

# Compliance Incentives for Business: Self-Policing, Self-Auditing, and Self-Disclosure Policies

By: [Green Business Network](#)

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The U.S. EPA and some U.S. states have established a number of policies to encourage small businesses to assess and improve their environmental performance. These policies provide companies with incentives to voluntarily identify, report, and correct environmental problems -- in order to ensure compliance with environmental regulations and avoid enforcement penalties.

## U.S. EPA Special Policies For Small Businesses

The U.S. EPA has three major policies that promote self-auditing:

1. **Compliance Incentives for Small Businesses Policy**— Defines small businesses as those with fewer than 100 employees -- encourages companies to participate in on-site compliance assistance programs, mentoring, and environmental self-audits. As part of this policy, EPA will waive enforcement penalties for businesses that meet the following four criteria:

- The company has made a good-faith effort to comply with applicable environmental requirements (through on-site assistance programs, or voluntary audits and disclosures).
- The company was not subject to any enforcement actions pursuant to the current violation, and has not been subject to two or more enforcement actions for environmental violations in the past five years.

The company corrects the violation and remedies any associated hazards within six months of discovery; an additional six months may be granted if pollution prevention technologies are used.

The violation has not caused and does not have the potential to cause serious harm to public health, safety, or the environment; it does not have the potential to present imminent and substantial endangerment to public health or the environment; and it does not involve criminal conduct.

For more information contact David Hindin, U.S. EPA, Office of Regulatory Enforcement, at 202-564-6004 or Karin Leff, U.S. EPA, Office of Compliance, at 202-564-7068.

[Click here to visit this policy on EPA's web site.](#)

2. **Policy on Environmental Self-Auditing and Self-Disclosure**—This policy encourages businesses to voluntarily discover, disclose, and correct violations of environmental requirements. It waives violations that are:

- promptly disclosed and corrected, discovered through voluntary audits
- revealed through environmental-management systems that demonstrate due diligence.

Additionally, the policy indicates that:

- EPA will reduce penalties by 75% when violations that are discovered by means other than environmental audits are promptly disclosed and corrected.
- EPA will not recommend criminal charges to the Department of Justice or other prosecuting authority if EPA determines that a number of specifies conditions are met (see Section D of policy).

In either case, EPA may consider recovering fines for economic benefits gained as a result of non-compliance.

For more information, contact Brian Riedel at 202-564-4187, U.S. EPA, Office Of Enforcement.

[Click Here to visit the EPA web site on this policy.](#)

[Click here for EPA's interpretive guidance documents.](#)

3. **Clean Air Act Enforcement Response Policy**—This policy provides assistance to small businesses in complying with the Clean Air Act Amendments of 1990. It requires all U.S. state environmental agencies to offer small business assistance programs. Through such programs, businesses receive the following options:
- **90 Day Correction Period:** Small businesses have up to 90 days to receive compliance assistance from the SBAPs, with the possibility of an additional 90 days to correct any violations discovered under the program. After that time, violations are subject to existing enforcement response policies. State programs offering this correction-period option may not guarantee the confidentiality of violations.
  - **Confidentiality option:** State SBAPs that operate independently of the state's environmental protection agency may keep violations detected through their programs confidential.

Click Here to visit EPA's "[Enforcement Response Policy for Treatment of Information Obtained Through Clean Air Act Section 507 Small Business Assistance Programs](#)" web site.

## Major State Compliance-Incentive Policies

There are five major types of incentives offered by state environmental agencies:

- **General Audit Laws and Policies--** Some state legislatures have passed laws establishing environmental-audit programs -- also known as self-disclosure and self-policing programs -- that create compliance incentives as a matter of state law. Others offer incentives through administrative-policy mechanisms. In both cases, these programs reduce penalties or waive violations that are discovered by voluntary audits or compliance-management systems. To qualify, companies must promptly report violations to the regulatory authority and correct them within a specified period of time.
- **Audit Privilege--** Audit-privilege laws allow portions of environmental-audit reports to remain confidential. Such laws do not apply to information that is required to be disclosed under current environmental regulations.
- **Audit Immunity--** These policies waive some administrative, civil, and criminal penalties for companies that voluntarily disclose and correct violations that were discovered during an environmental audit.
- **Amnesty--** Environmental amnesty laws encourage businesses to request technical assistance or to voluntarily engage in pollution-prevention activities. Amnesty laws are often targeted at smaller businesses that may lack the resources or expertise to conduct a thorough self evaluation. Some amnesty laws and policies apply only to minor violations, while others apply to more serious non-compliance issues.
- **Grace Periods--** Some states offer a grace period to companies that have discovered and disclosed a minor violation. Such policies specify a period of time by which the company may avoid penalties if it achieves compliance.

## How to Choose an Incentive Program

Deciding to participate in a compliance-incentive program can be a complex process. And since many states offer a variety of incentive programs, choosing the one that's appropriate can be confusing. Here are some questions to help you get started:

- Does the law or policy only apply to companies of a certain size?
- What information becomes public?
- Is guidance information on the use of the policy or law available?
- Is assistance available to help my company prevent future violations?
- How often is the policy/law used? If used infrequently, why?
- Which regulations does the policy apply to? (federal or state)

## State Compliance Incentives

Below you'll find a list of the compliance incentives offered by each U.S. state.

### Alaska

Alaska's [Audit Report Privilege](#) law, enacted in May 1997, includes both privilege and immunity clauses and provides an owner or operator of a regulated entity with an opportunity to internally evaluate their facilities and management systems to ensure improved environmental compliance. Some of the incentives offered to a participating business include:

- confidentiality of all communications concerning the audit report;
- audit report **cannot** be used as evidence in any civil or administrative action;
- immunity from civil and administrative penalty.

**Guidance Supplements:** Available from Alaska Department of Environmental Conservation

- [Guide to Efficient/Effective Business](#)

#### **For More Information:**

Office of the Commissioner  
410 Willoughby Avenue Suite 105  
Juneau, AK 99801-1795  
Phone: 907-465-5061  
Fax: 907-465-5070  
Web site: [www.state.ak.us](http://www.state.ak.us)

### Arizona

Arizona's Environmental Audit law was enacted in April 2000 and covers both privilege and immunity for regulated entities that perform an audit evaluation.

#### **For more information:**

Arizona Department of Environmental Quality  
3033 North Central Ave.  
Phoenix, AZ 85012  
Phone: 602-207-2308.  
Web site: [www.ev.state.az.us](http://www.ev.state.az.us)

## Arkansas

[Arkansas' Environmental Audit Privilege](#), enacted in February 1995 and amended in March 1999, encourages voluntary and comprehensive evaluations of facilities and management systems to improve compliance with environmental laws and regulations. Incentives include:

- confidentiality of communications relating to the voluntary internal environmental audits and reports; and
- environmental audit reports are -privileged and inadmissible in any civil or administrative legal action, including enforcement actions.

**Guidance Supplements:** An [Environmental Terms List](#) is available from Arkansas Department of Environmental Quality.

### **For More Information:**

Arkansas Department of Environmental Quality  
PO Box 8913  
Little Rock, AR 72219  
Phone: 501-682-0898  
Web site: [www.adeq.state.ar.us](http://www.adeq.state.ar.us)

## California

The [Unified California/EPA Policy on Incentives for Self-Evaluation](#), enacted in July 1996 and amended in December 1998, is designed to enhance the protection of human health and the environment by encouraging regulated entities to voluntarily prevent or discover, disclose and correct violations of federal, state and local environmental requirements.

### **For More Information:**

California Environmental Protection Agency  
555 Capitol Mall #525  
Sacramento, CA 95814  
Phone: 916-322-7310  
Fax: 916-445-5563  
Web site: [www.calepa.ca.gov](http://www.calepa.ca.gov)

## Colorado

The [Colorado Environmental Auditing and Immunity](#) law, enacted in June 1994 and amended in May 2000, provides regulated entities that internally evaluate their facilities and management systems, disclose the findings, and improve regulatory compliance, with the following incentives:

- waiver of penalties; and
- audit report is confidential and inadmissible in legal actions.

**Guidance Supplements:** Available from [Department of Public Health and Environment's Environmental Consumer Assistance Center](#)

- Policy regarding Statute
- Checklist to determine applicability of law
- Sample Responses to Requests for Voluntary Disclosure Immunity
- [Description of law](#)

### **For More Information:**

Colorado Department of Public Health and Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530  
Phone: 303-692-3564 or 800-886-7689  
Web site: [www.cdphe.state.co.us](http://www.cdphe.state.co.us)

## Connecticut

The [Policy on Incentives for Self-Policing](#), enacted in October 1996 and amended in March 2000, is designed to promote greater compliance with laws and regulations that protect human health and the environment by encouraging regulated entities to voluntarily discover, disclose, correct and prevent violations of environmental requirements through the use of environmental audits. The policy provides three basic incentives:

- full or partial waiver of penalties for violations discovered;
- no recommendations for civil action or criminal prosecution; and
- no routine requests for environmental audits.

### **For More Information:**

Connecticut Department of Environmental Protection  
Office of Enforcement, Policy and Coordination  
79 Elm Street  
Hartford, CT 06106  
Phone: 860-424-3265  
Fax: 860-424-4179  
Web site: [www.dep.state.ct.us](http://www.dep.state.ct.us)

## Florida

Florida's [Policy for Incentives for Self-Evaluation by the Regulated Community](#), enacted in April 1996, promotes environmental protection by finding more violations, achieving timely correction of those violations and establishing constructive relationships with businesses. The incentives for a business that discovers and reports environmental violations are:

- no punitive penalties;
- no meetings, orders or litigation for short-term corrections; and
- flexible agreements for long-term corrections.

**Guidance Supplements** : Available from district offices is its [Enforcement Manual](#) with up to information and appendices.

### **For More Information:**

Office of General Counsel  
Department of Environmental Protection  
Phone: 850-488-9314  
Fax: 850-487-4938  
Web site: [www.dep.state.fl.us/legal](http://www.dep.state.fl.us/legal)

## Illinois

Illinois' [Environmental Audit Privilege](#) law, enacted in January 1995, encourages owners and operators of facilities to conduct voluntary internal environmental audits of their compliance programs and management systems to assess and improve compliance with state, federal, regional, and local laws, ordinances, regulations, permits, and/or orders. The incentives offered to these businesses include:

- all communications relating to the audit or audit report are confidential; and
- audit report is **not** admissible in any legal action (civil, criminal, or administrative)

### **For More Information:**

Illinois Environmental Protection Agency  
Office of Small Business  
1021 North Grand Avenue East #38  
PO Box 19276  
Springfield, IL 19276

Phone: 217-782-3397  
Fax: 217-785-8346  
Web site: [www.epa.state.il.us](http://www.epa.state.il.us)

## Indiana

[Indiana's Audit Policy](#) enacted July 1994 and amended in May 1999, encourages the regulated community to use voluntary self-evaluations to increase overall compliance with environmental laws and regulations. Incentives for completing such an evaluation are:

- audit reports **cannot** be used as a "roadmap" for enforcement officials;
- audit reports are not admissible as evidence in a civil, criminal, or administrative legal action; and
- all communications about the audit or audit report are confidential.

**Guidance Supplements:** Available from Indiana Department of Environmental Management is a [Fact Sheet on Self-Disclosure and Environmental Audit Policy](#). Also you may order a catalogue of Indiana's environmental laws [online](#).

### For More Information:

Indiana Department of Environmental Management  
Office of Business and Legislative Relations  
PO Box 6015  
Indianapolis, IN 46206-6015  
Phone: 317-232-8598 or 800-451-6027  
Fax: 317-233-6647  
Web site: [www.in.gov/idem](http://www.in.gov/idem)

## Iowa

The [Iowa Environmental Audit Privilege and Immunity](#) law, enacted in April 1998, allows regulated entities that voluntarily evaluate a facility, operation, activity, or management system and disclose information to the appropriate agency the following possible incentives:

- audit reports will be kept confidential and **cannot** be used in legal actions; and
- waiver of administrative and/or civil penalties.

### For More Information:

Iowa Compliance and Enforcement Bureau  
607 East Second Street  
Des Moines, IA 50309  
Phone: 515-281-8973  
Web site: [www.state.ia.us/epd/comp\\_enf](http://www.state.ia.us/epd/comp_enf)

## Kansas

The Kansas Environmental Self-Audit law, enacted in July 1995, allows regulated entities that perform internal evaluations of facilities and management systems, report violations to the agency and correct those violations the following incentives:

- audit reports will be kept confidential and **cannot** be used in legal actions; and
- waiver or reduction of civil/administrative penalties.

**Guidance Supplements:** Available from Kansas Division of Environment

- Self-Audit Policy
- Q & A
- Definition of Terms
- [What You Need to Know About Environmental Auditing and Voluntary Disclosure](#) brochure
- [Choosing an Environmental Consultant](#) brochure

**For More Information:**

Kansas Division of the Environment  
Forbes Field, Building 740  
Topeka, KS 66620-0001  
Phone: 785-296-1535  
Fax: 785-296-8464  
Web site: [www.kdhe.state.ks.us](http://www.kdhe.state.ks.us)

**Kentucky**

The Kentucky [Evidentiary Privilege for Environmental Audit Reports](#) law, enacted in July 1994, allows regulated entities to perform internal evaluations of their facilities or activities to identify and prevent noncompliance. Incentives offered include:

- audit report will be kept confidential and **cannot** be used in any legal action; and
- waiver or reduction of penalties.

**For More Information:**

Kentucky Department for Environmental Protection  
14 Reilly Road  
Frankfort, KY 40601  
Phone: 502-564-2150  
Web site: [www.kydirect.net](http://www.kydirect.net)

**Maryland**

Maryland's [Environmental Audit Policy](#) enacted June 1997, encourages self-auditing as an environmental management technique. Companies that disclose violations to the Department of Environmental Protection, under specific requirements, may receive immunity from administrative penalties.

**Guidance Supplements:** Available from Maryland Small Business Program

- Maryland Department of Environmental [Protection Enforcement Process & Compliance Definitions](#)
- and [Compliance Assistance](#)

**For More Information:**

Maryland Small Business Assistance Program  
2500 Broening Highway  
Baltimore, MD 21224  
Phone: 410-631-4158  
Web site: [www.mde.state.md.us/index.html](http://www.mde.state.md.us/index.html)

**Massachusetts**

Massachusetts's [Final Policy On Compliance Incentives For Small Businesses](#), enacted April 1997, promotes environmental compliance among small businesses by providing incentives to seek on-site compliance assistance or conduct environmental audits, and to then promptly correct violations. Incentives include:

- suspended or waived administrative penalty; and
- suspended or waived civil penalty

**For More Information:**

Massachusetts Department of Environmental Protection  
Office of Enforcement  
1 Winter Street, 3rd Floor  
Boston, MA 02108

Phone: 617-292-5972 or 617-292-5819  
Web site: [www.state.ma.us/dep](http://www.state.ma.us/dep)

## Michigan

The [Michigan Environmental Audit Privilege and Immunity](#) law, enacted in March 1996 and amended in November 1997, allows regulated entities to perform internal evaluations of facilities or activities to identify and prevent noncompliance. Incentives offered include:

- audit report will be kept confidential and **cannot** be used as evidence in legal actions; and
- waiver or reduction of civil, administrative, or criminal penalties

**Guidance Supplements:** Available from Michigan Department of Environmental Quality, Environmental Assistance Division, [Audit Privilege and Immunity website](#).

- [Fact Sheet](#)
- [Voluntary Disclosure Form](#)
- [Notice of Intent to do an Environmental Audit](#)

### For More Information:

Michigan Department of Environmental Quality  
PO Box 30457  
Lansing, MI 48909-7957  
Phone: 517-373-4720  
Fax: 517-335-4729  
Web site: [www.deq.state.mi.us](http://www.deq.state.mi.us)

## Minnesota

The [Minnesota Environmental Regulatory Innovations](#) law, enacted in January 1995 and amended in May 1999, encourages regulated entities to perform internal evaluations of their facilities to improve environmental compliance. Incentives offered include:

- audit report will be kept confidential and **cannot** be used as evidence in legal actions; and
- waiver or reduction of civil/administrative penalties.

### Guidance Supplements:

- [Q & A about Environmental Audit](#)
- [Environmental Audit Checklists](#)

### For More Information:

Minnesota Pollution Control Agency  
Metro District/Regular Facilities  
520 Lafayette Road North  
St. Paul, MN. 55155-4194  
Phone: 651-297-8661  
Web site: [www.pca.state.mn.us/netscape4.html](http://www.pca.state.mn.us/netscape4.html)

## Mississippi

Mississippi's Environmental Self-Evaluation law, enacted in July 1995, encourages regulated entities to use voluntary environmental audits to improve compliance and environmental quality. Incentives include:

- audit report **cannot** be used in any legal or investigative action; and
- all communications concerning the audit and/or report will be kept confidential.

### For More Information:

Mississippi Department of Environmental Quality

PO Box 20305  
Jackson, MS 39289-1305  
Phone: 601-961-5076  
Web site: [www.deq.state.ms.us/newweb/homepages.nsf](http://www.deq.state.ms.us/newweb/homepages.nsf)

## Nebraska

The Nebraska Voluntary Self-Evaluation law, enacted in April 1998, encourages regulated entities to use an internal evaluation to improve environmental compliance. The incentives offered to the regulated entity that reports and corrects violations include:

- persons that conduct or are the subject of the audit will **not** be required to testify;
- environmental audit information **cannot** be used as evidence; and
- penalties are waived.

### For More Information:

Nebraska Department of Environmental Quality  
PO Box 98922  
Lincoln, NE 68509-8922  
Phone: 402-471-3194  
Web site: [www.deq.state.ne.us](http://www.deq.state.ne.us)

## Nevada

Nevada's [Environmental Audit](#) law, enacted in July 1997, encourages regulated entities to improve their environmental compliance through the use of an internal evaluation of their facilities and management systems. Incentives offered to regulated entities that report and correct violations include:

- waiver of criminal penalties;
- communications about the audit and the audit report will be kept confidential; and
- audit reports **cannot** be used in a civil or administrative proceeding.

### For More Information:

Nevada Division of Environmental Protection  
Small Business Assistance Program  
333 West Nye Lane  
Carson City, NV 89706  
Phone: 775-687-4670, Ext. 3162  
Fax: 775-687-5856  
Email: Web site: [www.ndep.state.nv.us/sba/sba01.htm](http://www.ndep.state.nv.us/sba/sba01.htm)

## New Hampshire

New Hampshire's Environmental Audit law, enacted in July 1996 and amended in May 1999, encourages regulated entities to perform an internal evaluation of their facilities, activities, and management systems to identify areas of noncompliance and to improve compliance in those areas. Incentives provided to these entities include:

- waiver of penalties from civil, criminal, or administrative actions; and
- audit report **cannot** be used as evidence in a civil, criminal, or administrative legal action.

### For More Information:

New Hampshire Department of Environmental Services  
6 Hazen Drive  
PO Box 95  
Concord, NH 03302-0095  
Phone: 603-271-3503  
Web site: [www.des.state.nh.us](http://www.des.state.nh.us)

## North Carolina

[North Carolina's Enforcement Penalty Policy for Self-Reported Violations](#), enacted in September 1995 and amended July 2000, seeks to improve regulatory compliance through encouraging prompt identification, correction, and reporting of environmental violations through the following incentives:

- waiver of civil and administrative penalties; and
- reduction of penalties.

### **For More Information:**

North Carolina Department of Environmental and Natural Resources  
1601 Mail Service Center  
Raleigh, NC 27699-1601  
Phone: 919-715-4146 or 877-623-6748  
Fax: 919-715-7468  
Web site: [www.deh.enr.state.nc.us](http://www.deh.enr.state.nc.us)

## Ohio

Ohio's [Immunity after Voluntary Disclosure Law](#), enacted December 1996 and amended July 1998, encourages regulated facilities to perform an evaluation of one or more activities to improve environmental compliance. Incentives offered to regulated entities completing and disclosing an environmental audit include:

- audit report **cannot** be used as evidence in civil or administrative proceedings; and
- reduce or waive penalties.

**Guidance Supplements:** Ohio Environmental Protection Agency's [Small Business Resource](#) publication.

### **For More Information:**

Ohio Environmental Protection Agency  
PO Box 1049  
Columbus, OH 43216-1049  
Phone: 614-644-3037  
Web site: [www.epa.state.oh.us](http://www.epa.state.oh.us)

## Oklahoma

Oklahoma's [Considerations for Self-Reporting of Noncompliance](#) policy, enacted in June 1997, seeks to promote, achieve and maintain compliance through voluntary disclosure and prompt correction. The policy provides the following incentives:

- waiver of administrative and/or civil penalties; or
- mitigated administrative and civil penalties

### **For More Information:**

Oklahoma Department of Environmental Quality  
PO Box 1677  
Oklahoma City, OK 73101-1677  
Phone: 405-702-7100  
Fax: 405-702-7101  
Web site: [www.deq.state.ok.us](http://www.deq.state.ok.us)

## Oregon

Oregon's [Environmental Audit Privilege](#) law, enacted in February 1999, encourages the use of voluntary environmental audits to improve compliance by the regulated community. Incentives for the report and correction of violations discovered during an audit include:

- audit report **cannot** be used as evidence in any legal action;
- report will be kept confidential; and

all communications about the audit and report are confidential.

**Guidance Supplements:** Available from OR Department of Environmental Quality

- [Civil Penalty Mitigation](#)
- [Enforcement Accomplish Reports](#)

### For More Information:

Oregon Department of Environmental Quality  
811 Southwest Sixth Avenue  
Portland, OR 97204-1390  
Phone: 503-229-5512  
Web site: [www.deq.state.or.us](http://www.deq.state.or.us)

## Pennsylvania

Pennsylvania's [Voluntary Environmental Compliance Audit Policy](#), enacted in September 1996, encourages regulated entities to find and fix environmental violations. For companies that perform a compliance audit, report and define a timeline for corrections the state offers the following incentives:

- suspended civil penalty;
- maintenance of current permits; and
- no pursuit of civil or criminal sanctions.

**Guidance Supplements:** Available from PA Department of Environmental Protection

- [Small Business Environmental Self Evaluation](#)

### For More Information:

Pennsylvania Department of Environmental Protection  
PO Box 8464  
Harrisburg, PA 17105-8464  
Phone: 717-787-7060  
Fax: 717-783-8926  
Web site: [www.dep.state.pa.us](http://www.dep.state.pa.us)

## Rhode Island

Rhode Island's [Environmental Compliance Incentive](#) law, enacted in July 1997, encourages regulated entities to perform voluntary self-evaluations of their compliance programs and management systems to improve compliance with regulations without the fear of retaliation. Businesses in this state are offered the following incentives for participation:

- waiver of all penalties;
- no criminal or civil prosecution ;
- no required subsequent investigations; and
- no request for additional audits by the Department of Environmental Management.

### For More Information:

Rhode Island Department of Environmental Management  
Office of Technical and Consumer Assistance  
235 Promenade Street

Providence, RI 02908-5767  
Fax: 401-222-3162  
Web site: [www.state.ri.us/dem](http://www.state.ri.us/dem)

## South Carolina

[South Carolina's Environmental Audit Privilege and Voluntary Disclosure](#) law, enacted in June 1996 and amended in May 2000, encourages regulated entities to regularly self-evaluate their compliance status and management systems to improve their environmental performance. For companies who disclose and correct violations, the state will:

- waive civil or administrative penalties; and
- audit report will **not** to be used as evidence in any legal action.

### For More Information:

Environmental Quality Commission  
South Carolina Department of Health and Environmental Control  
2600 Bull Street  
Columbia, SC 29201  
Web site: [www.scdhec.net/eqc](http://www.scdhec.net/eqc)

## South Dakota

[South Dakota's Environmental Self-Audit](#) law, enacted in July 1996, encourages regulated entities to perform an internal evaluation of their facilities and management systems to improve environmental performance. Incentives offered to entities who report and correct self-discovered violations include:

- waive criminal or civil penalties; and
- audit report remains confidential.

**Guidance Supplements:** Available from South Dakota Department of Environment and Natural Resources is the [Environmental Permitting and Regulation Guide](#).

### For More Information:

South Dakota Department of Environment and Natural Resources  
523 East Capitol Avenue  
Foss Building  
Pierre, SD 57501  
Phone: 605-773-3836  
Fax: 605-773-6035  
Web site: [www.state.sd.us/denr/denr.html](http://www.state.sd.us/denr/denr.html)

## Tennessee

Tennessee's [Policy Encouraging Self-Policing and Voluntary Correction](#), enacted in November 1996, encourages regulated entities to voluntarily discover, disclose, correct and prevent violations of the state's environmental requirements. Incentives for the regulated community include:

- no civil penalty;
- no criminal penalty; and
- no routine requests for audits.

### For More Information:

Tennessee Department of Environment and Conservation  
Bureau of Environment, 20st Floor  
401 Church Street  
Nashville, TN 37243-1530  
Phone: 615-532-0229 or 1-888-891-8332

Web site: [www.state.tn.us/environment](http://www.state.tn.us/environment)

## Texas

The [Texas Environmental, Health and Safety Audit Privilege](#) law, enacted May 1995 and amended May 1997, encourages regulated entities to voluntarily comply with environmental and occupational health and safety laws through the use of environmental audits. Incentives offered to regulated entities that report and correct violations include:

- audit report and all communications concerning the report will be kept confidential; and
- audit report **cannot** be used as evidence in a civil or administrative proceeding

### For More Information:

Texas Natural Resources Conservation Commission  
PO Box 13087, MC 112  
Austin, TX 78711-3087  
Phone: 512-239-6122  
Web site: [www.tnrcc.state.tx.us](http://www.tnrcc.state.tx.us)

## Utah

The [Utah Environmental Self-Evaluation](#) law, enacted March 1995 and amended May 1997, encourages regulated entities to perform environmental audits and improve environmental performance. Incentives offered to entities that report and correct violations include:

- waiver of civil penalties;
- audit report **cannot** be used as evidence in a legal action; and

all communications concerning the audit will be kept confidential.

### Guidance Supplements:

- [Voluntary Cleanup Program](#)
- [Air Quality Self Audit for Small Businesses](#)

### For More Information:

Utah Department of Environmental Quality  
168 North 1950 West  
Salt Lake City, UT 84116  
Phone: 801-536-4405  
Fax: 801-536-4401  
Web site: [www.eq.state.ut.us](http://www.eq.state.ut.us)

## Virginia

Virginia's [Voluntary Environmental Assessment Privilege](#) law, enacted in July 1995 and amended in January 1998, encourages regulated entities to perform voluntary environmental evaluations of their facilities and management systems to improve environmental compliance. Incentives offered to entities that report and correct violations include:

- audit report will be considered confidential;
- audit report **cannot** be used in any legal action; and
- waiver or reduction of penalties.

### For More Information:

Virginia Department of Environmental Quality  
629 East Main Street  
PO Box 10009  
Richmond, VA 23219  
Fax: 804-698-4346  
Web site: [www.deq.state.va.us](http://www.deq.state.va.us)

## Wyoming

[Wyoming's Small Business Voluntary Disclosure Incentive](#), enacted in February 1995 and amended in March 1998, encourages regulated entities to perform internal evaluations of facilities or activities and to improve their environmental performance. Incentives offered to entities that report and correct violations include:

- the department will not seek any civil penalties
- waiver or reduction of penalties.

### **For More Information:**

Wyoming Department of Environmental Quality  
Herschler Building 4-W  
122 West 25th Street  
Cheyenne, WY 82002  
Phone: 307-777-7388  
Fax: 307-777-3610  
Web site: [deg.state.wy.us](http://deg.state.wy.us)

## Additional Resources

For further information on audit and compliance-incentive policies, visit these sites:

### **U.S. EPA**

- [EPA Region 5 Audit Page](#)
- [EPA Audit Policy Contacts](#)

### **Law Firms with information on Audit Laws & Policies**

- [Perkins Coie LLP](#) and their brochure [Environmental Audits Compliance and the Bottom Line](#)
- [Schulte Roth & Zabel LLP](#)
- [Arent Fox: Attorney's at Law](#)