

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- The State Fire Marshal may refer violations of the fireworks laws to the county prosecutors; however, there are few such cases a year.
- The bill establishes new felony penalties and alters a misdemeanor penalty for certain fireworks violations. These penalties may yield a greater number of prosecutions, resulting in additional court expenditures which would be paid by counties and municipalities. For counties these costs may be offset by increases in fine revenue.
- Once adopted, the more stringent distance guidelines may disqualify a number of groups from receiving exhibition permits. As a consequence, municipalities and townships whose fire departments charge fees for exhibitors permits may lose some permit revenue.

Detailed Fiscal Analysis

The bill changes parts of the state fireworks laws that apply to fireworks exhibitors and requires the State Fire Marshal to adopt stricter distance guidelines for fireworks displays. Exhibitors who fail to comply with these regulations are subject to first-degree misdemeanor penalties. The bill also makes it illegal to dismantle or disturb a fireworks display site after an accident has occurred, a third degree felony. The bill may slightly increase the volume of administrative hearings conducted on behalf of the State Fire Marshal or the number of misdemeanor or felony prosecutions for the various offenses established in the bill.

Effects of New Penalties on State Fire Marshal

A fireworks exhibitor's license costs \$150. Fireworks manufacturer who wish to exhibit fireworks are charged \$50 for the exhibitor's license. The State Fire Marshal has issued 595 current exhibitors licenses.

State Fire Marshal Required to Adopt More Stringent Fireworks Exhibition Standards

The bill requires the Fire Marshal to either:

- 1) Double the minimum set-back distances between fireworks discharge sites and spectator viewing areas as prescribed by the National Fire Protection Association (NFPA),
- 2) Require exhibition sites to be separated from viewing areas by barricades.

The first option would work as follows: NFPA standards require a minimum set-back distance of 70 feet per inch of shell casing. Thus, the minimum distance between a fireworks display that uses five-inch shells and the spectator viewing area would be 350 feet. According to the bill, that distance would be doubled to 700 feet. According to an official, the State Fire Marshal would be inclined to carry out this option, since initial research on the second option shows that barricades between the fireworks and spectators do not improve viewer safety appreciably.

Administrative Hearing Sanctions and Caseload

During 1999, the State Fire Marshal has brought forward for administrative hearings seven cases of fireworks violations. Only three of these cases have involved alleged violations of fireworks exhibitor laws. The cost of these hearings has averaged about \$5,000. The stricter exhibitor standards prescribed by the bill may increase the volume of such cases, thus increasing the Fire Marshal's expenses related to these hearings.

Current law classifies some violations of fireworks safety standards as first-degree misdemeanors. The bill adds to this penalty a five-year suspension for exhibitors who fail to comply with the minimum state fireworks safety standards. If serious accidents result from these violations, the bill also allows for the permanent revocation of exhibitors' licenses. Typical sanctions include the suspension of an exhibitor's licenses. As a result, the State Fire Marshal may forego some license revenue. Nevertheless, there would likely be only a handful more such administrative hearings conducted as a result of the more rigorous exhibitors standards. None of the cases handled through administrative hearings generates any fine revenue.

Fiscal Effects on Political Subdivisions

Uncertain Impact on Local Paid and Volunteer Fire Department Revenue

Assuming that the stricter distance requirements are imposed, the bill could 1) reduce revenue for some departments that now charge license and inspection fees; or 2) cause little revenue loss, since many departments do not charge fees for these services.

As a result of the additional distance requirements included in the bill, some organizations that have previously qualified for exhibitor licenses may no longer be eligible to display fireworks. For example, a local Lion's Club that uses a baseball diamond for its annual fireworks show might be forced to cancel its fireworks show because the site does not meet the required distance criteria. In turn, the fire department that inspects the site and issues a license for the exhibition would thus lose license revenue.

In spite of the scenario outlined above, it is not certain that all local fire departments would lose license revenue. Many of the smaller departments do not charge a license fee, since they receive only a handful of requests annually. Thus, the stricter fireworks exhibition standards would have little impact on revenues. Presumably, fire departments in urban areas would be most affected, since they are more likely to charge an inspection fee and the volume of permit requests is greater.

Impact of New Felony and Enhanced Misdemeanor Charges on Counties and Municipalities

The bill creates two new felony violations and alters a current misdemeanor penalty. These violations may increase court costs for both municipal and county governments and generate additional fine revenue for counties. In either instance, the impact would be slight.

The more serious violation, established in Sec. 3743.64(H), is a third-degree felony. This provision bars persons from altering or disturbing a fireworks discharge site after an accident has occurred, excepting circumstances where steps should be taken to assure spectator safety. A

conviction on this charge can yield a one to five year prison term and a maximum fine of \$10,000.

Section 3743.99(D) of the bill increases the penalty for exhibitors who fail to comply with the fireworks safety standards prescribed by the State Fire Marshal, a first-degree misdemeanor violation. In addition to jail terms of no longer than six months and maximum fines of \$1,000, the State Fire Marshal would revoke their exhibitor's licenses for five years. In cases where these violations have caused injuries, the State Fire Marshal would revoke these licenses permanently.

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