



Green Tier

An Overview of Performance-Based Environmental Management

Green Tier provides an opportunity for Wisconsin to combine and achieve our economic and environmental goals. Building on the leadership of our environmental and business communities, this program supports the Department of Natural Resources' mandate to protect and enhance our environment while encouraging economic growth.

Purpose and Intent

Green Tier provides incentives to regulated and unregulated entities (e.g., businesses and communities) to move beyond environmental compliance, address unregulated problems and restore natural resources. Green Tier enhances cooperation with communities and industries and provides an improved legal standing for this cooperation.

Green Tier encourages voluntary environmental performance that exceeds minimum standards. The program strives to lower the overall transaction costs associated with environmental performance. It provides recognition and incentives for participation that are proportionate to the environmental performance achieved.

Green Tier has two tiers, or participation levels. **Tier 1** is an entry level, designed to encourage innovation, collaboration and new environmental goal-setting. **Tier 2** involves more rigorous participation requirements, places greater emphasis on superior environmental performance, and uses contracts as a means of giving customized regulatory flexibility proportional to environmental performance.

Participation Incentives for Tier 1 and Tier 2

- Initial and annual recognition of participation by the Department of Natural Resources (DNR).
- Use of the Green Tier logo.
- Assignment of a specific DNR professional as a point of contact within the agency.
- Lowest allowable level of inspection frequency once a formal environmental management system (EMS) has been adopted.

Tier 1 Participation Criteria

- A strong environmental compliance record, with no recent civil or criminal judgments or DNR citations.
- Commitment to a formal EMS that has been or will be implemented.
- Annual performance reviews, with results submitted to the DNR.
- Prompt follow-up action to any findings of non-compliance discovered during the annual reviews.
- Continual improvement of environmental performance.

Tier 2 Participation Criteria

Participation in Tier 2 requires an even stronger environmental compliance record than is required in Tier 1. Tier 2 participants also must implement an EMS prior to Tier 2 entry.

Tier 2 participants negotiate customized environmental contracts with the DNR and interested stakeholders, including the public. These flexible agreements carry the force of law and enable significant environmental improvements. Tier 2 contracts may be the most innovative and valuable part of Green Tier, as they support both government efficiency and business competitiveness.

Charters

Charters provide opportunities for a business sector or a geographic association to join together to establish and reach collective environmental goals. Groups of companies, a trade association or public sector entities can join together with state agencies in "Green Tier Charters" to pursue common goals that might not be achievable under the existing regulatory system. The signed charter forms the framework for members to partake as Tier 1 or Tier 2 participants.

Deferred Civil Enforcement

Both Green Tier levels allow for deferred DNR enforcement of any violations discovered in annual performance reviews. The DNR will not start civil action if violations are corrected within 90 days of the review, and possibly up to 12 months in some situations. Deferred enforcement does not apply if the violation involves an imminent threat to public health and the environment, or if the DNR discovers the violations before the company implements an environmental management system.

Results

Participating companies regularly share information concerning their environmental compliance and overall system performance to help the DNR and other parties improve the Green Tier program. The purpose of this information-sharing is to assure that the environmental results achieved through the program are proportional to the amount of regulatory flexibility granted to companies at each tier. Green Tier provides for a comprehensive approach to learning. The La Follette School of Public Affairs (UW-Madison) gathers and assesses information about the administrative, environmental, economic and community experience at both tiers of the program.