

Poll Report: Small Business Owners' Views on Energy & Environmental Policy Reform

Based on a scientific phone survey of small business owners nationwide

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INTRODUCTION

Small business owners are on the front lines of job creation, taking risks and building strong local economies across America. With their perspective on the economic opportunities and challenges facing local economies and the country as a whole, small business owners' views on current policy issues can provide valuable insights to decision-makers, surface important priorities, and inform the general public's understanding of what policies will help or hurt small businesses.

Advancing energy and environmental policy reform is one of the central policy challenges before the U.S. Congress in 2013. With widespread agreement that the nation's current energy policy is broken and not serving the best interests of the economy or citizens of the United States, the debate on how to put the nation on a more sustainable energy path is critical.

A number of key policy decisions are up for debate in the 113th Congress, the Administration and at the state level that will determine how the nation moves forward on energy and environmental issues. Washington is addressing the Keystone pipeline extension, energy efficiency, clean energy investment, subsidies, and reducing pollution from power plants. More than a dozen states are considering hydraulic fracturing (fracking) and revisiting renewable energy standards (also known as renewable portfolio standards) that have been enacted in recent years. While Washington continues to argue whether sensible environmental regulations and incentives for renewables are appropriate, other nations have assumed the leadership role in the clean energy sector. Small business owners have a major stake in these debates because of the implications for their businesses and local economies. Study after study points to the positive effect that investments in clean energy and efficiency have on reducing a firm's operating expenses, spurring innovation and creating new jobs.

This report is based on the results of a scientific national phone survey of small business owners (2 to 99 employees) conducted in March 2013. The findings of this survey should inform the ongoing dialogue about energy and environment policy and serve as a set of criteria for evaluating proposals for energy reform on the basis of whether they address the priorities and concerns of small business owners.

EXECUTIVE SUMMARY

This report is based on the results of a scientific national phone survey of small business owners (2 to 99 employees) conducted in March 2013. It found that most small business owners approve of government action to support clean energy development and energy efficiency. There is support for rules to reduce carbon emissions from power plants and opposition to continued subsidies to oil, gas and coal industries. There is also support for continued public sector investment in clean energy technologies, lest China and Europe capture even more of the economic gains. The survey also found overwhelming support for disclosing chemicals used in fracking.

Respondents in this scientific national telephone survey were politically diverse, with a strong plurality Republican or Independent-leaning Republican: a total of 47 percent identified as Republican or Independent-leaning Republican (36 percent Republican, 11 percent leaning Republican); 27 percent total identified as Democratic or Independent-leaning Democratic (19 percent Democratic, 8 percent leaning Democratic); and 14 percent identified as Independent.

Key findings from this survey include:

- **Seventy-two percent of small business owners think incentives for clean energy are a priority.** Strong majorities across party lines say incentives to help U.S. companies build a competitive advantage over other countries are a top, high or middle priority, including 81% independent and 58% Republican.
- **Almost eight out of ten small business owners support increasing energy efficiency by 50% over next ten years.** Seventy-nine percent of small business owners support a national goal to increase domestic energy efficiency. This finding was sustained across party lines, with 76% Republican and 74% Independent support.
- **Small business owners support EPA efforts to limit carbon dioxide emissions of power plants.** Sixty-three percent of small business owners support an EPA rule requiring existing power plants to reduce their emissions, including 54% of Republicans and 64% of Independents.
- **Small business owners oppose continuing subsidies to oil, gas and coal companies.** Sixty-two percent of small business owners, including majorities of Republicans (58%) and Independents (67%), want the government to stop extending subsidies to those industries. In addition, 77% said they support phasing out subsidies to established industries, including oil.
- **Small business owners support a national renewable energy standard.** A total of 63% support a national Renewable Energy Standard mandating that 20 percent of electricity nationwide be generated from renewable energy sources had majorities in each party with 55% Republican, 63% Independent and 83% Democratic.

- **Eighty percent of small business owners support requiring disclosure of chemicals used in hydraulic fracturing (fracking).** Eight out of ten small business owners support an EPA requirement to disclose chemicals used in fracking, with a majority of 56% say they strongly support such a rule. Support held across party lines with 85% of Democrats, 75% of Independents and 81% of Republicans in favor.
- **Small business owners want banks and other investors to include environmental benefits in business investment decisions.** Majorities in each party affiliation, with a total of 57%, support encouraging banks and other investors to broaden their investment criteria to include social and environmental benefits that a company creates.

Small Business Views on Energy and Environmental Policy in the United States

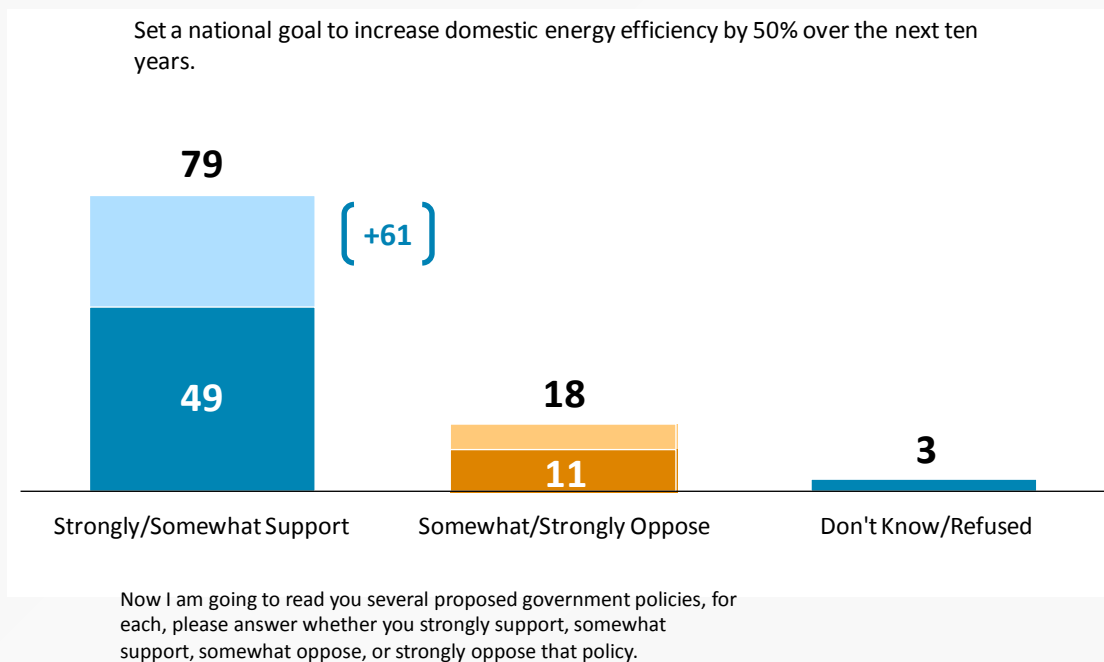
The central policy issues in the unfolding national dialogue over energy and environmental policy reform are: 1) whether the government should adopt measures to limit actions and emissions that are damaging to health and the environment, and (2) whether the government should take steps to further invest in clean energy technologies and increase domestic energy efficiency.

Strong majorities of small business owners approve of government investment to support clean energy development as well as energy efficiency. Majorities also support EPA rules to reduce carbon emissions from power plants, and oppose continued subsidies to oil, gas and coal industries. In addition, small business owners want banks and other investors to expand their investment criteria to include environmental benefits companies might create, and a large majority support disclosing the chemicals used in fracking.

Support for energy efficiency

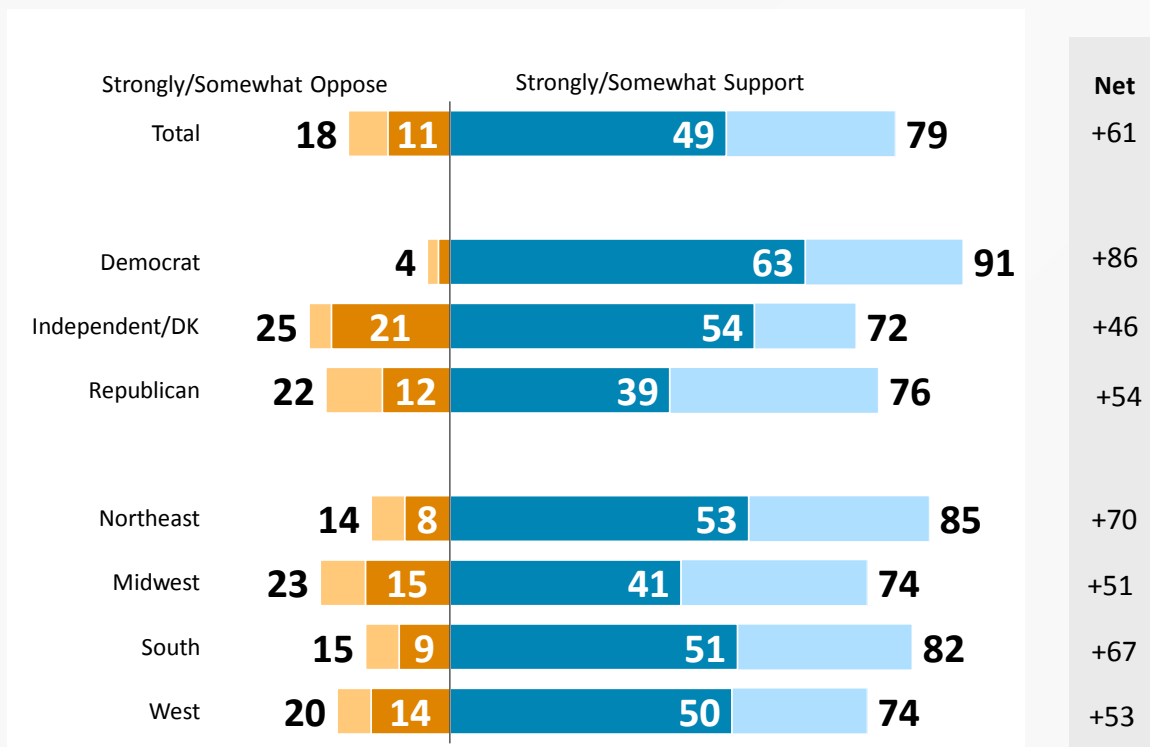
Almost eight out of ten small business owners support a national goal to increase domestic energy efficiency by 50% over the next ten years. A full 79% strongly or somewhat support the goal, including 49% strongly supporting.

About 8 out of 10 small business owners support setting a national goal to increase domestic energy efficiency by 50% over the next ten years.



Support for increased domestic energy efficiency held across party lines with 76% of Republicans registering support, and across regions of the country with southerners and westerners both showing 74% support.

Democrats almost unanimously support setting a higher efficiency goal, and strong majorities of Independents and Republicans also support the efficiency goal.



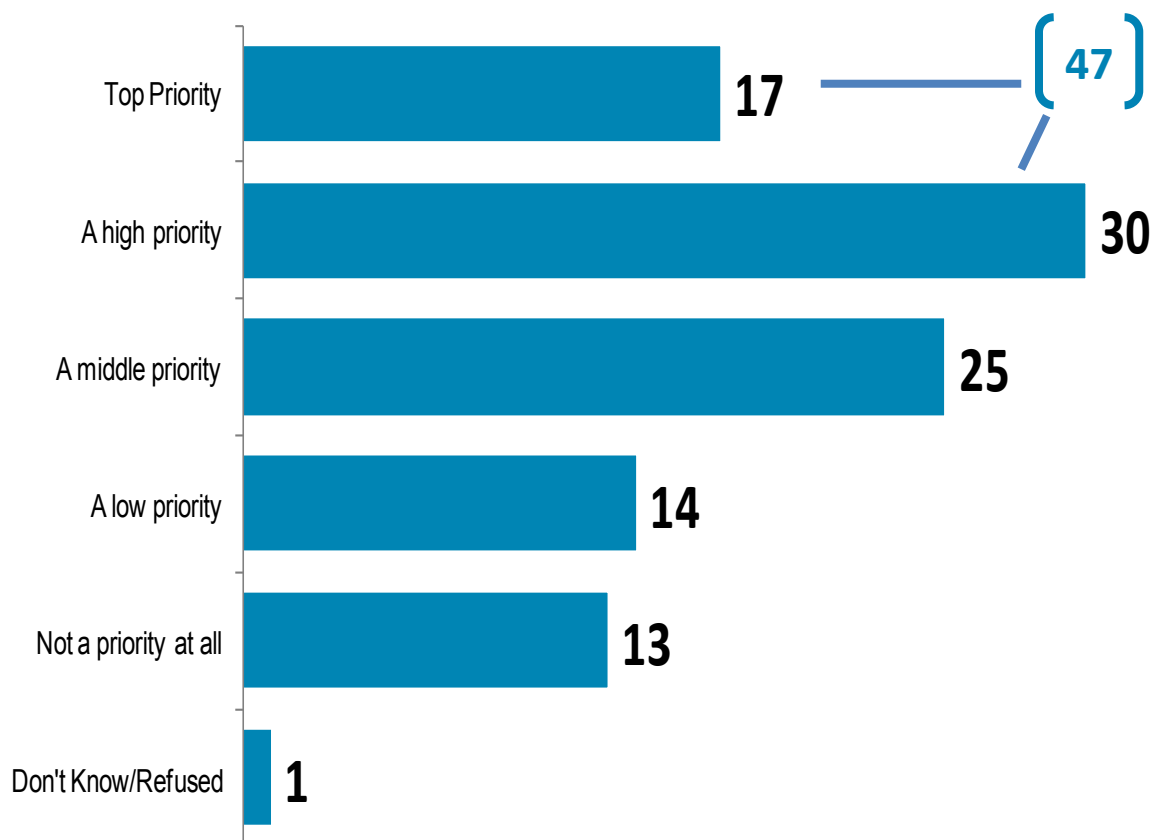
Now I am going to read you several proposed government policies, for each, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose that policy. Set a national goal to increase domestic energy efficiency by 50% over the next ten years.

Support for clean energy incentives

A strong majority of small business owners approve of government incentives to support clean energy development. Seventy-two percent of small business owners said that it was either a top, high or middle priority for the United States to help companies build a competitive advantage in clean energy technology. Only 13% of respondents said that it was not a priority at all.

Forty-seven percent of small business owners say providing incentives to help American companies build a competitive advantage in clean energy technologies should be a high or top priority.

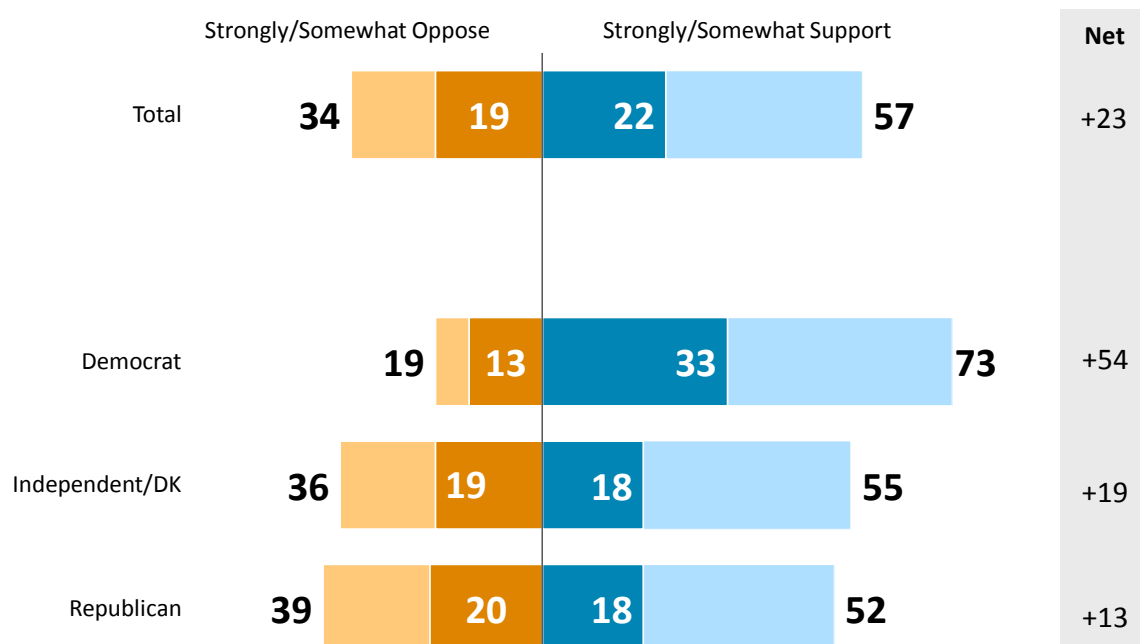
China, India, and many European countries invest heavily in the development and manufacturing of clean energy technologies like solar and wind power. In your opinion, how high of a priority is it for the United States to provide incentives to help American companies build a competitive advantage in these new technologies?



Support for environmental benefits in funding considerations

Business owners also wanted to see banks and venture capitalists begin funding clean energy projects more frequently. Fifty-seven percent, including majorities of Democrats, Republicans and Independents, wanted to see potential funders encouraged to consider the social and environmental benefits of a project when deciding whether to fund it.

Small business owners support encouraging banks, venture capitalists and other investors to include the social and environment benefits of a company when deciding what companies and projects to fund.

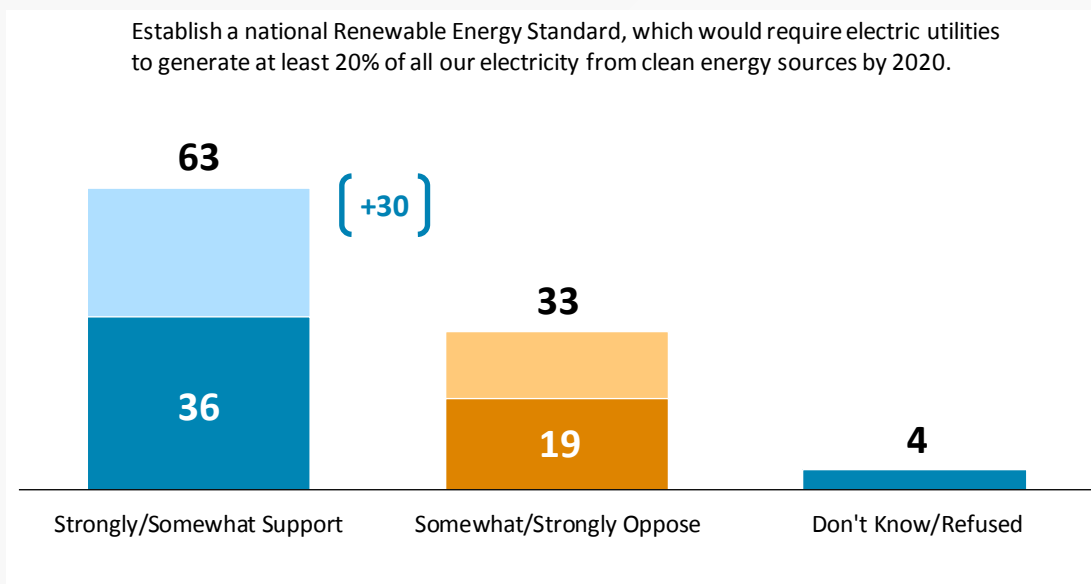


Now I am going to read you several possible government policies, for each of these statements, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose each policy.
 Encourage banks, venture capitalists and other investors to broaden their criteria to include the social and environmental benefits a company creates when deciding what companies and projects to fund

Support for Renewable Energy Standards

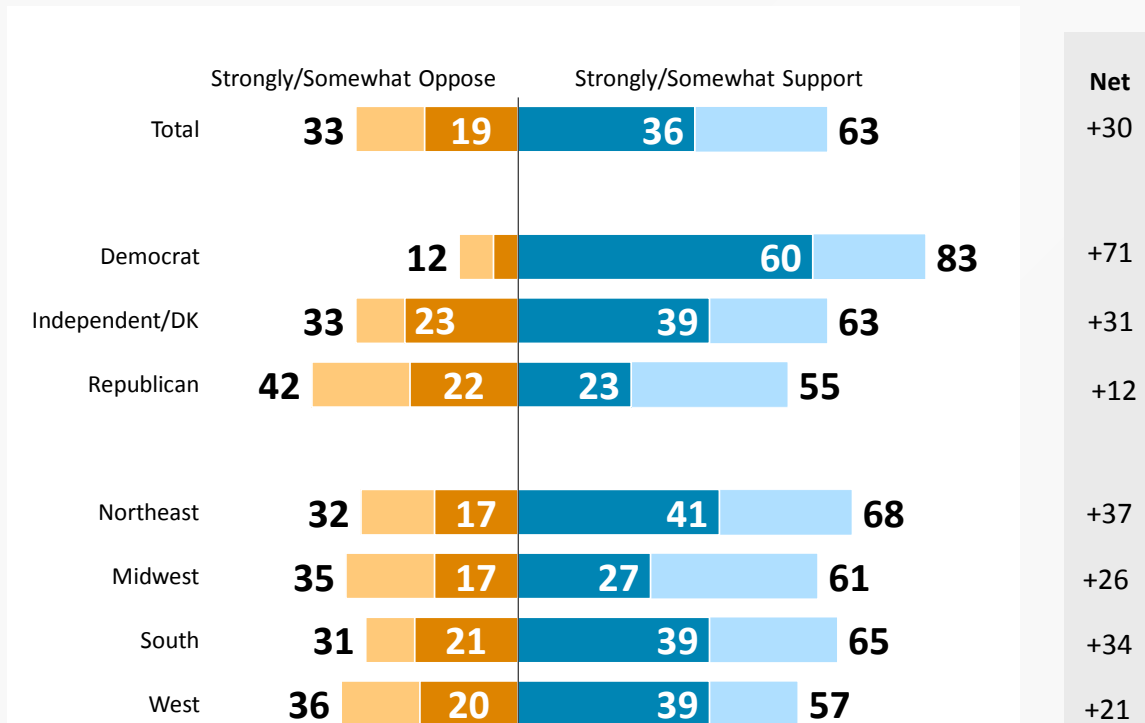
In total, 63% of small business owners say they would support a national Renewable Energy Standard mandating 20% of all electricity come from clean energy sources within a decade. This has real significance given the attempts in various states to rescind already enacted renewable energy standards (also called Renewable Portfolio Standards).

Establishing a national Renewable Energy Standard to require electric utilities to generate electricity from clean sources enjoys strong majority support.



Majority support for the Renewable Energy Standard held in all parties and all regions of the country.

A Renewable Energy Standard enjoys support across party and regional lines, with overwhelming support among Democrats.

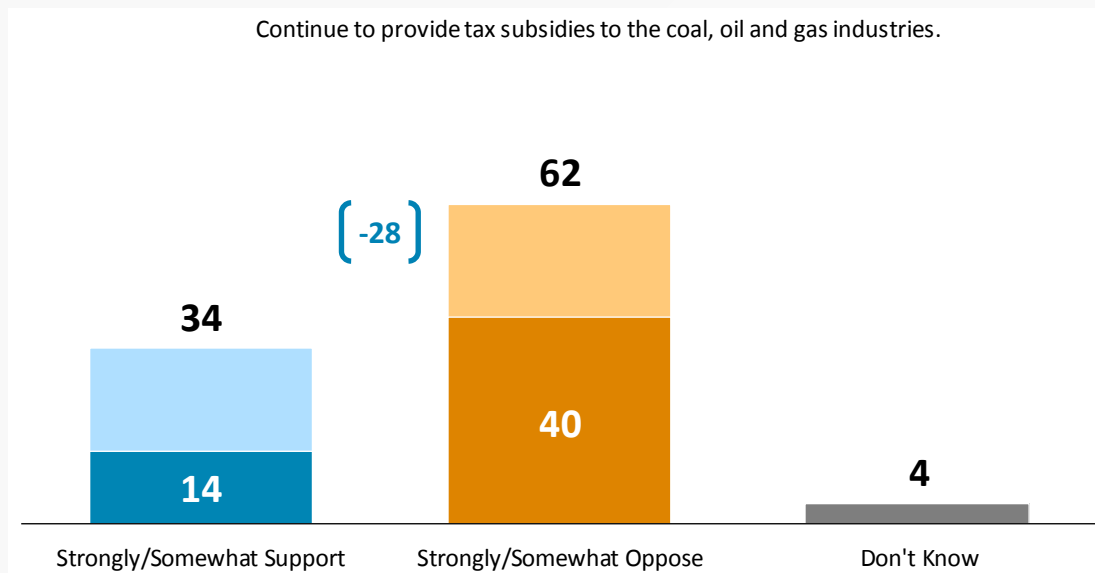


Now I am going to read you several proposed government policies, for each, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose that policy. Establish a national Renewable Energy Standard, which would require electric utilities to generate at least 20% of all our electricity from clean energy sources by 2020.

Opposition to subsidies for oil, gas and coal

Overall, 62% of business owners were opposed to continuing government subsidies to the coal, oil and gas industries.

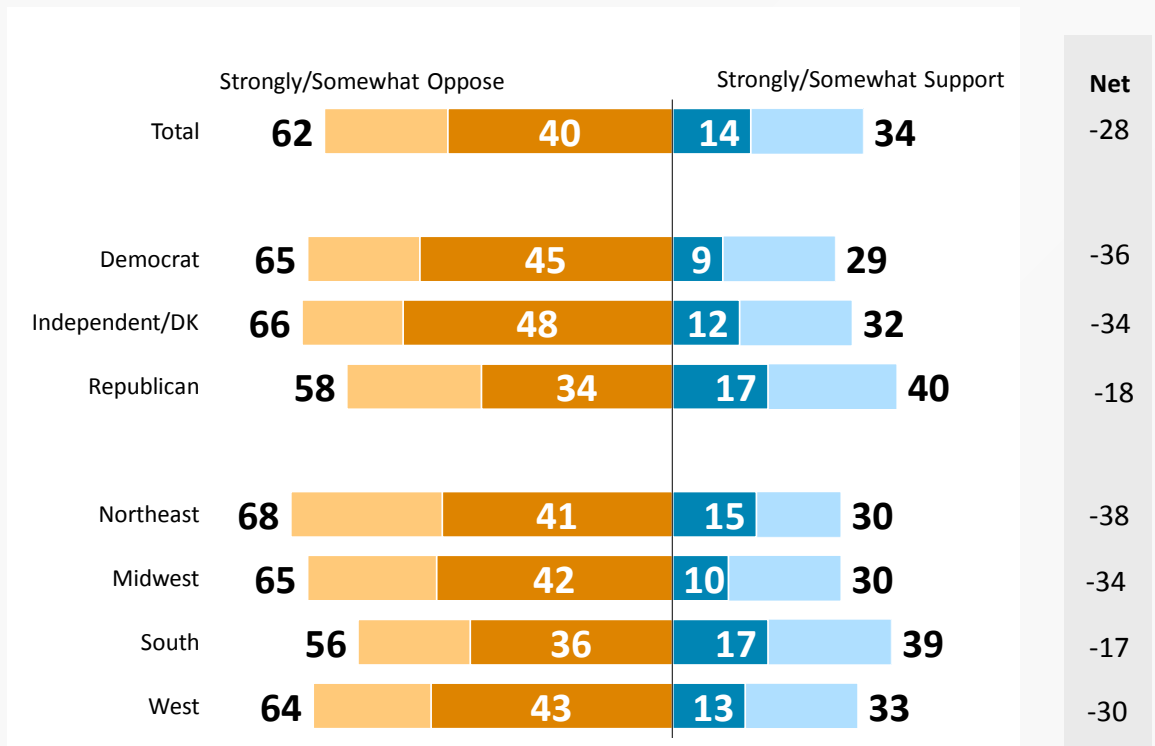
A strong majority of small business owners oppose continuing to provide tax subsidies to the coal, oil and gas industries, with 40% strongly opposed.



Now I am going to read you several proposed government policies, for each, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose that policy.

Opposition to fossil fuel industry subsidies maintained majorities in each party and region, with Independents and Democrats registering the strongest opposition at 66% and 65% respectively. Northeasterners led with 68% in opposition, while Midwesterners and Westerners followed with 65% and 64% respectively.

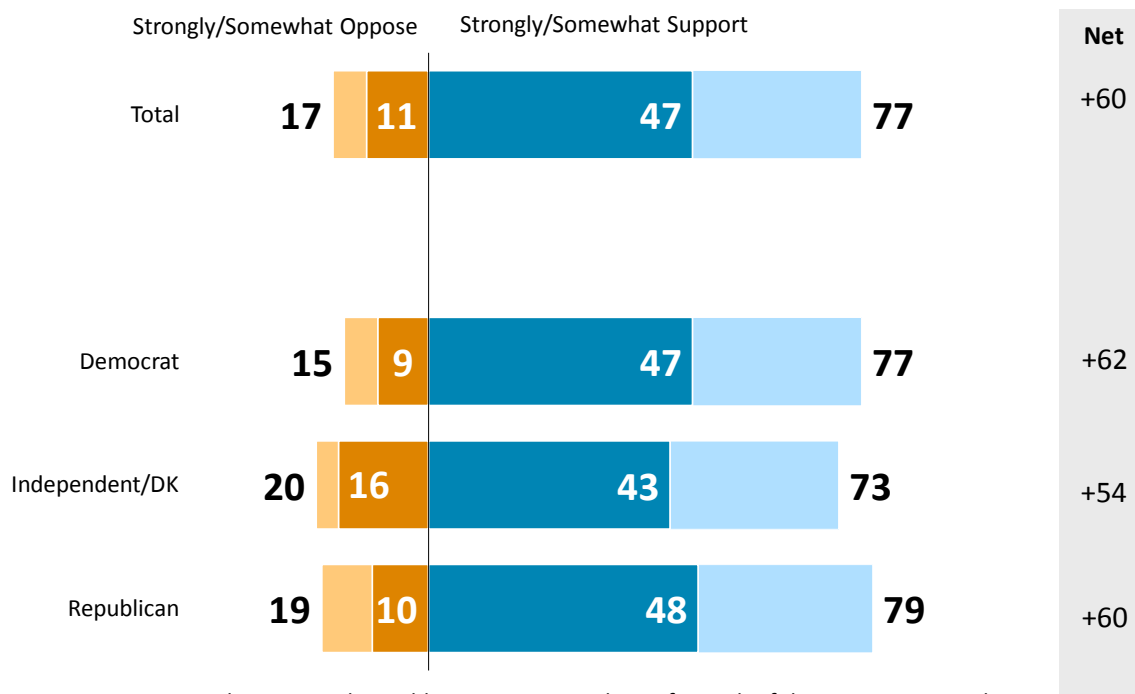
Opposition to continuing tax subsidies for the coal, gas, and oil industries is strong across party lines and in all regions.



Now I am going to read you several proposed government policies, for each, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose that policy. Continue to provide tax subsidies to the coal, oil and gas industries.

Another question that focused on subsidies to established industries, including oil, found strong, bi-partisan support for phasing out price supports and subsidies.

Across partisan lines, small business owners support phasing out price supports and subsidies for established industries like corn and oil.

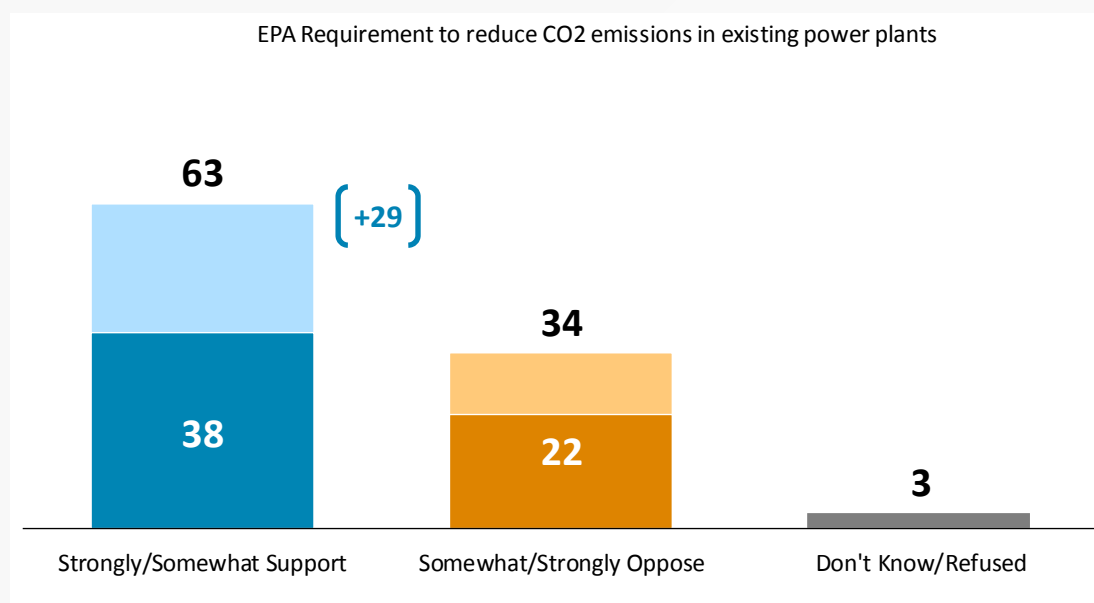


Now I am going to read you several possible government policies, for each of these statements, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose each policy.
Phase out price supports and subsidies to industries, like corn and oil, once those industries have become established

Support for reduced carbon from power plants

Sixty-three percent of small business owners said they supported an Environmental Protection Agency (EPA) requirement that existing power plants reduce their carbon dioxide emissions. Majority support for EPA on this issue stands out as it is likely to be a contentious debate when the Agency releases the final rule.

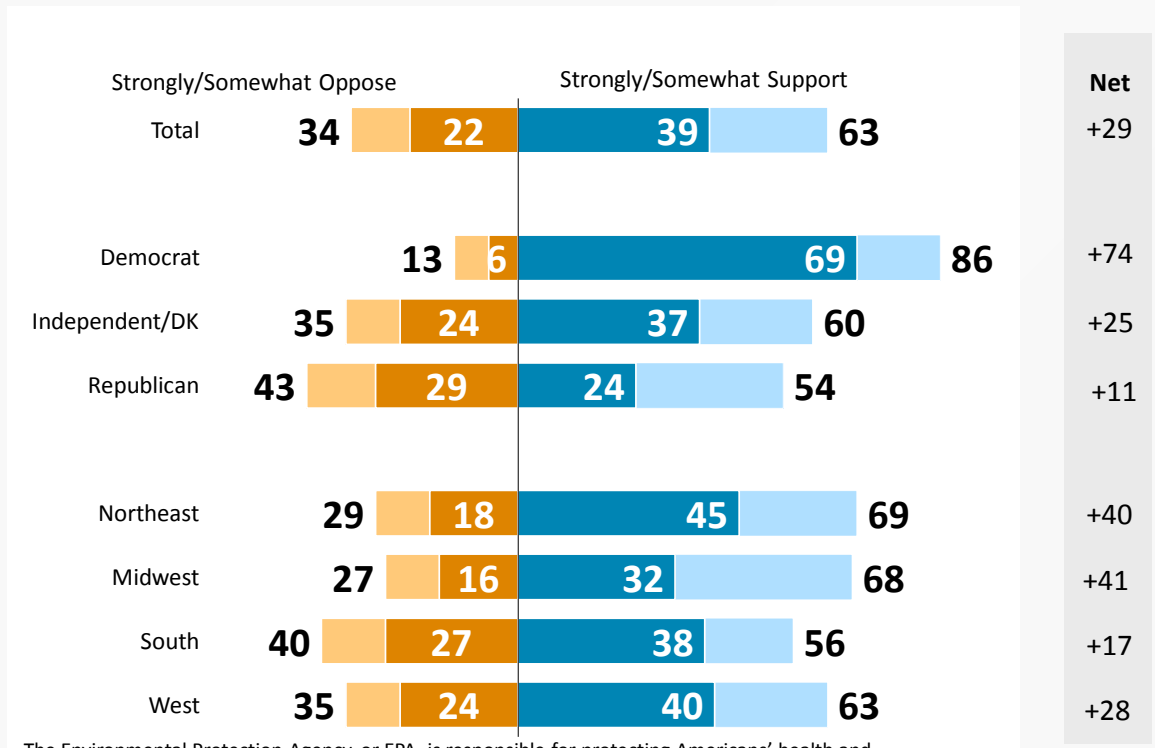
A requirement to reduce CO2 emissions in existing power plants is supported by 63 percent of small business owners.



The Environmental Protection Agency, or EPA, is responsible for protecting Americans' health and the environment from pollution. Would you SUPPORT or OPPOSE an EPA requirement that existing power plants reduce their carbon dioxide emissions?

Majority support for this proposal held across parties and regions, including 54% of Republicans and 60% of Independents. Fifty-six percent of southerners support it.

A proposal to reduce CO2 emissions in power plants gets majority support from Republicans, and very strong support from Democrats.

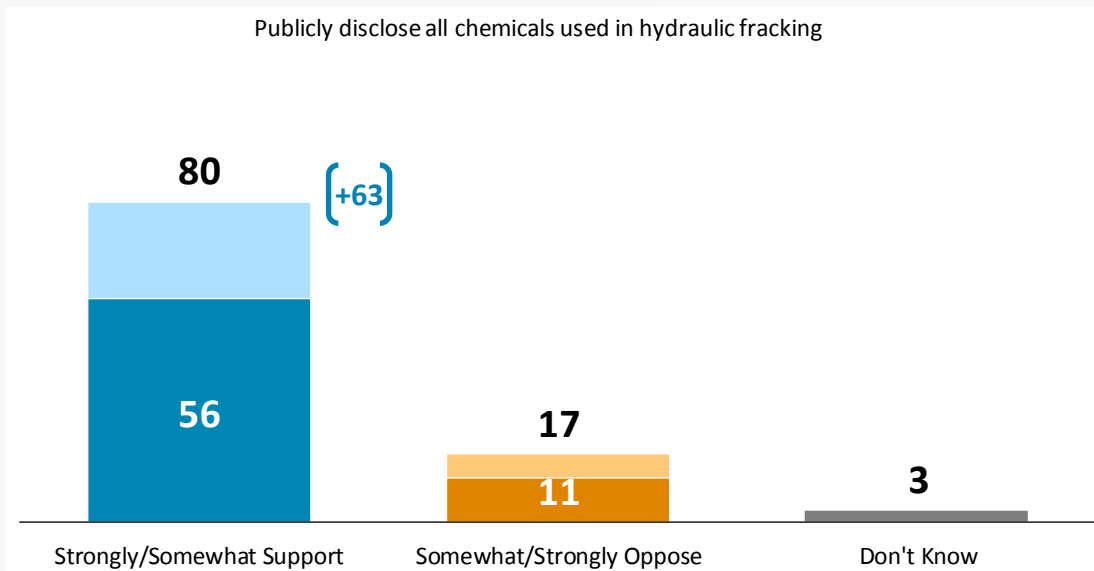


The Environmental Protection Agency, or EPA, is responsible for protecting Americans' health and the environment from pollution. Would you SUPPORT or OPPOSE an EPA requirement that existing power plants reduce their carbon dioxide emissions?

Support for Disclosure of Fracking Chemicals

Eight out of ten small business owners support a rule requiring disclosure of chemicals used in hydraulic fracturing (fracking), with a majority of 56% saying they strongly support such a rule.

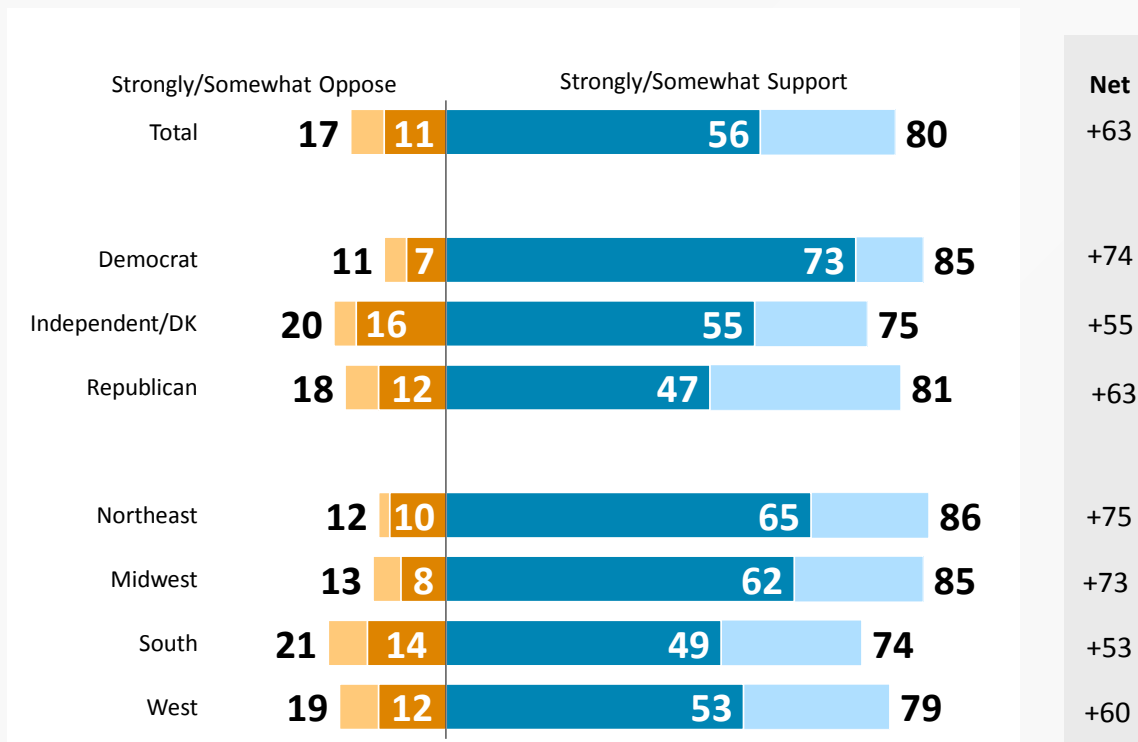
A majority of small business owners strongly support a requirement to publicly disclose all chemicals used in hydraulic fracking, with support at 80% overall.



Hydraulic fracking is a method of extracting gas and oil by injecting water and chemicals underground. Would you SUPPORT or OPPOSE an EPA requirement that companies involved in fracking publicly disclose all chemicals used in this process?

Support for the EPA fracking disclosure rule was strong across party lines, with 81% of Republicans in favor, and among all regions of the country with the South registering 74% support.

Support for a requirement to disclose the materials used in fracking extends across party lines and regional lines, with a majority of Independents and Democrats strongly supporting it.



Hydraulic fracking is a method of extracting gas and oil by injecting water and chemicals underground. Would you SUPPORT or OPPOSE an EPA requirement that companies involved in fracking publicly disclose all chemicals used in this process?

CONCLUSION

Small business owners have a major stake in the debate on energy and environmental policy, and in ensuring that energy reform will strengthen small businesses and boost local economies.

As this survey shows, small business owners strongly support policies that foster a more competitive edge for American markets in the energy sector, and want to see the negative effects of oil, gas, and natural gas be curbed by limitations and regulation. Small business owners' support for these progressive energy policies holds among Republican, Democratic, and Independent small business owners, as well as across all regions of the country.

These findings should inform the ongoing dialogue over energy policy and help to evaluate energy and environment reform proposals on the basis of whether they address the priorities of America's small business owners.

METHODOLOGY

Results reported here represent findings from a scientific live telephone survey of 515 owners of small businesses (2 to 99 employees) nationwide conducted by Lake Research Partners over March 14-25, 2013. Survey respondents were a geographically stratified sample of small business owners from around the country. The data were weighted slightly by gender, region, ethnicity, and business size to match the sample to the national population of small business owners. The survey's margin of error is +/-4.4%.

POLL TOPLINES

March 14-25, 2013
515 Small Business Owners

	N=	Total 515	Demo- crat 139	Indep- endent 72	Repub- lican 242
Gender of respondent					
Male	73	62	70	79	
Female	27	38	30	21	
Region					
New England.....	5	3	5	6	
Middle Atlantic.....	14	21	5	14	
East North Central.....	15	11	17	18	
West North Central.....	9	12	10	6	
South Atlantic.....	19	15	18	20	
East South Central.....	5	3	5	5	
West South Central.....	11	7	12	12	
Mountain	7	6	8	7	
Pacific	16	21	21	12	

Approximately how many people work 30 or more hours per week at your company, including yourself?
Please don't include contractors.

2-4 Employees	38	36	43	40
5-9 Employees	24	27	16	23
10-19 Employees	18	20	15	16
20-99 Employees	20	16	26	21

Now on to a different topic. China, India, and many European countries invest heavily in the development and manufacturing of clean energy technologies like solar and wind power. In your opinion, how high of a priority is it for the United States to provide incentives to help American companies build a competitive advantage in these new technologies?*

[READ CHOICES]

Top priority	17	28	21	8
A high priority	30	46	40	21
A middle priority	25	21	20	29
A low priority	14	0	14	24
Not a priority at all	13	5	6	18
(Don't know).....	1	0	0	1
(Refused).....	0	0	0	0

*Asked of half the sample.

Now I am going to read you several proposed government policies, for each, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose that policy.

[REPEAT AS NECESSARY: Do you strongly support, somewhat support, somewhat oppose, or strongly oppose this policy?]

RANDOMIZE

- Set a national goal to increase domestic energy efficiency by 50% over the next ten years.

Strongly Support	49	63	55	39
Somewhat Support	30	28	19	37
Somewhat Oppose	7	3	5	10
Strongly Oppose	11	2	17	12
(Don't know /refused)	3	5	4	2
Strongly /somewhat support	79	91	74	76
Strongly /somewhat oppose	18	4	22	22

- Establish a national Renewable Energy Standard, which would require electric utilities to generate at least 20% of all our electricity from clean energy sources by 2020.

Strongly Support	36	60	37	23
Somewhat Support	26	24	26	31
Somewhat Oppose	14	7	9	20
Strongly Oppose	19	5	24	22
(Don't know /refused)	4	4	4	3
Strongly /somewhat support	63	83	63	55
Strongly /somewhat oppose	33	12	32	42

- Continue to provide tax subsidies to the coal, oil and gas industries.

Strongly Support	14	9	11	17
Somewhat Support	20	20	20	22
Somewhat Oppose	22	19	19	24
Strongly Oppose	40	45	48	34
(Don't know /refused)	4	7	2	3
Strongly /somewhat support	34	29	31	40
Strongly /somewhat oppose	62	65	67	58

The Environmental Protection Agency, or EPA, is responsible for protecting Americans' health and the environment from pollution. Would you SUPPORT or OPPOSE an EPA requirement that existing power plants reduce their carbon dioxide emissions?

[IF SUPPORT/OPPOSE]: Is that strongly, or somewhat [OPPOSE/SUPPORT]?

Strongly Support	38	69	37	24
Somewhat Support	25	17	27	30
Somewhat Oppose	12	6	10	14
Strongly Oppose	22	6	24	29
(Don't know)	3	1	3	3
(Refused)	0	0	0	0
Strongly /somewhat support	63	86	64	54
Strongly /somewhat oppose	34	13	34	43

Now I am going to read you several possible government policies, for each of these statements, please answer whether you strongly support, somewhat support, somewhat oppose, or strongly oppose each policy.

[REPEAT AS NECESSARY: Do you support strongly, somewhat support, somewhat oppose, or strongly oppose this policy, or do you not know?]

RANDOMIZE

- Phase out price supports and subsidies to industries, like corn and oil, once those industries have become established

Strongly support.....	47	47	43	48
Somewhat support	30	30	32	31
Somewhat oppose	7	6	3	9
Strongly oppose	11	9	17	10
(Don't know/refused).....	6	8	5	2
Strongly /somewhat support.....	77	77	75	79
Strongly /somewhat oppose	17	15	20	19

- Encourage banks, venture capitalists and other investors to broaden their criteria to include the social and environmental benefits a company creates when deciding what companies and projects to fund

Strongly support.....	22	33	16	18
Somewhat support	35	41	38	34
Somewhat oppose	15	7	20	19
Strongly oppose	19	13	17	20
(Don't know/refused).....	9	7	9	9
Strongly /somewhat support.....	57	73	54	52
Strongly /somewhat oppose	34	19	38	39

Finally, I would like to ask you a few questions for statistical purposes only.

Generally speaking, do you think of yourself as a Republican, a Democrat, an independent, or something else?

[IF REPUBLICAN OR DEMOCRAT:] Do you consider yourself a strong (Republican/Democrat) or a not-so-strong (Republican/Democrat)?

[IF INDEPENDENT:] Would you say that you lean more toward the Republicans or more toward the Democrats?

Strong Republican.....	23	0	0	49
Not-so-strong Republican	13	0	0	27
Independent - lean Republican	11	0	0	24
Republican	47	0	0	100
Independent.....	14	0	100	0
Democrat	27	100	0	0
Independent - lean Democratic	8	29	0	0
Not-so-strong Democrat	8	31	0	0
Strong Democrat	11	41	0	0

(Other)	7	0	0	0
(DO NOT READ, BUT RECORD VOL: Libertarian).....	1	0	0	0
(Don't know).....	4	0	0	0

In what country were you born?

U.S.....	90	84	90	95
(Other country) _____ RECORD	9	16	10	5
(Refused).....	2	0	0	0

What is your age? **IF REFUSED:** I am going to read you some categories. Stop me when we get to your category.

READ CATEGORIES:

18-24 years	1	2	1	1
25-29	2	1	1	2
30-34	5	2	5	6
35-39	6	5	2	7
40-44	9	11	6	9
45-49	9	9	13	9
50-54	14	16	12	15
55-59	16	20	17	16
60-64	19	19	19	18
65-69	8	10	3	9
70-74	4	3	5	4
Over 75	1	1	2	2
(Refused)	6	0	15	3

Just to make sure we have a representative sample, could you please tell me whether you are from a Hispanic, Latino, or Spanish-speaking background? **[IF "NO", ASK:]** What is your race--white, black, Asian, or something else?

DO NOT READ

White/Caucasian	81	72	81	88
Black/African American	4	9	0	2
Latino/Hispanic	4	6	5	3
Asian/Pacific Islander	6	8	6	5
Native American	1	1	1	0
(Other)	2	3	3	1
(Don't know/refused)	3	1	4	1

THIS COMPLETES OUR SURVEY.



The American Sustainable Business Council and its member organizations represent more than 165,000 businesses nationwide, and more than 300,000 entrepreneurs, executives, managers, and investors. ASBC informs and engages policy makers and the public about the need and opportunities for building a vibrant and sustainable economy.

www.asbcouncil.org

ORGANIZATIONAL MEMBERS

- 1% for the Planet
- American Independent Business Alliance
- Association for Enterprise Opportunity
- American Made Alliance
- BLab
- Blacks in Green
- Buffalo First
- Business Alliance for Local Living Economies
- Business for Shared Prosperity
- California Association for Microenterprise Opportunity
- California Business Alliance for a Green Economy
- Count Me In for Women's Economic Independence
- Evergreen Cooperative Corporation
- Fair Trade Federation
- Fayette Chamber of Commerce
- Fay-Penn Economic Development Council
- Freelancers Union
- The Greater Connellsville Chamber of Commerce
- Green America
- Green Chamber of Commerce
- Green Parking Council
- Houston Green Chamber of Commerce
- Illinois Green Business Association
- Integrated Healthcare Policy Consortium
- Investors' Circle
- Local First Arizona
- Local First Chicago
- Local First Ithaca
- Manhattan Chamber of Commerce
- Mile High Business Alliance
- National Cooperative Business Association
- National Latino Farmers & Ranchers Trade Association
- New Mexico Green Chamber of Commerce
- New Voice of Business
- New York State Sustainable Business Council
- North Carolina Sustainability Center
- Ohio Sustainable Business Council
- Practice Greenhealth
- Responsible Wealth
- Re>Think Local
- ROC Restaurant Industry Roundtable
- Small Business Minnesota
- Social Enterprise Alliance
- Social Venture Network
- South Carolina Small Business Chamber of Commerce
- Southwest Michigan Sustainable Business Forum
- Specialty Sleep Association
- Stay Local!
- Sustainable Association of Hawaii
- Sustainable Business Alliance
- Sustainable Business Network of Massachusetts
- Sustainable Food Trade Association
- Sustainable Furnishings Council
- Texas Green Chamber of Commerce
- Think Local First DC
- Vermont Businesses for Social Responsibility
- Voice for Oregon Innovation and Sustainability
- Wealth for the Common Good
- World Business Academy

BUSINESS SUPPORTERS

- American Income Life Insurance
- Beauty Counter
- Ben & Jerry's
- Better World Club
- Better World Telecom
- Beauty Counter
- BioAmber Green Technologies
- Boardwalk Capital Management
- Bus Boys & Poets
- CSRwire
- Dean's Beans
- Davis Graham & Stubbs LLP
- Dansko
- Domini Social Investments
- Dolphin Blue
- Eileen Fisher
- Ethical Electric
- Ethical Media Markets
- GD Squared
- GPM
- Green Depot
- Greyston Bakery Inc.
- Ideal Energy
- Jeffrey Hollender Partners
- Lynch Music
- MAPA Group
- Management Resources
- Marketing Partners
- Marstel Day LLC
- Naturepedic
- Native American Natural Foods
- New Belgium Brewing
- New Resource Bank
- Ogden Publications
- Organic Valley
- Patagonia
- Prestwick House
- Re-Marks
- Seven Oaks Farm
- Seventh Generation
- Singlebrook Technology
- Soundbite Services
- StockSmart
- Stonyfield Farm
- Sustainable Life Media
- Thrive Consulting
- Trillium Asset Management
- Triple Ethos LLC
- Weconsumetoomuch.com
- World Blu
- Your Olive Branch