

Testimony of Rick Baumann
Founder, Murrells Inlet Seafood
Board of Directors, South Carolina Small Business Chamber of Commerce
Senate Committee on Small Business and Entrepreneurship
“Reauthorization of the Office of Advocacy”
May 22, 2019
2:30 p.m. EST

Chairman Rubio and distinguished members of the committee,

My name is Rick Baumann, Founder of Murrells Inlet Seafood, a 52-year old small business located in the fishing village and Seafood Capital of South Carolina, Murrells Inlet. Over these many years my company has been involved in catching, processing and distributing fresh seafood to the public, regional restaurants and seafood companies in Boston, Montreal, New York and Toronto.

I am here today to testify to the importance of federal regulations for my industry and want to focus specifically on the failure of the Small Business Administration’s Office of Advocacy to ensure that federal regulations do not encourage irresponsible behavior by big polluting corporations whose activities are detrimental to companies like mine. And I am not alone. I am testifying today on behalf of the American Sustainable Business Council, representing over 250,000 businesses in all industries across the country and for the South Carolina Small Business Chamber of Commerce on whose Board I serve.

Today I will focus on water – and water-based businesses like mine. I have worked on or relied on the water all my adult life. As a teenager I dove for shellfish in the bays of Long Island. A few years later, I began working the water of Murrells Inlet, South Carolina, while stationed at nearby Myrtle Beach Air Force Base. I also worked for 14 winters on Maryland’s Eastern Shore as a waterfowl guide and waterman. In each of these endeavors, I learned specifically, that water quality is a requirement of sustainability.

My experience as a veteran reinforced my belief that our government must be fair and honorable in the rules that it sets and how they are enforced. Unfortunately, regarding the Office of Advocacy, our government is falling far short of fair and honorable.

I believe that regulations for small businesses can be good – and even necessary, in order to achieve intended goals and sustainability. These rules should create fair competition and respect for the resources that all businesses, small and large, should abide by.

For example, in the seafood industry, we have an ever-growing list of regulations to keep our harvests sustainable while also protecting threatened and endangered species. These rules are quite burdensome for small businesses – but they do have a long-term vision of a sustainable ocean fishery.

But, too often needed regulations like these are slowed, watered down, terminated or not even considered by Advocacy due to the lobbying of big business interests who seek to maximize their profits with no regard to sustainability or the resources.

For example, the Administration has an ongoing campaign to weaken or throw out most necessary regulations of the accident-prone offshore oil industry. These moves again favor more profits for Big Oil but threaten the sustainable ocean fisheries that businesses like mine try to maintain by following regulations. But we had no input.

Another example are the mercury standards for coal burning power plants. They are already so woefully inadequate that several species of fish have government warnings about mercury levels, which encourages the public not to eat them – harming my industry while cutting costs and bolstering profits for the power companies. This is not fair and honorable. It is a blatant example of how big polluting businesses are influencing the regulatory process at our expense – and that of the general public health.

A third example is Advocacy's 2018 letter to the Department of Interior strongly supporting expanding offshore drilling for oil in the Atlantic despite tens of thousands of coastal small businesses on record opposing such an action.

The Office of Advocacy is supposed to be making our voices heard on issues like these – but they are not.

This problem does not only apply to the current Administration. During the Obama Administration, the Office of Advocacy took a negative stance on the efforts to strengthen the Clean Water Act and even denied the American Sustainable Business Council and small business leaders the opportunity to provide input. Thus, the voices for maintaining and expanding the Clean Water Act to protect businesses like mine were not heard.

It is the Office of Advocacy's mission to represent all small businesses impacted by regulations. However, the Office has demonstrated a litany of allegiance to big business, through policies and recommendations, which are contradictory to its mission, ignoring the needs of many of the small businesses, especially those not represented by national trade associations, which it is supposed to represent.

In summary, the voices of all small businesses in helping shape good, timely regulations and government actions are not being adequately heard.

For us to survive and thrive, WE NEED OUR VOICES HEARD – and advocated for!

Thank you very much for your kind attention to my remarks.