to multi-media.

Suggested Outcome Measures:

- Increased awareness by small businesses of new technology funding opportunities; e.g., as evidenced by increased participation in SBIR and ETV;
- Increased participation by small businesses in voluntary programs, as a result of enhancement of voluntary programs to appeal to and better-serve small businesses;
- Improved compliance by small businesses, as a result of increased awareness and use of compliance assistance tools.

Involved Offices:

OPEI, supported by the IAC
Program Offices and Regions

Recognition/Awards

Action:

Establish a program of recognition for EPA activities, small businesses, and other organizations that contribute significantly to improved environmental performance by small businesses. Where possible, work with other existing awards programs to recognize the contributions small businesses make to all segments of EPA.

Objective:

Acknowledge and reward federal, tribal, state, or local government activities, and trade association programs, that go “above and beyond” standard practices to help improve all aspects of small businesses environmental performance; and acknowledge and reward small businesses that demonstrate environmental stewardship by going “above and beyond” regulatory requirements.

Basis:

Many programs inside and outside EPA have been working to help improve the environmental performance of small businesses and to ensure that small business concerns are incorporated as EPA develops regulations and other program requirements. Additionally, many small businesses are true environmental stewards and have implemented practices well beyond regulatory requirements. This awards program is intended to provide recognition of those superior efforts and to raise awareness of the most effective ways of providing these services and of implementing best practices.

Action Activities:

- Investigate the possibility of developing small business components within existing awards programs, based on assessment of existing awards programs;
- Coordinate efforts with other awards programs to enhance small business participation;
- Develop award criteria for each of the three proposed components:
 - Federal, tribal, state, or local government activities;
 - Trade association programs;
 - Small businesses;
- Establish an awards evaluation committee;
- Identify a presentation forum;
- Promote the recognition program among federal, tribal, state, or local government programs, trade associations and other small business service-providing entities.

Suggested Outcome Measures:

- Small business awareness of stewardship incentives resulting from promotion/ outreach activities;
- Increased participation by small businesses in various EPA award programs;
- Improved environmental performance by small businesses in reaction to recognition incentives.

Involved Offices:

OPEI/SBD

Program and Regional Offices