

Golden Triangle Small Business Advisory Committee

Small Business and Local Government Assistance (SBLGA) Section

Texas Commission on Environmental Quality

Tuesday, November 6, 2007, 11:30 a.m. to 1:00 p.m.

Southeast Texas Regional Planning Commission, Swan Room

[SBLGA Web Site \(www.sblga.info\)](http://www.sblga.info)

Attendees

Charlie Adams

Grace Montgomery Faulkner

Lori Palmer

Clover Bolden

John Fears

David Peavy

Ruenette Bolden

Eddie Hall

Rob Rowell

Candace Broucher

Ike Mills

Donnie Stanton

Brian Christian

Dave Mulcahy

Action Items

Brian Christian – Review and check up on dry cleaner letter from the comptroller’s office.

Candace Broucher – Get comments from the committee about the proposed air rules and send to the EPA ombudsman.

Open Forum

John Fears had received a letter from the TCEQ stating that environmental fees collected from customers are now taxable. This letter was only sent to dry cleaners. He wants to know if this is correct. Grace Montgomery Faulkner said that this letter was sent because of the situation with the tire program. (There was a fee for the tire program that was still being charged to customers after the program ended.) However, the dry cleaner program is ongoing. Are environmental programs taxable? Brian Christian will get this letter and check up on this **[ACTION]**. Ms. Broucher wants to know if the legislature is pushing for taxes on environmental fees. If so, she would like a state legislator to come to our next SBAC meeting and explain this.

David Peavy recently needed to renew his site’s air permit. He thought he would need to hire a consultant but wanted to try to complete the process on his own. He received the packet from TCEQ with instructions and the forms he needed to renew his air permit. He was able to complete the process on his own, and he said “it wasn’t too painful.”

Candace Broucher reported on a good experience she had with the TCEQ. She had to write a site operating procedure for her facility. She said that Jackie Hardy, Arthur Denny, and Dr. Richard Carmichael were very helpful in interpreting the rules.

Grace Montgomery Faulkner, Director, Small Business and Environmental Assistance

Ms. Montgomery Faulkner encouraged members to contact her with questions and comments. She described her history at the agency, which includes water quality, industrial hazardous waste, enforcement, and administration. She explained that compliance history scores were recently reset and we are still calculating the impact on small business. During the last legislative session, proposed changes to compliance history calculation failed to pass, so for now we still have to deal with the current rules. She encouraged the committee to keep sharing opinions on

compliance history because the issue is likely to come up during the next few sessions. Once the legislature decides how to direct the agency on how to compute compliance history, it will take some time to get it changed in the agency.

Ms. Montgomery Faulkner discussed the Clean School Bus program. This program is for retrofitting school buses to reduce schoolchildren's exposure to particulate matter. The TERP program is also available to help replace school buses. She encouraged members to spread the word to schools about this program; it is first come, first served.

Ms. Montgomery Faulkner said that the Pollution Prevention Advisory Committee is looking for new members and encouraged anyone who is interested to let her know. She also invited everyone to the TCEQ Environmental Trade Fair in April; there will be training tracks available for many subjects. She emphasized that communication from SBACs is critical, affecting rules and policies. SBAC input helps us do a good job of being economic stewards as well as environmental stewards, and it helps us to better represent SBACs.

Brian Christian, Section Manager, Small Business and Local Government Assistance

Mr. Christian informed the committee that a third commissioner has recently been appointed. Dr. Bryan Shaw is from Texas A&M University and has expertise in air quality. Now that the TCEQ has a full commission, staff can proceed with rulemaking on compliance history. In January the agency's recommendations will go before the commissioners. The recommendations will include: changing "average by default" to "unclassified"; excluding EPA orders from score calculations; defining repeat violators as two of the same violation rather than two violations of any type; setting a defined reduction in the formula for C2 certificate holders; making compliance history scores available for review before publication; and, for real estate transactions, requiring disclosure of environmental compliance information for sellers and due diligence for buyers.

Ms. Broucher asked if the agency had considered reducing penalties for paperwork related violations that did not cause environmental harm. Ms. Montgomery Faulkner replied that this issue had been discussed, and these penalties were not changed because many paperwork violations (such as falsifying inspection reports) could lead to environmental harm.

Mr. Christian stated that there would be another opportunity to comment on the recommendations. These recommendations are for issues that are not set in the statute, because these can be changed.

Mr. Christian reviewed the raw data from the recently released compliance history scores, and provided statistics for small business compliance histories from previous years. Typically the largest sectors of poor performers are gas stations, grocery stores with PSTs, auto salvage and auto body repair shops, and construction businesses. Some of the poor performer designations are a function of the formula, and some of these reflect actual performance. Economics plays a part in the classifications, since small businesses often don't have the means to get into compliance; this is why the Small Business and Local Government Assistance program is so important. Our program has access to solutions to problems including Pollution Prevention ideas and Enviromentors. He encouraged committee members to call SBLGA for help with compliance problems.

Charlie Adams, Technical Specialist, Small Business and Local Government Assistance

Mr. Adams explained how recently proposed federal air rules will affect some small businesses. Recently the Environmental Protection Agency proposed new standards for surface coating at area sources. The TCEQ recently sent a letter to auto body shops and surface coaters describing the requirements, which include: training and certification for all employees, filtered spray booths at all shops, HVLP spray guns, and enclosed spray gun cleaners. These rules would result in more regulation for area sources than for major sources. The TCEQ also sent a letter to the EPA commenting on the proposed rules. Mr. Christian added that this is one of SBLGA's biggest advocacy issues this year, and that Grace Montgomery Faulkner will be contacting the EPA ombudsman about this issue. He also encouraged the committee to send their comments on the proposed rules to the EPA ombudsman as soon as possible. Mr. Christian then informed the committee that the Beaumont-Port Arthur area currently does not meet national air quality standards, but the state has a plan to get the area into attainment and expects that we will soon meet the standard. The EPA also proposed lowering the ozone standard or leaving it unchanged. The TCEQ recommended leaving the ozone standard the same because there is no health-based reason to change it.

Closing Remarks

Ms. Broucher thanked everyone for attending and adjourned.

Next Meeting

February 5, 2008 (tentative)
Southeast Texas Regional Planning Commission
2210 Eastex Freeway
Beaumont, Texas