

# Congress of the United States

Washington, DC 20515

October 21, 2024

The Honorable Isabel Casillas Guzman  
Administrator  
U.S. Small Business Administration  
409 3rd Street S.W.  
Washington, DC 20416

Dear Administrator Guzman,

We write to draw your attention to the pollution flowing into San Diego from Mexico and its impact on small businesses in the region. The U.S. Small Business Administration (SBA) has previously supported small businesses in San Diego throughout the coronavirus pandemic and the severe January flooding, we are now seeking your assistance through yet another disaster.

For too long, South San Diego County has suffered with untreated wastewater, sediment, and trash that has flowed through the Tijuana River into San Diego waters affecting our environment, national security, and the health and safety of our constituents. As we continue to work with local governments, federal agencies, and our Mexican counterparts to address the pollution's effect on the environment and wellbeing of our constituents, we must also work to address the devastating impact this pollution has had on small businesses, the consumers who rely on them, and our regional economy.

This summer marked the third straight year that beaches in South San Diego County, specifically those in the City of Imperial Beach, had been closed due to dangerous levels of bacteria found in the water from the Tijuana River.<sup>1</sup> These closures have had a damaging impact on the small businesses who rely on tourism from beachgoers. According to the City of Imperial Beach, the estimated revenue lost from tourist spending is about \$500,000 annually, indefinitely.<sup>2</sup>

Up the coast from Imperial Beach, Coronado Island, one of the region's most popular tourist destinations, has also suffered the economic hardship of beach closures. According to San Diego County's Beach and Bay Program, Coronado beach closures were in effect for 169 days between June 2023 to June 2024.<sup>3</sup> One Coronado business owner reported losing between \$30,000 and \$40,000 over the last two years because of these closures.<sup>4</sup>

The pollution kept South San Diego County beaches closed for more than 1,000 consecutive days, forcing tourists to visit other beachfront communities, leaving beachfront businesses owners in cities like Imperial Beach and Coronado Island struggling.<sup>5</sup> In a recent survey conducted by the County of San Diego, 74% of

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<sup>1</sup> Kershner, Ava. "Imperial Beach Residents Struggling to Find Places to Swim." *ABC 10 News San Diego KGTV*, ABC 10 News San Diego KGTV, 12 June 2024. [www.10news.com/news/local-news/south-bay-news/imperial-beach-residents-struggling-to-find-places-to-swim](http://www.10news.com/news/local-news/south-bay-news/imperial-beach-residents-struggling-to-find-places-to-swim)

<sup>2</sup> [060424---SD-Regional-Chamber-of-Commerce-Stakeholder-Letter-to-Gov-Newsom \(imperialbeachca.gov\)](https://www.imperialbeachca.gov/060424---SD-Regional-Chamber-of-Commerce-Stakeholder-Letter-to-Gov-Newsom)

<sup>3</sup> Capuano, Kylie. "Sewage Crisis Raising Concerns from Business and Restaurant Owners." *The Coronado News*, 12 July 2024, <https://thecoronadonews.com/2024/07/sewage-crisis-raising-concerns-from-business-and-restaurant-owners/>

<sup>4</sup> Ibid

<sup>5</sup> Murga, Tammy. "County Report Hints at Economic Impact Sewage Crisis Has on South Bay Businesses. 'It Feels like We're at a Point of No Return.'" *Tribune*, San Diego Union-Tribune, 8 June 2024. <https://www.sandiegouniontribune.com/2024/06/08/county-report-hints-at-economic-impact-sewage-crisis-has-on-south-bay-businesses-it-feels-like-were-at-a-point-of-no-return/>

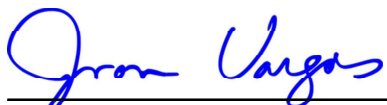
businesses indicated that they have been and continue to be negatively impacted by the transboundary pollution.<sup>6</sup>


As business struggle to remain open amid the transboundary pollution, the SBA’s mission to “help ensure that program delivery is equitable, customer-centric and supports small businesses and innovation” is needed more now than ever <sup>7</sup>. Although this situation has been gradual and long-lasting, it has had similar effects like other disasters where small businesses have been affected by a situation beyond their control and struggled to mitigate the economic impacts.


To better support small businesses in South San Diego County that are struggling, at no fault of their own, we request responses to the following questions:

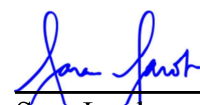
1. Is it the SBA’s understanding that businesses impacted by gradual and long-lasting environmental disasters – such as the transboundary pollution affecting San Diego – are not eligible for assistance similar to the assistance available following a Stafford Disaster Relief and Emergency Assistance Act declaration?
2. What steps has the SBA taken, or does it plan to take, to provide assistance to small businesses struggling due to a long-term environmental issue, such as transboundary pollution?
3. Has the SBA collected, or does it plan to collect, data on the effects of pollution events on small businesses generally? Has the SBA collected, or does it plan to collect, data on how transboundary pollution has impacted the small businesses currently situated in South San Diego in particular?
4. The Biden Administration recently created an interagency task force to respond to the transboundary pollution affecting San Diego. What steps is the SBA taking, or plan to take, to coordinate with other federal agencies to address the impact this pollution has had on small businesses? Is the SBA apart of this interagency task force?
5. How can Congress assist in providing the SBA with the tools or authorities it needs to better assist small businesses struggling due to this and other pollution events?

Sincerely,

  
\_\_\_\_\_  
Juan Vargas  
Member of Congress

  
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Scott H. Peters  
Member of Congress

  
\_\_\_\_\_  
Mike Levin  
Member of Congress

  
\_\_\_\_\_  
Sara Jacobs  
Member of Congress

<sup>6</sup> *Economic Impacts of Transboundary Pollution*, <https://bosagenda.sandiegocounty.gov/cob/cosd/cob/doc?id=0901127e81072123>

<sup>7</sup> “Organization.” *U.S. Small Business Administration*, [www.sba.gov/about-sba/organization](http://www.sba.gov/about-sba/organization)