Regulations can be good for business: Look at clean water

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When I testified in front of the House Subcommittee on Water Resources and the Environment on June 11, I offered a somewhat new perspective: a business owner asking for more regulations. But this perspective is actually growing. In fact, my testimony in support of the Environmental Protection Agency’s (EPA) “Waters of the U.S.” rule reflects a more widespread view among business owners: that regulations can create economic growth opportunities while at the same time protect important assets upon which businesses rely.

For example, companies across a wide spectrum of industries rely on clean water to produce safe, high-quality products. My business, TS Designs, is but one of them. We make T-shirts and need clean water so farmers can deliver the high-quality cotton that goes into our shirts.

Growing up in Burlington, N.C., taught me the importance of water. Burlington used to be a large textile town, with a number of mills being powered by the nearby Haw River. That river became so polluted that I couldn’t see how the community would ever be habitable again -- especially when textile production began to move overseas.

Now the communities around the river are experiencing a revival. People are flocking to Alamance County, and a major part of that is a new protection for the Haw River.

That is thanks to the EPA’s work under the Clean Water Act.

But over the past few years, the Supreme Court handed down a pair of decisions making the EPA’s job harder. With the business community and policymakers asking for more clarity, the EPA had no choice but to come up with new rules to clarify what their power is under the Clean Water Act. Loopholes in the current Clean Water Act had made it possible to dump waste into many small streams and tributaries without fear of prosecution. In many cases, the loophole has rendered the EPA (and its sister agency on clean water issues, the U.S. Army Corps of Engineers) unable to protect communities.

You may think that business owners are against this kind of rule. After all, doesn’t the business community always speak out against regulations? Like I said, it may seem that way, but it’s changing. Many owners understand that their businesses are at risk of disruption if intermittent waterways and adjacent wetlands are disrupted.

Polling from the American Sustainable Business Council (ASBC) found that 92 percent of small business owners supported regulations to protect our air and water from contamination by toxic chemicals. And before you dismiss that as a skewed study, keep this in mind: 47 percent of the respondents were self-identified Republicans.

Of course when you think about it, this shouldn’t be too surprising. While many businesses rely on clean water, from food production to manufacturing and tourism, even companies that don’t have a direct connection to water, are helped when water is clean. And with every company that continues grow, and create jobs, our economy gets stronger and benefits everyone.

Who benefits when our waters get contaminated? Not small businesses like mine. It would just make it harder for us to operate. And the communities we rely on wouldn’t benefit, either. A spill like the one on the Elk River earlier this year can cost communities tens of millions of dollars a day. There’s no economic upside to that.

But there is an economic upside to regulations like these. According to one estimate from the National Resources Defense Council (NRDC), these rules could offer anywhere between $388 million and $514 million in economic benefits, compared to only $162 million to $278 million in costs. Even in the worst-case scenario, that kind of return is something a business owner would jump at.

That’s why I told Congress that businesses need this kind of action from the government. I may have been the only business owner in the room telling them that today, but I’m not the only one who wants it.

Henry is president of TS Designs, in Burlington, N.C., and a member of the American Sustainable Business Council. He testified before the U.S. House Subcommittee on Water Resources and Environment on, June 11.