

Environmental Compliance Audit Program

Awareness | Assessment | Confidence



Pub CO-507 rev 11/2018

The voluntary compliance auditing provisions of sec.299.85 Wis. Stats, the Environmental Compliance Audit Program, are designed for businesses and other regulated entities that strive to comply with Wisconsin Department of Natural Resources (DNR) regulations.

The Environmental Compliance Audit Program enables participants to voluntarily audit their own environmental compliance, and disclose and correct violations with limited liability. The law contains specific protections that prevent use of the law to deflect penalties for known or serious violations.

The program:

- Encourages audits that improve both awareness of regulatory requirements and compliance with those requirements.
- Builds working relationships between companies and DNR that are based on performance and open communications.
- Allows Wisconsin businesses to face substantially less financial risk and limited liability for violations disclosed as part of the audit.

“We’re taking this step to show our communities that we are not only dedicated to operating responsibly but to let them know we care about the environment and want to be good neighbors.”

Dr. Rolf Wegenke, President
Wisconsin Association of
Independent Colleges & Universities

THREE SIMPLE STEPS TO PARTICIPATE

1. **Notify** DNR 30 days before beginning the environmental compliance audit.
Submit Form 4800-021 available at <https://dnr.wi.gov/files/PDF/forms/4800/4800-021.pdf>.
DNR will notify the company of eligibility.
2. After the department provides confirmation of program eligibility, hire a third-party auditor and **conduct** an environmental compliance audit within 365 days.
3. **Submit** an audit report to the DNR that describes any violations and includes a corrective action plan.
This report must be submitted within 45 days of final audit report completion.

LEARN MORE

Visit our website: <http://dnr.wi.gov/Business/Audit.html>

You’ll find: one-page notification/application form, summary factsheets, answers to frequently asked questions, and audit report templates. For more information or to request an individual consultation contact:

Erika Kluetmeier, 608-267-0865 or at erika.kluetmeier@wisconsin.gov

or

Laurel Sukup, 608-267-6817 or at laurel.sukup@wisconsin.gov

AUDIT REPORT

The audit report explains the environmental compliance audit, who conducted it, when it was completed and activities and operations examined. The report will identify:

- Violations revealed in the audit and the length of time the violations may have existed;
- Actions taken to remedy the violations;
- Commitments to remedy the violations within 90 days, or a compliance schedule to be approved by DNR.

A facility may request confidentiality (to protect trade secrets) for any information collected during the audit, except for environmental discharge data.

DEFERRED CIVIL ENFORCEMENT

The potential liability for civil forfeiture is significantly reduced for violations which are first identified in an environmental compliance audit.

- The State may not bring a civil lawsuit to collect forfeitures for violations identified in the audit report for at least 90 days after the report is submitted, or for the time period given in the compliance schedule presuming the entity follows that schedule.
- If the regulated entity corrects the identified violations within 90 days or within the approved compliance schedule, DNR may impose not more than a \$500 forfeiture per violation, regardless of the number of days that violation existed.
- Rather than refer these matters to the Department of Justice for enforcement, DNR is authorized to exercise department discretion when applying forfeitures to more egregious violations.

EXCLUSIONS

This law does not apply if any of the following are true:

- The disclosed violation presents an imminent threat or may cause serious harm to public health or the environment;
- DNR discovers the violation before the regulated entity submits its report;
- The violation results in a substantial economic benefit that gives the regulated entity a clear competitive business advantage;
- The violation is identified through monitoring or sampling required by permit, statute, rule, judicial or administrative order or consent agreement;
- The violation is a repeat violation of the same requirement at the same facility committed in the same manner, unless it was caused by a change in business processes or activities;
- The violation is discovered by the regulated entity before beginning the environmental compliance audit.

PUBLIC NOTICE & REPORTING

DNR will issue a public notice and provide at least a 30 day public comment period on compliance schedules and stipulated penalties proposed for violations that will take longer than 90 days to correct.

DNR may not approve or issue a compliance schedule that extends longer than 12 months beyond the date of the approval of the schedule, unless the secretary determines that a longer schedule is necessary.

DNR will biennially report to the Legislature on the results of the compliance audit reports received.