SENATE BILL 205 Industrial Business Licensing Updates

Demystifying the new industrial business licensing requirements established by Senate Bill 205.

Get your WDID number, SIC code, and facility information in order, because business licenses now require proof of Industrial General Permit coverage.

First off, why is this new senate bill so important? Why couldn't things just continue the way they were? In October 2019, Governor Newsom signed into law Senate Bill 205 (SB-205) which requires businesses to show on their license that they are in compliance with the Industrial General Permit (if the IGP is applicable to their type of industrial activities). SB-205 seeks to align local business licensing procedures with the state-wide implementation of the Clean Water Act. Although it is required by law to have permit coverage for any regulated industrial activities, many businesses have failed (either knowingly, or unknowingly) to file for permit coverage with the State Water Board. According to the State Water Board, "This Bill aims to minimize unauthorized storm water discharges and require applicable industrial businesses to manage their storm water prior to receiving or renewing their business license."¹ It is the hope of the State, that SB-205 would level field for the playing regulated industries and help California progress toward cleaner water. It should be noted that businesses already in compliance with the Industrial General Permit won't be affected negatively by

With the start of the new year, comes the time to begin renewing business licenses. January 2021 marks the second year of Senate Bill 205 requirements. What may initially seem like a lot of red tape and hassle filing for a license or license renewal as a regulated industrial facility, isn't as complicated as it may appear – it just requires doing some research and a little bit of organization. In this month's edition of The Rain Events, we're going help you start the year off right by diving into some of the reasons behind SB-205, and walking you through the process of acquiring a new business license or renewing your license.

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SB-205. However, if a facility is found in non-compliance, it could be painful. Consequences for noncompliant facilities include not only being at risk of violating the NPDES program (fines from violating the Clean Water Act can amount up to \$50,000 per day²) but the possibility of being barred from conducting business within California³. Before filing for a new business license or applying for a license renewal, it would be best to analyze your facility's compliance with the IGP and make any necessary corrections, thereby minimizing the risk of being found in non-compliance with the Clean Water Act.

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When applying for a new business license or license renewal, you will need to provide the city or county specific information regarding your facility's operations. Before issuing a

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business license to a potentially regulated business, each city or county (excluding those who do not require business licenses for their region) will certify that the applying business is in compliance with the NPDES program. To do this, the city or county will determine whether the Standard Industrial Classification (SIC) code provided by the business is one that is regulated by the Industrial General Permit. The State Water Board has posted a list of SIC codes on their website to aid cities and counties in identifying regulated business categories. If the business is identified as a potentially regulated industry, the municipality will require the business to provide proof that they are already enrolled or currently in the process of being enrolled for coverage under the Industrial General Permit, or provide proof of no-exposure (NEC) or non-applicability (NONA) before they can issue or renew a business license. In the case that the applying business is not enrolled for coverage under the Industrial General Permit. municipalities have been given the freedom by the State to develop a provisional license which gives the business in question to three months in which to become compliant.

To save time and avoid some of the legal hassle of filing for a license or license renewal, a little organization goes a long way. Before applying for a new license or a license renewal, check and make sure your facility is in compliance with all the current regulations, confirm that all your facility information is up-to-date and correct, and that your paperwork is in order. Start with your facility's SIC code. Make sure your SIC code is correct. Usually there is just one SIC code per business, (unless the facility is extremely diversified). You can find out what code applies to your facility by searching for it here (<u>numerically</u> <u>ordered</u>; <u>alphabetically ordered</u>). Be sure to search within the appropriate division when identifying your SIC code. Divisions are as follows:

- Agriculture, Forestry, And Fishing
- Mining
- Construction
- Manufacturing
- Transportation, Communications, Electric, Gas, And Sanitary Services
- Wholesale Trade
- Retail Trade
- Finance, Insurance, And Real Estate
- Services
- Public Administration

To aid in a quick and thorough search, use keywords to help identify SIC codes – these keywords are related to your facility's business operations.

After ascertaining your facility's SIC code, use Attachment A to determine if your business is conducting any industrial activities as described by the 9 categories listed by the Industrial General Permit (facilities subject to storm water effluent limitations guidelines, new source performance standards, or toxic effluent pollutant standards; manufacturing facilities; oil and gas/ mining facilities; hazardous waste treatment. storage, or disposal facilities; landfills, land application sites, & open dumps; recycling

facilities: steam electric power generating facilities: transportation facilities; sewage and wastewater treatment works). Note: the city or county is not responsible for acquiring your facility's SIC code or checking Attachment A. They may direct you to the appropriate resources to determine the code, but ultimately, it is your job to figure out what SIC code your business operates under.

After confirming that your SIC code is correct, and ensuring your facility is either under the Industrial General Permit, applying to be under the Permit, or exempt from the Permit, you are ready to file for a new business license or license renewal. But before filing, make sure you have all the following information: facility's location and contact information, WDID number and application number (when you first register your facility on SMARTs, before your facility has been approved, you'll immediately be given an application number. If you are already registered on SMARTS, your WDID number and application number will be right next to each other). If your facility is exempt from the permit through a No-Exposure Certification (NEC) or a Notice of Non-Applicability (NONA), vou will need those identification numbers for vour business license application. Make sure you have all your paperwork and compliance information in order, because municipalities may search the State Water Board's SMARTS to verify the permit coverage reported by applicants and will have access to all your business's information and history.

So don't be surprised by this year's business license renewal, it isn't as complicated as it may seem by the advent of SB-205. It just requires a little organization and planning.

¹https://www.waterboards.ca.gov/water_issues/programs/ stormwater/docs/sb205/sb205 cities_counties_faq_eg.pdf ²https://www.epa.gov/enforcement/criminal-provisions-waterpollution

<u>https://www.californiaenvironmentallawblog.com/clean-water-act/senate-bill-205-imposes-new-requirements-for-industrial-companies-in-california/</u>

The Rain Events

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INDUSTRIAL SWPPP PROGRAM TUNE-UP

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AVOID THE HASSLE... ...GET A QUOTE.

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ATTACHMENT A

FACILITIES COVERED BY NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) GENERAL PERMIT FOR STORM WATER DISCHARGES ASSOCIATED WITH INDUSTRIAL ACTIVITIES (GENERAL PERMIT)

 Facilities Subject To Storm Water Effluent Limitations Guidelines, New Source Performance Standards, or Toxic Pollutant Effluent Standards Found in 40 Code of Federal Regulations, Chapter I, Subchapter N (Subchapter N):

Cement Manufacturing (40 C.F.R. Part 411); Feedlots (40 C.F.R. Part 412); Fertilizer Manufacturing (40 C.F.R. Part 418); Petroleum Refining (40 C.F.R. Part 419), Phosphate Manufacturing (40 C.F.R. Part 422), Steam Electric (40 C.F.R. Part 423), Coal Mining (40 C.F.R. Part 434), Mineral Mining and Processing (40 C.F.R. Part 436), Ore Mining and Dressing (40 C.F.R. Part 440), Asphalt Emulsion (40 C.F.R. Part 443), Landfills (40 C.F.R. Part 445), and Airport Deicing (40 C.F.R. Part 449).

2. Manufacturing Facilities:

Facilities with Standard Industrial Classifications (SICs) 20XX through 39XX, 4221 through 4225. (This category combines categories 2 and 10 of the previous general permit.)

3. Oil and Gas/Mining Facilities:

Facilities classified as SICs 10XX through 14XX, including active or inactive mining operations (except for areas of coal mining operations no longer meeting the definition of a reclamation area under 40 Code of Federal Regulations. 434.11(1) because the performance bond issued to the facility by the appropriate Surface Mining Control and Reclamation Acts authority has been released, or except for areas of non-coal mining operations which have been released from applicable State or Federal reclamation requirements after December 17, 1990) and oil and gas exploration, production, processing, or treatment operations, or transmission facilities that discharge storm water contaminated by contact with or that has come into contact with any overburden, raw material, intermediate products, finished products, by-products, or waste products located on the site of such operations. Inactive mining operations are mining sites that are not being actively mined, but which have an identifiable owner/operator. Inactive mining sites do not include sites where mining claims are being maintained prior to disturbances associated with the extraction, beneficiation, or processing of mined material; or sites where minimal activities are undertaken for the sole purpose of maintaining a mining claim.

4. <u>Hazardous Waste Treatment, Storage, or Disposal</u> <u>Facilities</u>:

Hazardous waste treatment, storage, or disposal facilities, including any facility operating under interim

status or a general permit under Subtitle C of the Federal Resource, Conservation, and Recovery Act.

5. Landfills, Land Application Sites, and Open Dumps:

Landfills, land application sites, and open dumps that receive or have received industrial waste from any facility within any other category of this Attachment; including facilities subject to regulation under Subtitle D of the Federal Resource, Conservation, and Recovery Act, and facilities that have accepted wastes from construction activities (construction activities include any clearing, grading, or excavation that results in disturbance).

6. Recycling Facilities:

Facilities involved in the recycling of materials, including metal scrapyards, battery reclaimers, salvage yards, and automobile junkyards, including but limited to those classified as Standard Industrial Classification 5015 and 5093.

7. Steam Electric Power Generating Facilities:

Any facility that generates steam for electric power through the combustion of coal, oil, wood, etc.

8. Transportation Facilities:

Facilities with SICs 40XX through 45XX (except 4221-25) and 5171 with vehicle maintenance shops, equipment cleaning operations, or airport deicing operations. Only those portions of the facility involved in vehicle maintenance (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication) or other operations identified under this Permit as associated with industrial activity.

9. Sewage or Wastewater Treatment Works:

Facilities used in the storage, treatment, recycling, and reclamation of municipal or domestic sewage, including land dedicated to the disposal of sewage sludge, that are located within the confines of the facility, with a design flow of one million gallons per day or more, or required to have an approved pretreatment program under 40 Code of Federal Regulations part 403. Not included are farm lands, domestic gardens, or lands used for sludge management where sludge is beneficially reused and are not physically located in the confines of the facility, or areas that are in compliance with Section 405 of the Clean Water Act.

How to Find a Business's Standard Industrial Classification (SIC) Code

 Open your internet browser and go to <u>North American Industrial Classification</u> <u>System (NAICS) Association web site</u> (https://naics.com). Select NAICS Code Search Button:



2) Enter a keyword(s) that describes the primary business activity or activities.¹ The NAICS search option gives more detailed results over the SIC search option, but the SIC search can be used if preferred.

	YOUR HOME FOR ALL THINGS NAICS & SIC	
Enter Keyword(s)		NAICS Search Q
Enter Keyword(s)		SIC Search Q

¹A business may be made up of one or more establishments, and each establishment may have a different primary business activity or activities requiring a unique SIC Code(s). Per the <u>SIC Manual</u>,

⁽https://www.waterboards.ca.gov/water_issues/programs/stormwater/docs/indust rial/sic_manual_1987.pdf) where "distinct and separate economic activities are performed at a single physical location..., each activity should be treated as a separate establishment where: (1) no one industry description I the classification includes such combined activities; (2) the employment in each such economic activity is significant; and (3) separate reports can be prepared on the number of

3) Review the NAICS search results. If an NAICS code is identified matching the primary business activity or activities, click the blue 'View SIC' button on the right.

NAICS	NAICS Title	Common Keywords	SIC Crosswalk
452311	Warehouse Clubs and Supercenters	Warehouse clubs (i.e., food and general merchandise)	View SIC
236220	Commercial and Institutional Building Construction	Warehouse construction (e.g., commercial, industrial, manufacturing, private)	View SIC
236210	Industrial Building Construction	Industrial building (except warehouses) construction, general contractors	View SIC
238220	Plumbing, Heating, and Air-Conditioning Contractors	Warehouse refrigeration system installation	View SIC
926120	Regulation and Administration of Transportation Programs	Railroad and warehouse commissions, nonoperating	View SIC
332311	Prefabricated Metal Building and Component Manufacturing	Warehouses, prefabricated metal, manufacturing	View SIC
332321	Metal Window and Door Manufacturing	Rolling doors for industrial buildings and warehouses, metal, manufacturing	View SIC

4) Select the applicable SIC Code(s) for the primary business activity or activities and click on the four-digit number to view the SIC Code(s) description.

NAICS	NAICS Title	Common Keywords	SIC Crosswalk
452311	Warehouse Clubs and Supercenters	Warehouse clubs (i.e., food and general merchandise)	Back
SIC	SIC Description		
5311	Department Stores		
5399	Miscellaneous General Merchandise Stores		
5411	Grocery Stores		

employees, their wages and salaries, sales or receipts, and other types of establishment data."

5) Review the SIC Code(s) description to determine if the code matches the primary business activity or activities.



6) Document the SIC Code(s) number on your business license when the SIC description matches your primary business activity or activities. If the SIC description does not match your primary business activity or activities, select different SIC Code(s)(s) or try searching again using different keywords.

Determine if the business's primary SIC Code(s) is regulated by the State Water Resources Control Board by referring to the <u>State Water Resources Control</u> <u>Board list of SIC Code(s) regulated by the Industrial Stormwater General Permit</u> (https://www.waterboards.ca.gov/water_issues/programs/stormwater/sicnum.sht ml). If the business's SIC code(s) does not fall into one of the regulated categories of the Industrial General Permit, nothing further is required by the Water Boards. Enrollment may still be required if the business is otherwise described by one of the entries in Attachment A of the Industrial Storm Water General Permit.

7) If the SIC Code(s) is listed, the business must submit electronic permit registration documents for coverage under the Industrial Stormwater General Permit or a Notice of Non-Applicability. Please visit <u>the State Water Resources</u> <u>Control Board Senate Bill 205: Business License Requirements web site</u> (https://www.waterboards.ca.gov/water_issues/programs/stormwater/sb_205_bu siness_license_requirements.html) for additional information on permit enrollment.

Or

Contact the State Water Resource Control Board for more information regarding permit coverage enrollment at:

Stormwater Help Desk stormwater@waterboards.ca.gov 1-866-563-3107

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PRODUCT SPOTLIGHT The Hornet's Nest Drain Inlet Filter is a unique, under-grate storm

The Hornet's Nest Drain Inlet Filter is a unique, under-grate storm drain filter, perfect for locations looking for basic drain protection with a clean appearance. The oversized base allows the filter to be used with many different sizes and shapes of drain inlets. Simply insert the filter, replace the grate, and trim the excess material for a custom fit and clean appearance. The yellow webbing secures the filter to the grate and doubles as lifting straps allowing for quick and easy removal of the filter and grate. The sediment collection cone has four overflow portals to ease congestion during heavy storm

events.

Product Specifications:

- Material: 8-ounce
- non-woven geotextile
- Strapping: Weather resistant 2"
- polypropylene webbing
- Flow Rate: 90 GPM/foot
- Dimensions: 48" x 36"



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Elima-Drip Pads

Eliminate drips underneath your vehicles and equipment with Elima-Drip drip containment pads. Elima-Drip pads are weighted absorbent pouches contained in heavy-duty vinyl sleeves, which protect the spill pads from accidental movement. The 50"x20" pad is capable of containing up to 50 ounces of oil, and the 30"x20" pad can contain up to 29 ounces. Best of all, these pads are reusable! Simply replace the pouch inside the vinyl sleeve.

Product Specifications:

Outside Material: Heavy-duty vinyl sleeve **Spill Containment Media:** Absorbent pads **Dimensions:** 50"x20" or 30"x20"



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Storm Water Contest...

Each month, we invite our readers to participate in a contest to test their knowledge of the Industrial General Permit and show their storm water compliance program. We enter all submittals to our monthly newsletter question into a drawing and one person is selected at random to receive a \$25 gift card. Last month's contest question was:

Is there a specified amount of rainfall that automatically classifies a storm as qualifying? Does the same amount of rainfall at two different sites make it a qualifying storm for both locations?

Congratulations Michael who answered our contest question! His answer was *"that as far as the CGP goes, o.5 inches of rain makes it a qualifying rain event, but there is no specified amount in the IGP."* Michael, we hope you enjoy a delicious Chipotle meal on us!

... This Month's Contest

How many SIC codes does an industrial facility typically have?

We need industrial storm water sleuths to help us with this month's question. Submit your answers by Friday, February 5th. Email your answer to jteravskis@wgr-sw.com. One winner will be selected by a random drawing to receive a \$25 gift card to *Starbucks*.

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