

SB 205 Business Licenses: Stormwater Discharge Compliance

Dear Facility Operator, Landowner, or other responsible party,

California Senate Bill No. 205, which was approved on October 2, 2019 and applies to all initial business license and business license renewal applications submitted on and after January 1, 2020, mandates industrial facilities operating within the City of Downey to demonstrate coverage under the National Pollutant Discharge Elimination System (NPDES) Industrial General Permit (IGP) program prior to being issued a new or renewed business license by the City of Downey.

A business requires IGP coverage if it has a regulated Standard Industrial Classification (SIC Code). Regulated SIC Codes are defined in Attachment A of the IGP:

https://www.waterboards.ca.gov/water_issues/programs/stormwater/docs/industrial/2014indgenpermit/atta.pdf

Businesses requiring IGP coverage must comply via electronic submittal of applications and reporting to the Storm Water Multiple Application and Report Tracking System (SMARTS):

https://www.waterboards.ca.gov/water_issues/programs/stormwater/smarts/

For more information and resources about how to select the appropriate SIC Code(s) for your business and identify whether your business is operating as an industrial facility, please refer to the information provided in the attached leaflet, titled, “Selecting a Standard Industrial Classification (SIC) Code.”

To meet the requirements of Senate Bill No. 205, businesses operating as a regulated industry within the City of Downey you must provide the following information, to the extent applicable, as part of the business licensing process:

- The name and location of facilities operated by the person of that business.
- All primary SIC Codes for the business.
- Whichever of the following apply for each facility operated by the person of that business, as issued by the State Water Resources Control Board (SWRCB):
 - The stormwater permit number, known as the Waste Discharger Identification number (WDID).
 - The WDID application number.
 - The “notice of non-applicability” (NONA) identification number.
 - The “no exposure certification” (NEC) identification number.

If you have any questions regarding the requirements of this new law

You may also contact the State Water Resources Control Board’s Office of Enforcement (stormwater@waterboards.ca.gov or 916-341-5272) for additional information.

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If you are applying for a new or renewed business license in the City of Downey, please fill in the following table, to the extent applicable or put N/A if not applicable and return this form with your Business License Application:

Business License Account Number:	
Contact Name:	
Business Name:	
Business Address:	
Description of Facility's Primary Activities:	
Applicable SIC Code(s):	

If operating as a regulated industry, please also provide the following information:

WDID Application ID Number ¹ :	
WDID Number ² :	
Notice of Non-Applicability ID:	
No Exposure Certification ID:	

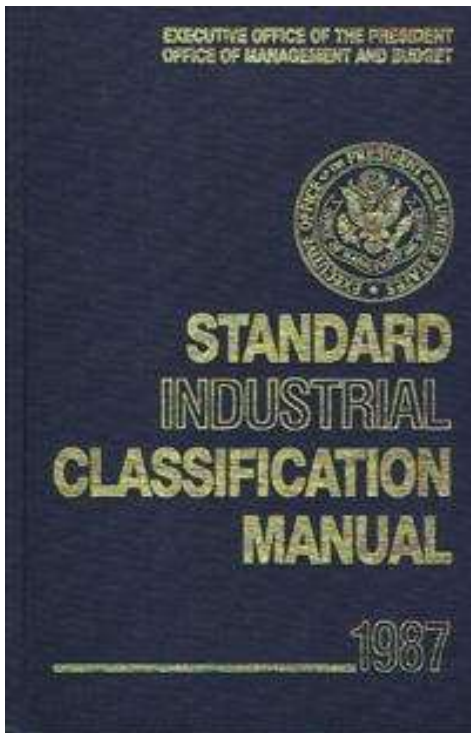
¹The WDID Application ID Number is assigned by the SWRCB to track an IGP application (i.e. Notice of Intent) in SMARTS that has not yet been assigned a WDID number.

<https://smarts.waterboards.ca.gov/smarts/faces/SwSmartsLogin.xhtml>.

² The WDID Number is issued by the SWRCB once the IGP application (i.e. Notice of Intent) has been processed in SMARTS.

Selecting a Standard Industrial Classification (SIC) Code

for
Industrial and Commercial Businesses



What is a Standard Industrial Classification (SIC) Code?

The SIC is a system for categorizing establishments using a four-digit code. It is applicable to all business types and is self-selected when you apply for a Business License with the City. It is important to select the appropriate SIC Code(s) for your business because the SIC code(s) may affect the stormwater permit coverage status of your facility/facilities.

The SIC system is broken down into ten divisions:

- A: Agriculture, Forestry, and Fishing (Codes 01XX-09XX)
- B: Mining and Oil & Gas Operations (Codes 10XX-14XX)
- C: Construction (Codes 15XX-17XX)
- D: Manufacturing (Codes 20XX-39XX)
- E: Transportation, Communications, Electric, Gas, and Sanitary Services (Codes 40XX-49XX)
- F: Wholesale Trade (Codes 50XX-51XX)
- G: Retail Trade (Codes 52XX-59XX)
- H: Finance, Insurance, and Real Estate (Codes 60XX-67XX)
- I: Services (Codes 70XX-89XX)
- J: Administration (Codes 91XX-99XX)

Attachment A of the California Industrial General Permit (IGP) specifies which of these SIC Codes requires IGP coverage. See Resources section for link to Attachment A.

How is my SIC code used?

To comply with their Municipal Stormwater Permit, the City of El Segundo uses your business' SIC Code to determine:

- If your business has a regulated SIC Code under the IGP;
- What type of stormwater inspection to conduct at your facility; and
- If a recommendation to seek IGP Coverage should be made to your facility either at the time of inspection or during business license application filing.

Resources

Attachment A of the California IGP:

https://www.waterboards.ca.gov/water_issues/programs/stormwater/docs/industrial/2014indgenpermit/atta.pdf

List of SIC Codes Regulated Under the IGP (in alphabetical order):

https://www.waterboards.ca.gov/water_issues/programs/stormwater/sic.shtml

Occupational Safety and Health Administration (OSHA) SIC Manual Online:

www.osha.gov/pls/imis/sic_manual.html

NPDES Industrial General Permit:

https://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2014/wqo2014_0057_dwq_rev_mar2015.pdf

Frequently asked Questions on the IGP in SMARTS:

www.waterboards.ca.gov/water_issues/programs/stormwater/docs/dischargers_guide_SMARTS_faqs.pdf

Stormwater Regulations

The National Pollutant Discharge Elimination System (NPDES) permit program was created under the Clean Water Act to regulate pollutant discharges. There are three general stormwater permits: Municipal, Industrial, and Construction.

Municipal Stormwater Permit

The City of El Segundo is a Permittee under the Los Angeles Municipal Separate Storm Sewer System (MS4) Permit. To comply with the Municipal Stormwater Permit, the City must track, educate, inspect, and verify compliance with municipal ordinances at industrial and commercial businesses.



Industrial General Permit (IGP)

Facilities with outdoor activities/storage may require coverage under the Industrial General Permit. Coverage is required if a facility has a regulated Standard Industrial Classification (SIC Code):

www.swrcb.ca.gov/water_issues/programs/stormwater/sicnum.shtml

Information about the IGP and how to apply for coverage is available on the State Water Resources Control Board website:

www.waterboards.ca.gov/water_issues/programs/stormwater/industrial.shtml

Key SIC Code Definitions

Manufacturing: establishments primarily engaged in the mechanical or chemical transformation of materials or substances into new products.

Wholesale Trade: establishments primarily engaged in selling merchandise to retailers or to other wholesalers.

Retail Trade: establishments primarily engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods.

Warehousing: establishments furnishing local or long-distance trucking or transfer services, or those engaged in the storage of farm products, furniture, and other household goods.

NOTE: Warehousing of an establishment's own materials is considered an "auxiliary" business function and is not regulated under the IGP unless it is closely associated with the facility's primary industrial activity (i.e., is located at the same physical location).

Common Mistakes

Businesses often perform multiple functions. The SIC Code you select should be based on your primary business function or the activity that generates the highest revenue for your company in a given year. It is important to select the code that most closely aligns with your primary business function so that your facility is correctly classified by the City.

Warehousing vs. Wholesale Trade

Both of these business types store goods as their primary business activity. However, the main distinction is made by determining who owns the goods that are being stored.

- Generally, if the company that is storing the goods owns them and is selling those goods to others as their primary business function, they are considered a **Wholesale Trade** facility.
- If the company that is storing the goods does not own them and is simply providing a goods storage and transportation service as their primary business function, they are considered a **Warehousing** facility.

Manufacturing vs. Wholesale Trade

- Facilities that produce new items using raw materials and industrial processes are **Manufacturing** facilities.
- Facilities that purchase manufactured goods and store the goods with the intent to sell them to their customers are considered **Wholesale Trade** facilities.