

## Industrial Stormwater Fees Document

### Background

During the 2018 Session, the South Dakota Legislature approved Senate Bill 25, which authorized the DANR to collect fees for stormwater permits. In accordance with that bill, which has been codified in South Dakota Codified Law 34A-2-119.1, DANR was given the authority to develop rules for an annual tiered fee for each industrial site permitted under the general permit. This statute required DANR to equitably assess an annual fee to cover the reasonable costs of developing and administering the stormwater permitting requirements for industrial activities that include:

- a. Preparing regulations and general stormwater permits for applicable industrial activities;
- b. Reviewing and acting on applications for an industrial stormwater permit or permit revision;
- c. Implementing the industrial stormwater permits and inspecting permitted facilities, to include enforcing the terms and conditions of the permits if needed; and
- d. Providing training, technical support, and customer services to permitted entities to include developing on-line functions.

DANR developed its proposal for these annual fees for the General Permit for Stormwater Discharges Associated with Industrial Activities and conducted stakeholder outreach in the fall of 2020. After stakeholder input, DANR asked permission from the Water Management Board to public notice the fees and present them to the Board with public input. At the December 2, 2020 Water Management Board Meeting, the rules were passed.

The following annual fees for industrial stormwater permits were approved by the South Dakota Interim Rules Review Committee on April 6, 2021, are effective July 1, 2021, and the first annual fee will be due January 31, 2022. The final rule can be found on the South Dakota Legislative Research Council's website in ARSD Chapter 74:52:12.

### Fee Structure

The US Environmental Protection Agency (EPA) has developed different sectors of industrial activities, based on a facility's primary Standard Industrial Classification (SIC) Code. Descriptions of the Industrial Sector codes are summarized at the end of this document in the Industrial Sector Code Descriptions Table. More information regarding these descriptions can be found on the [EPA website](#). With public input, DANR developed industrial stormwater fees based on potential environmental impact. This resulted in fees for the Nonmetallic Mineral Mining and Processing Facilities sector (Sector J) based on unreclaimed acreage, and for the other industrial sectors based on operations on site. These fees are detailed in the tables below.

The maximum industrial stormwater annual fee for an owner with multiple industrial sites required to operate under the General Permit may not exceed \$2,500 per year.

An owner with multiple sites covered under the General Permit will have a maximum annual industrial stormwater fee of \$2500 per year.

## Nonmetallic Mineral Mining and Processing Facilities Fees

DANR developed five different tiers for stormwater fees for nonmetallic mineral mining and processing facilities. This breakdown of fee amounts is tiered based on the unreclaimed land area of the mineral mining and processing facilities as reported to DANR's Minerals and Mining Program. (These operations are classified as Sector J by EPA.)

<b>Nonmetallic Mineral Mining and Processing Facilities Fees (Sector J)</b>		
<b>Tier</b>	<b>Unreclaimed Acreage</b>	<b>Fee Amount</b>
<b>I</b>	< 1 acres	\$100
<b>II</b>	1 to < 20 acres	\$200
<b>III</b>	20 to < 40 acres	\$400
<b>IV</b>	40 to < 80 acres	\$600
<b>V</b>	80+ acres	\$800

## Industrial Sectors Fees

DANR has developed five different tiers based on the type of activities conducted at the industrial facilities and based on the potential for environmental impact. Descriptions of the Industrial Sector codes are summarized in the Industrial Sector Code Descriptions Table at the end of this document. More information regarding these descriptions can be found on the [EPA website](#). Please note that Sector J, Nonmetallic Mineral Mining and Processing Facilities, is excluded from this fee table and is accounted for in the above table.

<b>Industrial Sectors Fees (excluding Sector J)</b>		
<b>Tier</b>	<b>Industrial Sectors</b>	<b>Fee Amount</b>
<b>I</b>	B-P-Q-R-T-U-V-W-X	\$100
<b>II</b>	AA-AB-AC-AD-C-F-O-S-Y-Z	\$200
<b>III</b>	A-D-E-M-N	\$400
<b>IV</b>	K-L	\$600
<b>V</b>	G-H-I	\$800

## Industrial Sector Code Descriptions

Descriptions of the Industrial Sector codes used in the industrial stormwater fees are summarized below. More information regarding these descriptions can be found on the [EPA website](#).

**Industrial Sector Code Descriptions**

<b>Industrial Sector</b>	<b>Description</b>
A	Timber Products
B	Paper and Allied Products Manufacturing
C	Chemical and Allied Products Manufacturing
D	Asphalt Paving and Roofing Materials Manufacturers and Lubricant Manufacturers
E	Glass, Clay, Cement, Concrete, and Gypsum Product Manufacturing
F	Primary Metals
G	Metal Mining (Ore Mining and Dressing)
H	Coal Mines and Coal Mining-Related Facilities
I	Oil and Gas Extraction
J	Mineral Mining and Processing Facilities
K	Hazardous Waste Treatment, Storage or Disposal Facilities
L	Landfills and Land Application Sites
M	Automobile Salvage Yards
N	Scrap Recycling Facilities
O	Steam Electric Generating Facilities
P	Land Transportation Motor Freight Transportation, Passenger Transportation, Petroleum Bulk Oil Stations and Terminals, Rail Transportation, and United State Postal Service Transportation
Q	Water Transportation
R	Ship and Boat Building and Repair Yards
S	Air Transportation Facilities
T	Treatment Works
U	Food and Kindred Products
V	Textile Mills, Apparel, and Other Fabric Product Manufacturing
W	Furniture and Fixtures
X	Printing and Publishing
Y	Rubber, Miscellaneous Plastic Products, and Miscellaneous Manufacturing Industries
Z	Leather Tanning and Finishing
AA	Fabricated Metal Products Manufacturing
AB	Transportation Equipment, Industrial or Commercial Machinery
AC	Electronic, Electrical, Photographic and Optical Goods Manufacturing
AD	Non-Classified Facilities