

# **Bridging the Gap between Business Owners and Those Who Regulate Them**

## *Presented by*

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# Bridging the Gap Between Business Owners and Regulators

Panel: La Ronda Bowen

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# Teamwork Bridges the Gap.



Change is difficult and uncomfortable for everyone.

Requires support from top to bottom, bottom to top and on all sides.

# Individuals make the ...

## TEAM



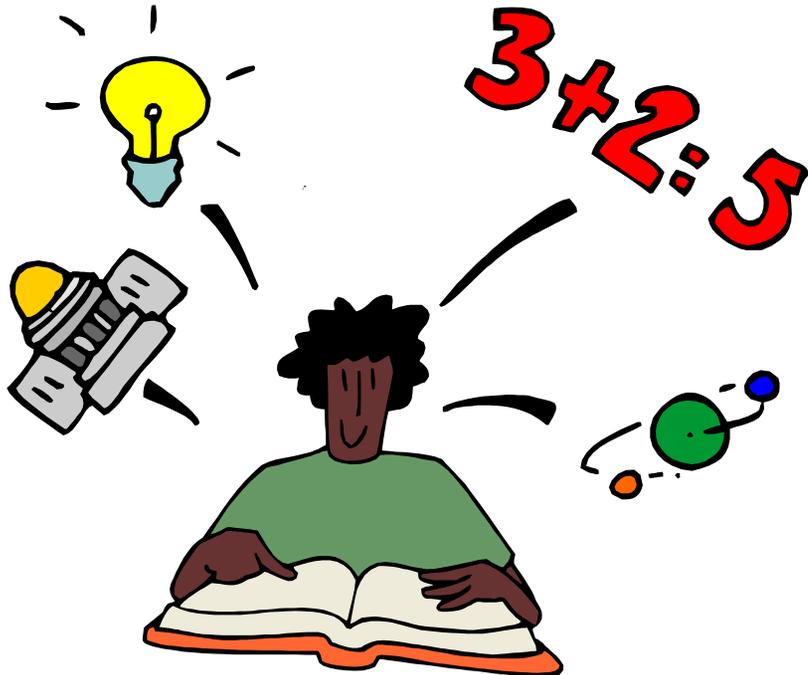
# Requirements for Good Team Relationships:

- Credibility

- Trust

- Ethics

# Effective CA Means



- Defining the desired outcomes.
- Assessing team for strengths & vulnerabilities.
- Obtaining buy-in from stakeholders.

# Effective CA Means

- Avoiding unintended outcomes.
- Placing your credibility on the line.
- Bridging the gap.



# Increasing Compliance



## Education - Versus - Enforcement

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# *Increasing Compliance Through Education or Enforcement*



- Background
- Case Study #1
  - Achieving Compliance Through Education
- Case Study #2
  - Achieving Compliance Through Enforcement
- Conclusion - What Did We Learn?

# *Background*



Established and Directed a Small Business Environmental Assistance Center from 1993 through 2001

## Core Objectives of the Program

- Regulatory & Permit Assistance

- Advocacy/Facilitation/Ombudsman

- Education & Outreach

- Awareness

- Partnerships

# *Background (Cont.)*



Free and Confidential Assistance to Businesses

Non-regulatory and Neutral 3rd Party

Helped Businesses & Agencies With Environmental Regulations

Workshops for Business and Industry Groups

Program Evolved to Meet the Needs of Business Community & Agencies

Advocated for Small Businesses and Cost Effective Environmental Policy

# *Compliance Options*



## Options For Dealing with Non-Compliance

### Option 1:

Use Education, Partnerships, and Compliance Tools to Increase Environmental Compliance

### Option 2:

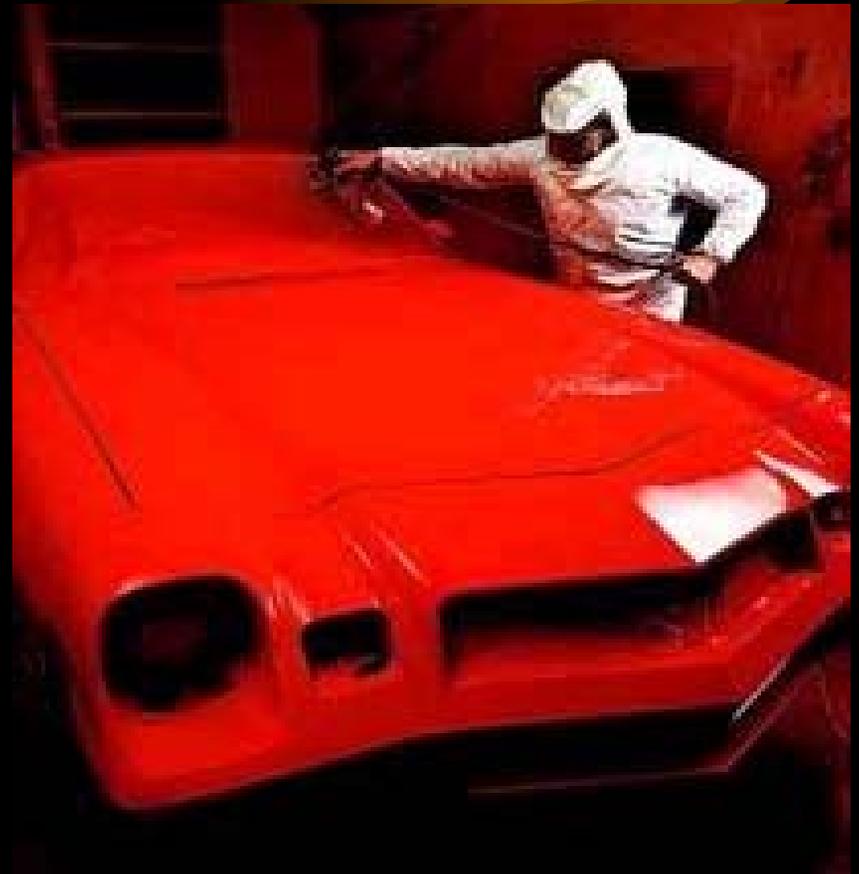
Use Enforcement and the Threat of Enforcement to Reduce Environmental Non-Compliance

### Option 3: Others

# *CASE STUDY #1*

## *Compliance Through Education*

- **AUTO  
REFINISHING  
INDUSTRY**



# *Why Was This Industry Selected?*



Air District Required to Develop Rule

Rule Impacted Large Industry Sector  
(Over 450 Shops)

In Line With The Program's Mission  
(Advocacy & Education)

Advocate Small Business Interests and  
Environmental Compliance

# *What Did We Do?*



Conducted Several Needs Assessments

Facilitated Multiple Joint Meetings Between the Body Shops, Vendors, Manufacturers and the Air District

Fostered Open Dialogue that Resulted in Development of Rule that Met Air Quality Objectives Without Placing Unnecessary Economic Hardships

Formed Additional Partnerships To Help Achieve Goal and Address Other Needs

# *What Happened?*



Dialogue Produced Creative Solutions & Identified Other Needs

- Implementation Time Frames Lengthened to Give Industry & Agencies Time to Adjust
- Record Keeping Requirements Reduced and Streamlined
- Fact Sheets Developed
- Educational Seminars Conducted
- Low Interest Equipment Loan Program Developed
- General “Permitting” Roadmap Created
- Worked Closely with Vendors (They became ambassadors on rule requirements)

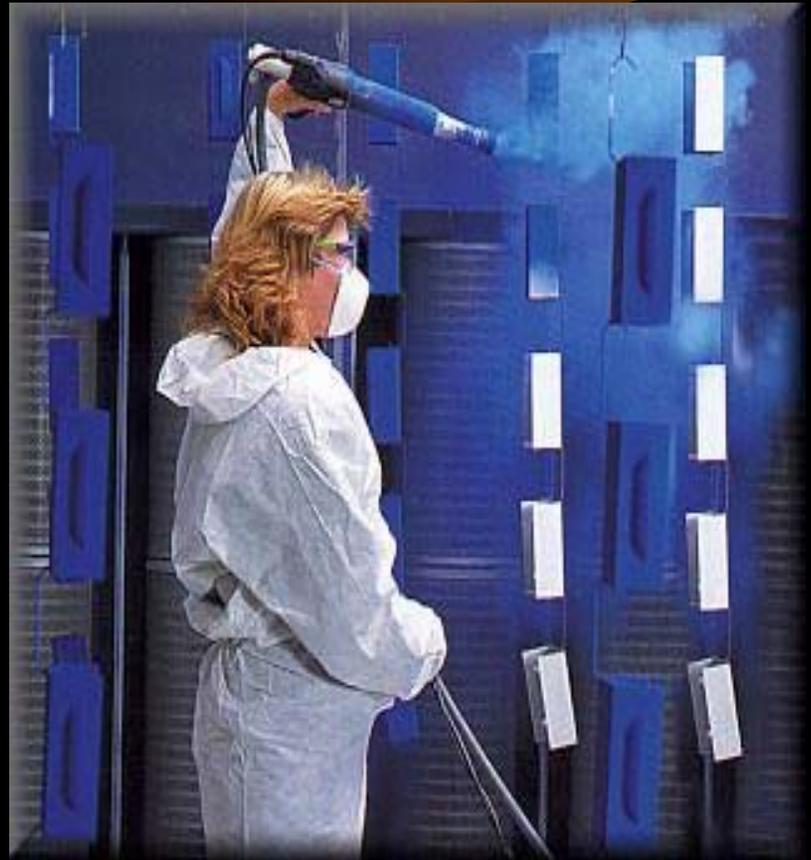
# *Benefits Of The Compliance Through Education Approach*

- Brought Issues & Perspectives Forward
- Proposed Different Mechanisms to Accomplish Same Goal With Less Cost
- Built Credibility and Bridge Between Industry and Government
- Acted As a Catalyst for Change
- Promoted Economic Development
- Protected the Environment
- Industry Accepted New Requirements
- Compliance Increased

# *CASE STUDY #2*

## *Compliance Through Enforcement*

- **POWDER  
COATING  
INDUSTRY**



# *Why Was This Industry Selected?*



Statewide Task Force Mentioned Compliance Issues with Powder Coaters in Other Parts of the State

Inconsistencies Discovered Between Data Gathered for Various Reporting Requirements (e.g. HW Shipping, EPA ID #'s, Wastewater Permits, etc.)

# *What Happened?*



Local Powder Coating Businesses Inspected  
(Unannounced) by Task Force

## “SWAT” Team Tactics Utilized

- No/Brief Explanation
- Appx. 7-10 Inspectors for 1-3 Person Operations
- “Guilty until Proven Innocent” Attitude
- Intimidation
- No Proof of Intentional Knowing and Willful Non-Compliance

# *What Happened? (Cont.)*



## Agencies Participating in Task Force Inspection

- Sheriff's Dept.-Environmental Crimes Unit
- County Hazardous Materials Division
- Environmental Protection Agency
- Local Air District
- Wastewater Agency
- District Attorney's Office

# *What Was Found?*



Businesses Did Have Some Compliance Issues

- Labeling, Characterization, Open Containers, Housekeeping, Record Keeping, etc.
- However, No Knowing and Willful Violations

All Violations Were One's Typically Found During a Normal Inspection With One Inspector Present

Customers, Employees and Business Owners Got Scared

# *What Did We Do?*



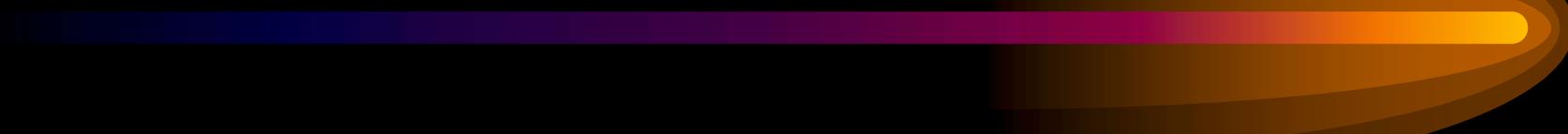
Helped Businesses Achieve Compliance, Afterwards

Provided Educational Seminars and Fact Sheets to Powder Coating Businesses

Relayed Comments/Concerns From Industry to Enforcement Agencies

Listened to Businesses Vent Their Frustration Regarding the Approach Used By The Agencies

# *Results Of The Compliance Through Enforcement Approach*



Inspections Did Not Yield More Violations Than Would Have Been Detected During a Regular (Non-Task Force) Inspection

Agency's Quickly Lost Trust and Respect with the Industry - Severely Damaged Relationship

Businesses Afraid to Ask For Help in the Future

Likely Drove Some Businesses Into Hiding

Businesses Lost Some Customers

Businesses Complied, But Angry and Scared!

# *- Conclusion - What Did We Learn?*

Case Study #1 -vs- Case Study #2

Many Businesses Want to Comply, But Just Don't Know How

Providing Education and Compliance Tools on the Front End Will Increase Compliance

Enforcement is Needed, But in the Correct Dosage for the Right Situation

Partnerships and Open Dialogue Opens the Door to Credibility

Heavy Enforcement at the Beginning Only Fosters "Bad-Will" and Resistance