

TESTIMONY OF ERIC J. BROWN
ASSOCIATE COUNSEL, DIRECTOR OF ENERGY & ENVIRONMENTAL POLICY
CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION
before the
COMMERCE COMMITTEE
March 20, 2012

Good morning. My name is Eric Brown and I serve as associate counsel with the Connecticut Business & Industry Association ("CBIA"). On behalf of our 10,000 large and small member companies throughout Connecticut, we are pleased to provide comment in support of:

Raised Bill No. 5530, An Act Concerning a Study on the Waiver of Fines and Penalties for Certain Business Regulation Violations.

CBIA strongly supports the underlying intent of this bill. We consistently urged the Department of Environmental Protection (DEP), under several administrations, to focus more of its limited resources on helping small businesses understand the massive number of state and federal environmental regulations for which they have compliance responsibility and for which they can suffer civil penalties of up to \$25,000 per violation per day.

We advocate for such measures as this not just to give small businesses a "break" – but also because it is a much more efficient compliance strategy for both businesses and the regulatory agencies, rather than initiating formal enforcement actions.

The 2010 regulatory reforms originated in this committee and overwhelmingly passed by the General Assembly, included a provision requiring the DEP (now the Department of Energy and Environmental Protection – "DEEP") to establish a consulting program – similar to that administered by the

Connecticut Office of the Federal Labor Department's Occupational Health and Safety Administration (OSHA).¹

Since that time, CBIA has been working with DEEP to place greater emphasis on consultative compliance assistance. DEEP has been very receptive to the concept and has made some progress. However, the agency is receiving tremendous push-back from federal EPA headquarters in Washington, D.C. which, under the current administration, is much more interested in traditional, punitive enforcement strategies. In fact, just recently, EPA headquarters announced it was cutting the budget for compliance assistance initiatives, including its self-audit/self-disclosure policy whereby regulated companies can notify EPA of violations discovered as the result of voluntary self-audits, generally without fear of penalties (unless there was actual environmental harm), other than a fine for any economic advantage the company may have experienced due to non-compliance. In other words, minor paperwork and other violations not having an impact on the environment can be corrected without penalty.

CBIA urges you to move this bill forward but with additional language requiring that the report assess roadblocks, including those attributable to federal agencies, which inhibit or prevent the agency from advancing non-punitive, consultative compliance assistance.

CBIA enthusiastically offers its assistance to the committee to refine the language of this bill and improve its positive impact on Connecticut small business as well as the efficiency of our regulatory agencies.

Thank you for this opportunity to provide comment in support of H.B. 5530.

¹ See Section 8 of Public Act 10-158