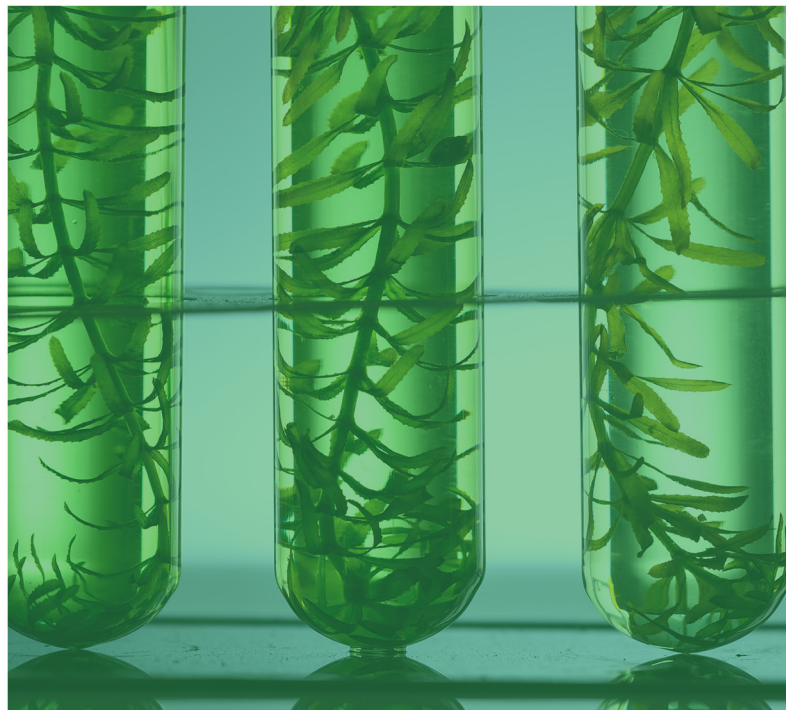


Committee on
**SMALL
BUSINESS**



PREPARED BY THE HOUSE SMALL
BUSINESS COMMITTEE MAJORITY STAFF,
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EARTH DAY 2021: SMALL BUSINESS IN THE CLEAN ENERGY ECONOMY



EARTH DAY 2021: COVID, SMALL BUSINESS, AND THE CLEAN ENERGY ECONOMY

Small Businesses and the Clean Energy Economy

Small businesses are at the forefront of the clean energy economy, promoting new technologies in renewable energy and energy efficiency. All over the country, entrepreneurs and innovators are researching, manufacturing, producing, and supplying energy efficient products and renewable energy to consumers. Small businesses are helping grow the clean energy economy by investing in clean energy and energy efficiency to address climate change – from reducing their carbon footprint to producing and consuming renewable energy. Small businesses have the agility and innovativeness to be leaders in economic growth and job creation across the clean energy economy.¹

Through innovation and hard work, many small firms are bringing new clean energy technologies to market, taking steps to reduce their ecological impacts, all while creating jobs and economic growth. Small firms are developing a broad range of technologies: novel energy storage and microgrid solutions, lighter and stronger steel, more efficient fuel cells, low-impact hydropower, increased carbon sequestration, and much more. Even large-scale projects such as wind and solar farms create jobs and opportunities for small firm that employ laborers, metal workers, machinists, truck drivers, and many others to create a more efficient and reliable clean energy future for all Americans. Addressing climate change through clean energy and energy efficiency benefits businesses, employees, local communities, and our economy as a whole. Small businesses are leading the way in developing clean energy and energy efficiency technology, to address climate change.²

The Role of the Small Business Administration

Many of the SBA guaranteed loan programs can be used by small businesses for major fixed assets such as land, structures, machinery, and equipment. For small businesses looking to access capital to address climate change issues, such as mitigation measures to reduce energy use and emissions or by making improvements to be more resilient to climate change and natural disasters, the SBA loan guarantee programs may be a viable option. In recognizing that businesses may be looking to make costly energy infrastructure improvements to reduce emissions or increase use of renewable energy, the SBA 504/CDC loan guarantee program provides an increased loan limit of up to \$5.5 million, \$500,00 greater than the standard loan guarantee.

¹ Addisu Lashitew, Small Business Green Recovery Fund to Power US Climate Transition, Brookings Institute, March 1, 2021.

² Devashree Saha and Joel Jaeger, America's New Climate Economy, World Resource Institute, July 2020.

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Clean Energy Recovery

Prior to the pandemic, clean energy and energy efficiency jobs were one the fastest-growing and most beneficial sectors for our economy and our environment. One [report](#) found that clean energy jobs account for nearly 3.3 million jobs across all 50 states and the District of Columbia.¹ But like many sectors of the economy, COVID-19 has caused a substantial amount of job loss, erasing over five years of steady job growth in the clean energy economy. This disruption continues to ripple throughout the supply chain, slowing or halting the manufacturing and installation of efficiency equipment and clean energy technologies.

As our economy seeks to recover, hundreds of thousands of workers who lost their jobs due to the pandemic are ready to return to work to build a better, cleaner, more energy efficient economy. Clean energy and energy efficiency are proven catalysts for economic growth and careers opportunities in every state. Supporting the clean energy economy will help create jobs, save money, and spur economic growth, while at the same time helping our planet and our environment. By supporting the strength of America's entrepreneurs and small business community, we can get people back to work, support small business and large firms, and be a world leader in the clean energy economy.

Clean Energy Jobs Lost Due to COVID-19 Economic Crisis

State	CE Jobs Lost	Percent Decline	State	CE Jobs Lost	Percent Decline
Alabama	5,665	12.5%	Montana	1,157	10.5%
Alaska	940	15.3%	Nebraska	1,863	8.5%
Arizona	5,056	8.1%	Nevada	2,958	8.7%
Arkansas	1,770	8.2%	New Hampshire	994	5.8%
California	56,370	10.2%	New Jersey	7,009	12.2%
Colorado	3,323	4.9%	New Mexico	1,367	10.9%
Connecticut	3,573	8.1%	New York	9,337	5.7%
Delaware	1,359	9.6%	North Carolina	13,348	11.6%
District of Columbia	1,697	10.9%	North Dakota	999	10.0%
Florida	18,006	10.7%	Ohio	11,116	9.6%
Georgia	20,676	23.9%	Oklahoma	3,291	13.9%
Hawaii	2,585	17.2%	Oregon	4,775	7.9%
Idaho	1,044	7.4%	Pennsylvania	13,204	13.6%
Illinois	6,938	5.3%	Rhode Island	2,291	14.0%
Indiana	8,649	9.7%	South Carolina	5,755	10.0%
Iowa	3,137	8.6%	South Dakota	434	3.5%
Kansas	1,921	7.3%	Tennessee	5,276	6.2%
Kentucky	8,485	21.7%	Texas	14,732	6.0%
Louisiana	5,525	17.3%	Utah	1,873	4.2%
Maine	1,286	9.4%	Vermont	1,556	8.5%
Maryland	6,728	7.9%	Virginia	7,910	7.9%
Massachusetts	9,496	8.3%	Washington	13,096	14.7%
Michigan	17,191	12.9%	West Virginia	1,035	9.9%
Minnesota	7,060	10.9%	Wisconsin	6,092	7.7%
Mississippi	2,501	11.3%	Wyoming	567	6.4%
Missouri	5,461	9.2%	US TOTAL	338,475	9.8%

Source: [BW Research Partnership, Clean Energy Employment Initial Impacts from the COVID-19 Economic Crisis, December 2020, Revised.](#)