



SMALL BUSINESS & NONPROFIT CLINIC

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12/4/08

**National, State, and Local Programs
and other Initiatives**

There are a multitude of programs and initiatives at the national, state, and local levels that can provide small businesses and nonprofits with incentives or assistance to go green. While some programs offer marketing or publicity benefits, such as use of a logo or recognition on a web site, others offer assistance with low-interest loans to help defray the cost of making environmentally responsible changes in business practices, or grants to fund nonprofit programs on environmental issues. The following is a (non-exhaustive) list of some of those programs and initiatives.

Inclusion on this list does not constitute an endorsement by the MSU Small Business and Nonprofit Clinic. The Clinic makes no representations as to the programs' effectiveness or whether they are still in existence. All programs listed here were researched from October-December of 2008, and information contained herein is current as of that timeframe.

KEY TO PROGRAMS:

BLUE programs and incentives are federal/national.

RED programs and incentives are State of Michigan.

GREEN programs and incentives are local or independent.

PARTNERSHIPS WITH GOVERNMENTAL UNITS

- **The Environmental Protection Agency (EPA)** (<http://www.epa.gov>) offers numerous partnership programs at the national level to encourage American businesses to be environmentally responsible. Programs target (among other categories) waste management,

pollution prevention, technology, energy efficiency, and agriculture. The following programs should be most appealing to small businesses and nonprofit organizations:

- **WasteWise:** This program helps businesses and nonprofits reduce solid waste, which includes things like office paper and packaging. Joining is free and you will have to track and report your waste reduction to the EPA. In return, you will be recognized as a WasteWise Partner and receive access to logos as well as tips for drafting press releases. Partners who achieve great success may be bestowed with a WasteWise Award! See <http://www.epa.gov/epawaste/partnerships/wastewise/index.htm>.
- **Green Power Partnership:** Green Power (<http://www.epa.gov/greenpower>) means the EPA partners with businesses and other organizations to assist them in purchasing electricity from renewable resources (think wind, solar, or hydro). In return, the business must purchase at least a certain amount (at least 10 percent for smaller businesses) of its energy as Green Power. Joining is free, and the partner must first estimate annual electricity use, then locate local sources of Green Power. Partners then submit a Partnership Agreement to the EPA, committing to buying Green Power within one year of submission. Finally, partners report their successes to the EPA, meaning they'll be eligible to broadcast their news via the EPA's web site and use the EPA Green Power logo. This program is open to all organizations except those which supply electricity or green power products. Small businesses have their own part of the web site which addresses their unique concerns at <http://www.epa.gov/cleanenergy/energy-and-you/small-business/index.html>.
- **EnergyStar:** Energy Star is a partnership between the EPA and the U.S. Department of Energy (DOE). Most consumers are familiar with EnergyStar appliances, but EnergyStar also works with its Small Business or Congregational partners to improve energy efficiency by implementing more environmentally responsible energy management practices. Businesses or religious organizations that make exceptional progress in this area have the potential to be nationally recognized for EnergyStar Small Business and Congregation Awards. Partners receive support on how to increase environmental efficiency, as well as EnergyStar posters and logos to advertise your green hipness. To join this program for free, go to <http://www.energystar.gov> and click on "Buildings & Plants." From there, click on "Small Business" or "Congregations" from the "Getting Started For ..." menu on the left-hand navigation bar.
- **Design for the Environment:** <http://www.epa.gov/dfc/> The DfE program partners with businesses in industries that "combine the potential for chemical risk reduction and improvements in energy efficiency with a strong motivation to make lasting, positive changes." This includes small businesses like automotive refinishers and nail salons. Partners must, among other things, implement cleaner technologies and processes which lead to a reduction in use of toxic chemicals. For contact information regarding the various industry partnerships, visit <http://www.epa.gov/dfc/contacts.htm#partner>.
- **Michigan Clean Corporate Citizen Program (C3):** According to Michigan's Department of Environmental Quality (DEQ), this program "allows regulated establishments that have demonstrated strong environmental performance and a commitment to continual environmental improvement to be recognized as Clean Corporate Citizens." Besides public recognition by the State of Michigan, C3s are also eligible for other benefits from the state in the

form of permit flexibility, shortened waiting periods for necessary permits, and reduced oversight. Small businesses *are* eligible, but must meet program criteria. In effect, this means that eligible businesses must not have been fined or convicted for serious environmental violations *and* must have written pollution prevention programs in place which conform with ISO 14001:2004 and has been approved by the DEQ's director. For more information, contact the DEQ's Environmental Science and Services Division at 1-800-662-9278 or visit <http://www.michigan.gov/deq> and search for "C3."

- **Greater Lansing Go Green! Initiative** (<http://www.GoGreenGoLansing.com>): a free program designed to "encourage environmentally conscious business practices in the Lansing region." Businesses (or individuals) simply fill out and return a form (which can be e-mailed to save paper) pledging to incorporate environmentally conscious practices into their daily lives. The web site has a comprehensive guide that suggests myriad ways to accomplish this, but can include everything from recycling office paper to taking the bus to work. Once you've pledged, your business will receive a colorful window sticker marking your commitment, and you'll be recognized as a Go Green! participant.

LOW-INTEREST LOANS & TAX INCENTIVES

- **Deduction for energy-efficient commercial buildings:** The Internal Revenue Service (IRS) enacted a tax deduction for owners or lessees of commercial buildings who install property "as part of the commercial building's interior lighting systems, heating, cooling, ventilation, and hot water systems, or building envelope" designed to reduce energy use. The energy reduction must be certified to ensure that it complies with the provisions of the Internal Revenue Code section 179D (*26 USC § 179D*), but if successful, eligible businesses may be able to claim a deduction from 60 cents to \$1.80 per square foot of building floor area. These provisions have been extended through Dec. 31, 2008. See <http://www.irs.gov/businesses/small/industries/article/0,,id=160505,00.html> and <http://www.irs.gov/pub/irs-drop/n-06-52.pdf> for more information about these deductions.
- **Small Business Pollution Prevention Loans (MI):** Michigan's Department of Environmental Quality (DEQ) offers small businesses the chance to borrow up to \$400,000, at an interest rate of 5 percent or less, for the purpose of modifying or implanting business practices or equipment in order to cut down on waste and increase resource reuse or recycling. The types of projects funding include things like modifications of equipment, technology, processes or procedures; substitutions of raw materials; certain types of employee training; on-site energy or water conservation projects, and improvements in inventory management. A business is considered eligible to apply if it is independently owned and operated; not dominant in its field, and employs 500 or fewer people. For more information, contact the DEQ's Environmental Science and Services Division at 1-800-662-9278 or visit <http://www.michigan.gov/deqp2loan>.
- **Bright Idea:** Not so much a program as an informational initiative regarding the benefits and savings of switching from regular incandescent light bulbs to the long-life, energy saving compact fluorescent light bulbs (CFLs). The DEQ's Bright Idea web site includes a brochure, an FAQ, information on proper disposal of CFLs, and energy saving calculators. Visit <http://www.michigan.gov/deq> and search for "Bright Idea."

- **Michigan NextEnergy Authority:** The Michigan Next Energy Authority (MNEA) was created to promote the development of alternative energy technologies and to provide tax incentives for business activities and property related to the research, development and manufacturing of those technologies. The MNEA certifies certain personal property as Alternative Energy Personal Property (AEPP); eligible taxpayers may claim a personal property tax credit on AEPP items. Items in this category include things like alternative energy systems, hybrid vehicles, personal property of an Alternative Energy Technology Business, or personal property of a business which is *not* an Alternative Energy Technology Business but is used only for the purpose of researching, developing, or manufacturing alternative energy technologies. In addition, an Alternative Energy Zone has been created in Wayne State University's Research and Technology Park in Detroit. Businesses which engage in the activities mentioned above and are located within this Zone also enjoy full Renaissance Zone tax benefits. For more information, see <http://www.nextenergy.org/whoareyou/entrepreneurs.aspx>.

RENEWABLE ENERGY PURCHASING PROGRAMS

- **Lansing Board of Water and Light (BWL) GreenWise Power:** A local alternative to the EPA's Green Power Partnership, the GreenWise Power program (<http://www.lbwl.com/gwp.asp>) gives BWL residential or business customers the opportunity to buy 250-kilowatt-hour blocks of renewable energy resources (wind, water, or biomass) as part of the electricity supply. Each block of 250 KWH adds \$7.50 per month to the bill, and BWL requires a three-year initial commitment upon joining. The BWL electricity services the cities of Lansing and East Lansing, plus all or parts of the following townships: Bath, Delhi, Delta, DeWitt, Lansing, Meridian, Windsor, and Watertown.
- **DTE Energy GreenCurrents:** Customers whose home or business is located within the catchment area for DTE have the option to go with the GreenCurrents renewable energy program (<http://my.dteenergy.com/products/greenCurrents/index.html>). The energy comes from wind or biomass sources and is Green-e certified (see our piece on "Some Green Standards" for more information on Green-e or visit <http://www.green-e.org>). There are two ways to participate: you can either do a 100-percent match of your monthly electric consumption, which adds 2 cents-per-kilowatt-hour to your bill, or you may buy blocks of green power. Residential customers may purchase 100-KWH blocks for an extra \$2.50 per month and business customers may purchase 1,000-KWH blocks for an extra \$20.00 per month.
- **Consumers Energy Green Generation:** Customers whose home or business is within the service area for Consumers Energy (almost three-quarters of the Lower Peninsula) may participate in the Green Generation program (<http://www.consumersenergy.com> and then select "Green Generation" from one of the drop-down menus under "For Home" or "For Business"). The program's energy comes from a combination of wind power and landfill gas-fueled generators. Similar to the other programs described here, customers pay a premium of \$2.50 for each renewable energy block of 150 KWH. You may also select the Green Team option, in which 100 percent of energy use is renewable, for a premium of \$0.01667 per kilowatt-hour. In addition, businesses with greater electricity needs may select the Green Business option, and receive a discounted price with purchase of a minimum monthly amount. There is an initial commitment of one year.

NONPROFIT FOUNDATIONS AND GRANT-MAKERS

- Foundation Center Philanthropy News Digest: This page features the Environmental section of Request For Proposals at the Foundation Center. Updated regularly and features grants (both deadline-based and rolling application) for a variety of nonprofit environmental projects and initiatives. Visit http://foundationcenter.org/pnd/rfp/cat_environment.jhtml.
- **Captain Planet Foundation:** This organization's mission is to fund and support hands-on environmental projects for children ages 6-18. All applicants must have tax-exempt status under IRS Code section 501 (this means nonprofit organizations and schools only). Grants tend to be between \$250-\$2,500. See <http://www.captainplanetfdn.org/grants.html>.
- **Environmental Education and Research Foundation:** Alexandria, Virginia-based organization makes grants for research or education in topics pertaining with any aspect of solid waste management. Michigan State University has received over \$750,000 of grant money from this organization to date. See <http://www.erefdn.org/guide.html>.
- **Great Lakes Directory Environmental Grantmaking Foundations:** links to other foundations that make grants to nonprofits for environmental efforts. The list may include other foundations already listed here. See <http://www.greatlakesdirectory.org/grants.htm>
- **Kresge Foundation Environment Program:** This large nonprofit is in the early stages of developing a comprehensive program to fund environmental conservation efforts. The foundation is "currently accepting only foundation-initiated proposals for projects other than facilities capital and green planning grants." Acceptable projects are those aimed at reducing greenhouse gas emissions from the built environment, accelerating the adoption of renewable energy technologies, and developing strategies for helping society adapt to the anticipated, negative impacts of climate change. Nonprofits who have 501(c)(3) status (schools are not eligible) are eligible to apply. See <http://www.kresge.org/content/displaycontent.aspx?CID=153> for more information.
- **Patagonia Grants:** The retail chain offers environmental grants to "small, grassroots activist organizations with provocative direct-action agendas, working on multi-pronged campaigns to preserve and protect our environment. We help local groups working to protect local habitat, and think the individual battles to protect a specific stand of forest, stretch of river or indigenous wild species are the most effective in raising more complicated issues – particularly those of biodiversity and ecosystem protection – in the public mind." Applications are only accepted from nonprofit organizations; if you are applying directly to the organization you must submit your application by either April 30 or August 31 (applications are also accepted at retail stores year-round). Most grants are between \$3,000-\$8,000. See <http://www.patagonia.com/usa/patagonia.go?assetid=2927>.
- **Surdna Foundation:** A New York City-based family foundation which makes grants in various areas, including the environment. Funds programs which build support for stabilizing climate change, improving transportation patterns and land use, and safeguarding the oceans. Does not fund individuals, academic research, or environmental education. See <http://www.surdna.org/>.

OTHER RESOURCES

- Database of State Incentives for Renewables & Efficiency (DSIRE): This database lists state, local, utility, and federal incentives that promote renewable energy and energy efficiency. You may search the state of Michigan individually, or browse federal incentives. Visit <http://dsireusa.org/>.
- **Energy Policy Act of 2005 (EPACT) and Emergency Economic Stabilization Act of 2008:** Remember the infamous economic “bailout bill” that Congress passed in October of 2008 to help stabilize our economy? The Emergency Economic Stabilization Act included several provisions that modified, amended, and added to EPACT to provide more tax incentives for the business sector to engage in energy-efficiency practices. Although many of the provisions do not directly affect small businesses or nonprofits, some are specifically aimed at private businesses or governmental organizations. See http://www.energy.gov/media/HR_1424.pdf or <http://www.energy.gov/additionaltaxbreaks.htm> for a handy quick-reference guide to the new incentives.
- **Economic Development and Growth Through Environmental Efficiency (EDGE2):** This section of the Michigan Department of Environmental Quality’s web site features a wealth of information on environmental resources for state businesses and nonprofit organizations, including an exhaustive list of current environmental initiatives. To view the updated list of programs, visit <http://www.michigan.gov/deq> and search for “Energy Efficiency Resources.” Once you’ve reached that page, the first link in the Information box is entitled “Michigan Energy Programs and Initiatives.”
- **Great Lakes Environmental Finance Center:** (covers Michigan as well as IN, OH, IL, WI, and MN) Based out of Cleveland State University in Cleveland, Ohio, the GLEFC helps build innovative, cost-effective, and high-quality strategies for environmental improvement and sustainable economic development by offering technical assistance, training, and research resources to state and local governments, the private sector, and nonprofit organizations. See <http://urban.csuohio.edu/glefc/>.