

Q&A's on EPA's Small Business Compliance Policy

Revised on 5/19/04

Q: What is the purpose of the Small Business Compliance Policy?

- A. To promote environmental compliance among small businesses by providing them with special incentives.

Q: What incentives are available under the Small Business Compliance Policy?

- A. EPA will eliminate civil penalties for small businesses that voluntarily discover, promptly disclose, and correct violations in a timely manner. However, in the rare instance where the small business has obtained a significant economic benefit from the violation(s) (i.e., economic advantage over its competitors), EPA will waive 100% of the gravity component of the civil penalty, but may seek the full amount of any economic benefit associated with the violation(s). As of April 30, 2004, no business has been assessed a penalty for economic benefit under the Small Business Compliance Policy.

Q: What conditions must be satisfied to use the Small Business Compliance Policy?

- A. The small business must: (1) have a "good" compliance record; (2) voluntarily discover the violation (*e.g.*, through on-site compliance assistance or a voluntary environmental audit); (3) disclose the violation in writing within 21 days of discovery; and (4) correct the violation and remedy any associated harm within 180 days of its discovery (360 days if correction will involve using pollution prevention technologies).

Q: What is a "small" business?

- A. A small business is one that employs 100 or fewer individuals across all facilities and operations that the business owns.

Q: What is a "good" compliance record for purposes of being able to use the Small

Business Compliance Policy?

- A. A business that has not been subject to two or more enforcement actions for any environmental violation in the past 5 years. Also, the business has not used the Small Business Compliance Policy for a violation of the same or similar requirement within the past 3 years.

Q: Are any types of violations ineligible?

- A. Ineligible violations are those that: (1) caused actual serious harm to public health, safety or the environment; (2) may present an imminent and substantial endangerment to public health or the environment; or (3) involved criminal conduct. In addition, violations identified through a monitoring or sampling requirement prescribed by statute, regulation, permit, or judicial or administrative order or consent agreement are ineligible (*e.g.*, emission violations discovered through required continuous emissions monitoring or alternative monitoring established in a permit, or violations of National Pollutant Discharge Elimination System discharge limits discovered through required sampling or monitoring) .

Q: Will disclosure under the Small Business Compliance Policy mean that I will be more likely to be targeted for inspections?

- A. No. Disclosure is more likely to result in EPA directing its limited resources towards businesses where there is greater reason to question compliance with the law.

Q: Does EPA coordinate with states in implementing the Small Business Compliance Policy?

- A. Whenever a State agency or Tribe provides a penalty waiver or mitigation or a correction period to a small business pursuant to the Small Business Compliance Policy or a compatible state or tribal policy, that State or Tribe should notify the appropriate EPA Region to ensure coordination and to request that EPA defer to that action. Similarly, EPA will notify the appropriate State agency or Tribe whenever EPA applies this policy to ensure coordination and request the State or Tribe defer to EPA's action.

Q: How does a company make a disclosure under the Small Business Compliance Policy?

A. Contact your Regional EPA office. Contacts are listed below.

	Policy Contacts		Small Business Liaison	
Region 1:	Joel Blumstein	617-918-1771	Dwight Peavey	617-918-1829
Region 2:	Ron Lockwood	212-637-3413	Ron Lockwood	212-637-3413
Region 3:	Frank Fritz	215-814-2664	David Byro	215-814-5563
Region 4:	Carol Bachon Greg Tan	404-562-9528 404-562-9697	Annette Hill	404-562-8287
Region 5:	Linda Mangrum Richard Murawski	312-353-2071 312-353-6721	Glynis Zywicki	312-886-4571
Region 6:	Rusty Hurbert	214-665-3197	David Gray Patty Senna	214-665-2200 214-665-7175
Region 7:	Becky Dolph	913-551-7281	Jan Lambert	913-551-7768
Region 8:	Donna Arthur	303-312-6954	Maureen Kiely	303-312-6262
Region 9:	Brian Riedel	415-744-1380	Angela Baranco	415-744-4262
Region 10:	Robyn Hoffmann	206-553-7154	Robyn Hoffman	206-553-7154

Q: Is EPA open to suggestions on how to improve the Small Business Compliance Policy?

B. Yes. EPA wants to encourage small businesses to learn about environmental compliance and pollution prevention through the wide range of programs and tools available to them through regulatory agencies, private and non-profit organizations, and the Internet. We are always interested in suggestions on better ways to do that. Contact Jonathan Binder, 202-564-2516.

Q: Where can I get more information on the Small Business Compliance Policy and EPA's compliance assistance program?

A. For the Small Business Compliance Policy go to www.epa.gov/compliance/incentives/smallbusiness and for general information about EPA's compliance assistance program go to www.epa.gov/compliance.