## How EU Precaution-Based Regulations Are a Disguised Tax on U.S. Small Business

By

Lawrence A. Kogan, Esq.

For the

Small Business Coalition for Regulatory Relief, National Federation of Independent Business

> Washington, DC May 2004

## How EU Precaution-Based Regulations Are a Disguised Tax on U.S. Small Business

- I. Introduction
- II. Examples of EU Precaution-Based Health, Safety and Environmental Regulations
- III. Many U.S. Small and Medium-Sized Businesses Will Likely Be Impacted by EU Precaution-Based Measures
- IV. Compliance Costs + Potential Environmental Clean-Up Liability = Large Hidden Business Tax
- V. Many EU Health, Safety and Environmental Regulations Are Premised on a Formal Precautionary Principle that the EU Seeks to Establish as an International Legal Standard
- VI. The Nature and Scope of the Precautionary Principle
- VII. European Industry Has Lobbied Brussels to Export the Precautionary Principle Abroad in Order to 'Level the Global Economic Playing Field'
- VIII. Some EU Precaution-Based Regulations Have Already Been Exported to China
- IX. Several EU-Style Precaution-Based Regulations Have Been Proposed or Adopted in U.S. State Legislatures
- X. U.S. Small and Medium-Sized Businesses Will Increasingly be Subject to Global Supply-Chain Management Programs Incorporating the Precautionary Principle
- XI. U.S. Small and Medium-Sized Businesses Must Organize Amongst Themselves and Speak Out Against These Rules