

# NEBRASKA

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December 19, 2018

Honorable Pete Ricketts  
Governor  
State Capitol  
2<sup>nd</sup> Floor, Northeast  
Lincoln, NE 68509-4848

Dear Governor Ricketts,

In accordance with the provisions of the Nebraska Environmental Protection Act at 81-1505.03(2), enclosed is the *Nebraska Small Business Compliance Advisory Panel Annual Report to the Governor of Nebraska for 2018*.

The federal Clean Air Act Amendments of 1990 required all states to establish a Small Business Assistance Program and Small Business Compliance Advisory Panel to assist small businesses in complying with provisions of the Clean Air Act. From the beginning, the Nebraska Department of Environmental Quality (NDEQ) designed the program to provide assistance to businesses affected by air, water, and waste disposal environmental regulations.

In 2018, NDEQ made great strides in implementing tools, programs and activities that will continue to improve our services for business and the regulated community overall. Highlights include establishment of the NDEQ Grow Nebraska team as well as co-agency collaborations with Health and Human Services, Department of Economic Development and Nebraska Energy Office, increased input from the Small Business Compliance Advisory Panel, and publication of NDEQ's Permit Matrix.

While we still have much to accomplish, we believe our ongoing commitment to a more effective and efficient state government will create a sustainable economic and environmental future for the citizens of Nebraska.

Sincerely,



Jim Macy  
NDEQ Director



**2018**

**Nebraska Small Business Compliance Advisory Panel  
Annual Report to the Governor of Nebraska**

**Submitted January 1, 2019**



## **Message from the Small Business Compliance Advisory Panel**

Since 1992, the Small Business Compliance Advisory Panel (SBCAP) has worked closely with the Nebraska Department of Environmental Quality (NDEQ) to support small businesses in the State of Nebraska. This partnership has been, and continues to be, valuable by providing a voice for businesses through statewide representation and collaborative efforts of both the SBCAP and NDEQ.

Past reports show the SBCAP and NDEQ have made great progress in breaking down barriers, increasing trust and providing relevant regulatory information to assist business owners. On September 13, 2018, both groups met toward this continued goal at their annual meeting. The group exchanged information, discussed challenges, identified future goals, and received updates about NDEQ's programs, online assistance options, permit resources and challenges. The panel was encouraged and excited to learn of ongoing changes, tools, initiatives and developing partnerships under NDEQ's new "Grow Nebraska Team" as well as various grants and resources available to communities and small businesses across the state.

During the meeting, the group reviewed a recently developed online tool, the "Permit Matrix," a downloadable excel workbook. The Matrix provides links to program overviews, permit applications and guidance documents. The panel feels the tool should be simplified to appeal to a small or new business owner. The SBCAP has actively engaged with NDEQ and plans working sessions with the agency in January 2019 to address these concerns.

The group discussed the age-old challenge of overcoming past stigmas between regulators and the regulated business community. NDEQ is genuinely interested in maintaining and enhancing relationships to provide assistance and achieve voluntary compliance. We will continue to promote NDEQ as a positive partner to our chambers, our colleagues, business owner friends and associates. We are grateful for the successful and ongoing efforts of NDEQ Director Jim Macy to "Make Compliance Easy" as a primary goal. SBCAP members have committed to this as well.

As noted in previous reports, the panel and the agency want to convey their ongoing dedication to grow communities through providing support to small and new businesses, to alleviate concerns of business owners or their representatives contacting the department for help, and to find ways to disseminate information that has a propensity to change frequently. Small Business is personal and requires sacrifice to make it work, often with limited resources. We look forward to continued advancements and improvements with additional meetings planned into 2019.



Signature

### **Jim Hellbusch**

Nebraska Small Business Compliance Advisory Panel Chair  
Owner, Duo-Lift Manufacturing, Columbus, NE

## **Background Information**

The Clean Air Act Amendments of 1990 require each State to prepare a plan for helping small business comply with the provisions of the Act through the creation of compliance assistance programs. Section 507 of the Act requires states to prepare a small business compliance assistance program, establish an “ombudsman” to act as a liaison between small businesses and associated regulatory programs, and to form a Small Business Compliance Advisory Panel (SBCAP) of not less than seven individuals.

In 1992, Nebraska adopted enabling legislation codified as Nebraska Revised Statute §81-1505.03 calling for the creation of the Small Business Compliance Advisory Panel and outlining its responsibilities. The plan developed by NDEQ provided water quality and waste management assistance in addition to the required assistance with air quality issues. In NDEQ’s plan, the ombudsman’s responsibilities are fulfilled by the agency’s Environmental Assistance Coordinator in the Assistance Division.

Four members of the Panel are selected by the Legislature and are owners or representatives of small business stationary sources of air emissions. Currently these members include:

**Jim Hellbusch (Chair)**

Duo-Lift Mfg. Company, Inc.  
Columbus, NE

**Steve Rexroth**

Miracle Workers Auto Collision  
Lincoln, NE

**Jack Schreiner**

Bruckman Rubber  
Hastings, NE

**Rick Bettger**

Omaha Car Care  
Omaha, NE

Two members are selected by the Governor to represent the general public who are not small business owners or representatives of small business stationary sources of air emissions. Currently, these members include:

**Sharon Hueftle**

South Central Economic  
Director  
Holdrege, NE

**Starr Lehl**

Scottsbluff Economic Development  
Development District  
Scottsbluff, NE

The Director of NDEQ appoints one member as Department Representative to the Panel. The position is currently vacant.

In 2018, the current non-voting board Secretary responsible for setting Panel Meetings and acting as liaison between the Panel and NDEQ has switched as of April 2018, from Ryan Green to Belinda Fowler, NDEQ’s Environmental Assistance Coordinator based in Lincoln, NE.

## **NDEQ Updates and Happenings in 2018**

Past reports show that the SBCAP and NDEQ have made great progress in breaking down barriers, increasing trust and providing relevant regulatory information to assist businesses and communities. On September 13, 2018, both groups met to work toward this continued goal at their annual meeting.

The Director provided updates to the Panel from across various divisions in the agency, highlighting the following business support topics and initiatives:

- Make Compliance Easy- Encouraging Proactive Approach to Compliance (advancing)
- Continued Process Improvement across the agency under Lean Six Sigma (advancing)
- Newly Formed Grow Nebraska Team (New in 2018)
- Increasing NDEQ's Online Business Presence and Processes (84% now online)-(advancing)
- Challenges with permit timeframes with staff turnover (ongoing)

At the federal level, Director Macy talked about the EPA's cooperative federalism efforts; strengthening partnerships with the states' environmental agencies and increasing consistency by assigning similar duties and titles across regional office program staff. He believes the NDEQ's relationship with EPA headquarters has strengthened; with regular calls. Director Macy applauded EPA's efforts to create consistent program management, and reducing regulatory burden across states, with benefits realized by small business owners.

During the meeting, the group reviewed a recently developed tool, the "Permit Matrix" a downloadable excel workbook. The Matrix provides links to program overviews, permit applications and guidance documents. The panel feels the tool should be simplified to appeal to a small or new business owner. SBCAP members and NDEQ have planned a January 2019 work session to address these concerns.

Director Macy informed the Panel that he was named Interim Director for the Nebraska Energy Office (NEO) on August 1, 2018. Director Macy referred to the nexus between energy and environmental issues and indicated the state will be able to address these issues with a more comprehensive and coordinated approach resulting in a mutually beneficial partnership for communities and small businesses alike. As one example, Director Macy said complimentary expertise has been identified that will help each agency capitalize on the other's experiences and similar programs such as the Link Deposit and State Revolving Fund Programs.

The group discussed Air Quality, proposed changes to Title 129 and the Volkswagen Environmental Mitigation Trust Fund. The settlement provided \$12.25 Million to Nebraska for the mitigation of nitrogen oxide air pollutants by allowing for replacement of school buses, transit buses, refuse trucks, irrigation engines, and funds for electric vehicle charging stations.

African Swine Fever (ASF) was discussed in regard to small business and the agricultural sector. Efforts underway in China indicate the virus is a virulent, fatal disease and vaccines are not available. Once one animal is infected, the entire swineherd needs to be euthanized and properly disposed. The Department is preparing guidance for best practices and methods for disposal of carcasses in the event ASF impacts the state.

## **Small Business Compliance Assistance Services and Activities**

NDEQ offers a suite of services and assistance as described below for the regulated community to work through or receive help in regard to permitting, regulatory compliance, or to obtain answers to general questions. NDEQ staff continually addresses questions over the phone and via email communications, however, providing client specific services and participating in outreach events provides an opportunity for agency staff to develop relationships, provide education, and build trust toward achieving voluntary compliance. Outreach planning for 2019 is currently underway with the Grow Nebraska Team.

- **Compliance Assistance Visit (CAV):** An on-site service offered by NDEQ in response to a request by a business or regulated party to receive support for one or multiple environmental programmatic areas to which they are currently subject or considering under proposed operations. Compliance Assistance activities (see individual Site Assistance/Training below) may be provided during an inspection, however, a CAV cannot be requested after an inspection that may result in enforcement until that issue is resolved. A CAV does not absolve an entity from receiving an enforcement action if egregious violations are found, but rather focuses on supporting efforts to achieve voluntary compliance.
- **Permit Assistance Visit (PAV):** An on-site service (or meeting) offered by NDEQ in response to a request by a business or regulated party to receive support under a new, modified or existing permit to address permit related questions.
- **One-Stop Meeting:** A One-Stop Meeting allows for a newly proposed or expanding business and their selected representatives to engage with applicable NDEQ permitting programs and other regulatory agencies. The goal of each meeting is to provide the permittee an opportunity to ask questions and receive direction toward attainment of the necessary permits to achieve environmental regulatory compliance.
- **Scoping Meeting:** A meeting within or outside of NDEQ to introduce a new or proposed business to involved staff, programs and agencies. The meeting may include a review of processes or technologies, tools, resources, and strategic partnerships to assist the business in making the appropriate contacts for applicable regulatory requirements or business needs.
- **Individual Site Assistance/Training:** An on-site services offered by NDEQ in response to a request or during or after a Compliance Inspection.

The agency offers many other services for compliance assistance that are specific to individual programs within each division. Totals are compiled into the 2018 Compliance Summary below.

### **Activities and Outreach**

Outreach is a broad term that can be described as daily work activities that support the regulated community. For this report, NDEQ has determined Outreach to be defined as specific speaking events, presentations, or attendance at an invited event or meeting. If outreach involves coordinated efforts with outside entities, the event is noted as such in the summary section below. Activities are discussed in regard to agency changes and developments resulting in change that may be deemed beneficial to the business community.

## **2018 NDEQ Compliance Summary**

In calendar year 2018, from January 1<sup>st</sup> through December 15<sup>th</sup>, NDEQ Department staff:

- Conducted 13 One-Stop Meetings
- Provided 185 on-site assistance or training visits; including 75 Compliance Assistance Visits (CAVs).
- Provided 14 permit assistance visits (PAVs);
- Participated in 56 Public Outreach events, speaking engagements/presentations at various conferences, workshops, or meetings;
- Hosted or played a key role in at least 19 Partnership Meetings.
- Responded to over 1,000 direct phone calls for compliance assistance

Participated in numerous coordination events, webinars, and outreach with other state agencies, community partners and the EPA to provide assistance to businesses, industry, and the general public.

## **2019 Small Business Goals and Planned Activities**

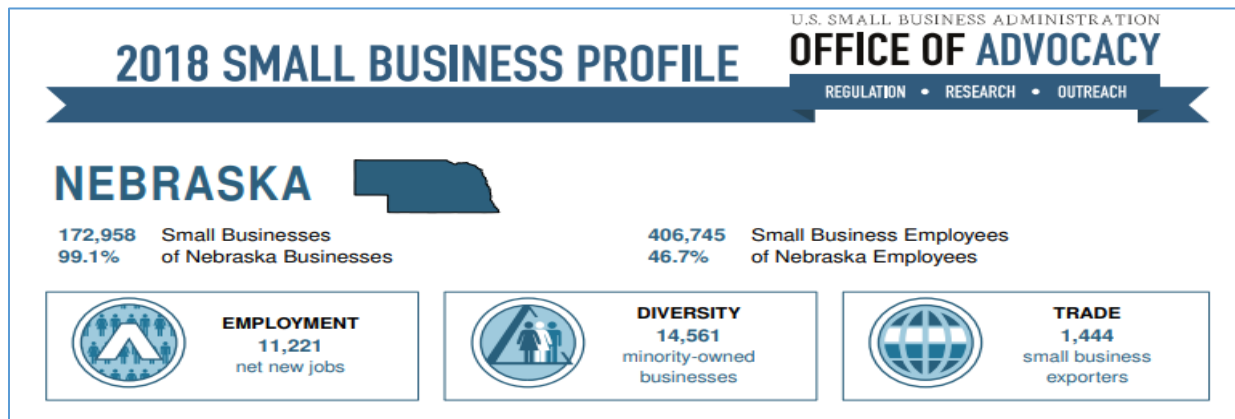
During the annual meeting between NDEQ and the SBCAP, the following goals were developed for 2019.

- The Panel should continue to act as a liaison and advocate for the Department and assist by providing information on compliance assistance services to the regulated community and or efforts by the NDEQ. (Luncheons and presentations were suggested).
- Review and provide feedback for NDEQ's online tools, resources and information including the newly developed Permit Matrix. Meeting is planned in January 2019.
- Determine if formal relationships with Chambers of Commerce are wanted and/or beneficial for either or both the SBCAP or NDEQ.
- Determine what projects would benefit small business and communities or impact economic development groups.

## **Status of Nebraska Small Business**

Updates published by the Nebraska Department of Economic Development on December 17, 2018 indicate positive movement for Nebraska's economy with low unemployment, increased overall job growth, manufacturing job growth, and exports of livestock and agricultural products.

According to the Small Business Administration's (SBA) 2018 Small Business Profile, the number of small businesses in Nebraska continues to grow with the creation of over 11,000 new jobs. In 2018, the number of small businesses reported was 172,958 (up from 167,678 in 2015) and currently accounts for 99.1% of all Nebraska Businesses. Section 507 of the Clean Air Act has adopted SBA definitions of small business as defined by Standard Industrial Classification categories and annual receipts; the most common of which are 500 employees for manufacturing and mining and \$7.5 Million in average annual receipts for many nonmanufacturing industries.



**Figure 1.** United States Small Business Profile Summary Statistics for the State of Nebraska, 2018. Source: <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-NE.pdf>

As Nebraska continues to attract and retain new talent in the small business sector, it is important to continue to highlight the value of maintaining and promoting the roles, achievements, and activities of the Small Business Compliance Advisory Panel in relation to its ongoing partnership with NDEQ.

We appreciate your support and consideration of our achievements in 2018 and look forward to even more accomplishments in 2019.

Please direct any questions regarding this report to:

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