

Comment

EPA offers solution to small business paperwork overload

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A revealing new government report by the [Office of Advocacy of the U.S. Small Business Administration](#) shows America's smallest firms bear the largest burden of federal regulatory compliance costs.

Firms with fewer than 20 employees annually spend \$7,647 per employee to comply with federal regulations, compared with the \$5,282 spent by firms with 500 or more employees.

In fact, businesses with fewer than 20 employees annually are spending 45 percent more per employee to comply with federal regulations than large firms with 500 or more employees.

A large part of this disproportionate cost is in the form of government paperwork. These costs hurt the development and growth of small businesses. And, since small businesses create 60 percent to 80 percent of the country's net new jobs, more attention should be focused on removing unnecessary paperwork burdens.

The government report reveals that environmental compliance requirements make up more half of the regulatory burden for manufacturers, and the [U.S. Environmental Protection Agency](#) is getting the message.

EPA is proposing to streamline the requirement by businesses to file annual reports on their use and management of chemicals. EPA's announcement to provide paperwork relief for its Toxics Release Inventory, or TRI, is welcome news.

Fortunately, the paperwork relief does not come at the expense of environmental safety, or make it harder for communities to find out when a dangerous release of toxic substances has occurred.

In fact, the TRI program requires reports on the use and management of chemicals. When there is a spill, accident, or accidental release, companies are required to notify the authorities under various laws that are working to ensure the safety of first responders and communities.

The EPA is proposing that a simpler form (known as the Form A) be available for facilities that report handling small amounts of chemicals. With this approach, akin to the 1040-EZ short form for taxes, businesses will save an estimated 165,000 hours that would otherwise be spent filling out the longer form.

EPA's paperwork reduction idea is the result of meetings with stakeholders, including small businesses, for more than two years.

EPA's proposal illustrates a basic principle of good government: when small businesses have a seat at the table, better regulations emerge -- regulations that accomplish the goal of environmental protection, and at the same time, recognize the disproportionate impact regulations have on small businesses.

Small businesses that are curious about EPA's proposal and want to share their views with EPA on how the proposal can be improved can find information at www.epa.gov/tri.

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