SUBSTITUTE FOR

HOUSE BILL NO. 5939

A bill to amend 2011 PA 256, entitled "Michigan fireworks safety act," by amending sections 2, 4, 5, 6, 8, 10, 11, 12, 14, 15, 16, 17, 17a, 18a, 18b, and 18c (MCL 28.452, 28.454, 28.455, 28.456, 28.458, 28.460, 28.461, 28.462, 28.464, 28.465, 28.466, 28.467, 28.467a, 28.468a, 28.468b, and 28.468c), sections 2, 8, and 17 as amended and sections 17a, 18b, and 18c as added by 2012 PA 257, sections 4, 5, 10, 12, and 18a as amended by 2013 PA 65, and section 11 as amended by 2017 PA 145; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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Sec. 2. As used in this act:

2 (a) "Agricultural and wildlife fireworks" means fireworks
3 devices distributed to farmers, ranchers, and growers through a
4 wildlife management program administered by the United States

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1 department DEPARTMENT of the interior INTERIOR or the department of 2 natural resources of this state.

3 (b) "APA standard STANDARD 87-1" means 2001 APA standard THE
4 "APA STANDARD 87-1, standard STANDARD for construction CONSTRUCTION
5 and approval APPROVAL for transportation TRANSPORTATION of
6 fireworks, novelties, and theatrical pyrotechnics, FIREWORKS,
7 NOVELTIES, AND THEATRICAL PYROTECHNICS", 2001 EDITION, published by
8 the American pyrotechnics association PYROTECHNICS ASSOCIATION of
9 Bethesda, Maryland.

10 (c) "Articles pyrotechnic" means pyrotechnic devices for 11 professional use that are similar to consumer fireworks in chemical 12 composition and construction but not intended for consumer use, 13 that meet the weight limits for consumer fireworks but are not 14 labeled as such, and that are classified as UN0431 or UN0432 under 15 49 CFR 172.101.

16 (d) "Citation" means that term as described in section 17a.
17 (e) "Commercial manufacturer" means a person engaged in the
18 manufacture of consumer fireworks.

(f) "Consumer fireworks" means fireworks devices that are 19 20 designed to produce visible effects by combustion, that are 21 required to comply with the construction, chemical composition, and 22 labeling regulations promulgated by the United States consumer 23 product safety commission CONSUMER PRODUCT SAFETY COMMISSION under 24 16 CFR parts 1500 and 1507, and that are listed in APA standard STANDARD 87-1, 3.1.2, 3.1.3, or 3.5. Consumer fireworks does not 25 26 include low-impact fireworks.

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(g) "Consumer fireworks certificate" means a certificate

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1 issued under section 4.

2 (h) "Department" means the department of licensing and3 regulatory affairs.

4 (i) "Display fireworks" means large fireworks devices that are
5 explosive materials intended for use in fireworks displays and
6 designed to produce visible or audible effects by combustion,
7 deflagration, or detonation, as provided in 27 CFR 555.11, 49 CFR
8 172, and APA standard STANDARD 87-1, 4.1.

9 (j) "Firework" or "fireworks" means any composition or device,
10 except for a starting pistol, a flare gun, or a flare, designed for
11 the purpose of producing a visible or audible effect by combustion,
12 deflagration, or detonation. Fireworks consist of consumer
13 fireworks, low-impact fireworks, articles pyrotechnic, display
14 fireworks, HOMEMADE FIREWORKS, and special effects.

15 (k) "Fireworks safety fund" means the fireworks safety fund16 created in section 11.

(*l*) "HOMEMADE FIREWORKS" MEANS ANY COMPOSITION OR DEVICE
DESIGNED FOR THE PURPOSE OF PRODUCING A VISIBLE OR AUDIBLE EFFECT
BY COMBUSTION, DEFLAGRATION, OR DETONATION THAT IS NOT PRODUCED BY
A COMMERCIAL MANUFACTURER AND DOES NOT COMPLY WITH THE
CONSTRUCTION, CHEMICAL COMPOSITION, AND LABELING REGULATIONS OF THE
UNITED STATES CONSUMER PRODUCT SAFETY COMMISSION UNDER 16 CFR PARTS
1500 AND 1507.

24 (M) (*l*)—"Local unit of government" means a city, village, or
 25 township.

26 (N) (m) "Low-impact fireworks" means ground and handheld
 27 sparkling devices as that phrase is defined under APA standard

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1 STANDARD 87-1, 3.1, 3.1.1.1 to 3.1.1.8, and 3.5.

2 (O) (n)—"Minor" means an individual who is less than 18 years
3 of age.

4 (P) (o) "NFPA" means the national fire protection association
5 NATIONAL FIRE PROTECTION ASSOCIATION headquartered at 1
6 Batterymarch Park, Quincy, Massachusetts.

7 (Q) (p) "NFPA 1" means the uniform fire code, "UNIFORM FIRE
8 CODE", 2006 edition, developed by NFPA.

9 (R) (q) "NFPA 72" means the "National Fire Alarm Code", 2002
10 edition, developed by NFPA.

11 (S) (r)-"NFPA 101" means the "Life Safety Code", 2009 edition, 12 developed by NFPA.

13 (T) (s) "NFPA 1123" means the "Code for Fireworks Display",
14 2010 edition, developed by NFPA.

(U) (t) "NFPA 1124" means the "Code for the Manufacture,
Transportation, Storage, and Retail Sales of Fireworks and
Pyrotechnic Articles", 2006 edition, developed by NFPA.

18 (V) (u) "NFPA 1126" means the "Standard for the Use of
19 Pyrotechnics Before a Proximate Audience", 2011 edition, developed
20 by NFPA.

21 (W) (v) "Novelties" means that term as defined under APA
22 standard STANDARD 87-1, 3.2, 3.2.1, 3.2.2, 3.2.3, 3.2.4, and 3.2.5
23 and all of the following:

(i) Toy plastic or paper caps for toy pistols in sheets,
strips, rolls, or individual caps containing not more than .25 of a
grain of explosive content per cap, in packages labeled to indicate
the maximum explosive content per cap.

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(ii) Toy pistols, toy cannons, toy canes, toy trick
 noisemakers, and toy guns in which toy caps as described in
 subparagraph (i) are used, that are constructed so that the hand
 cannot come in contact with the cap when in place for the
 explosion, and that are not designed to break apart or be separated
 so as to form a missile by the explosion.

7 (iii) Flitter sparklers in paper tubes not exceeding 1/8 inch8 in diameter.

9 (*iv*) Toy snakes not containing mercury, if packed in cardboard
10 boxes with not more than 12 pieces per box for retail sale and if
11 the manufacturer's name and the quantity contained in each box are
12 printed on the box, ; and toy smoke devices.

13 (X) (w) "Permanent building or structure" is a building or 14 structure that is affixed to a foundation on a site that has fixed 15 utility connections and that is intended to remain on the site for 16 more than 180 consecutive calendar days.

(Y) (x) "Person" means an individual, agent, association,
charitable organization, company, limited liability company,
corporation, labor organization, legal representative, partnership,
unincorporated organization, or any other legal or commercial
entity.

(Z) (y)—"Retailer" means a person who—THAT sells consumer
fireworks or low-impact fireworks for resale to an individual for
ultimate use.

25 (AA) (z) "Retail location" means a facility listed under NFPA
26 1124, 7.1.2.

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(BB) (aa)"Rule" means A RULE, AS that term as IS defined in

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section 7 of the administrative procedures act of 1969, 1969 PA
 306, MCL 24.207, that was promulgated by the department.

3 (CC) (bb) "Serious impairment of a body function" means that
4 term as defined in section 58c of the Michigan vehicle code, 1949
5 PA 300, MCL 257.58c.

(DD) (cc) "Serious violation" means a violation of this act,
an order issued under this act, or a rule promulgated or adopted by
reference under this act for which a substantial probability exists
that death or serious impairment of a body function to a person AN
INDIVIDUAL other than the violator may result unless the violator
did not and could not, with the exercise of reasonable diligence,
know of the presence of the violation.

(EE) (dd)—"Special effects" means a combination of chemical elements or chemical compounds capable of burning independently of the oxygen of the atmosphere and designed and intended to produce an audible, visual, mechanical, or thermal effect as an integral part of a motion picture, radio, television, theatrical, or opera production or live entertainment.

19 (FF) (ce)—"State fire marshal" means the state fire marshal 20 appointed under section 1b of the fire prevention code, 1941 PA 21 207, MCL 29.1b.

(GG) (ff) "Warehouse" means a permanent building or structure
used primarily for the storage of consumer fireworks or low-impact
fireworks.

(HH) (gg) "Wholesaler" means any A person who THAT sells
consumer fireworks or low-impact fireworks to a retailer or any
other person for resale. Wholesaler does not include a person who

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1 THAT sells only display fireworks or special effects.

Sec. 4. (1) A person shall not sell consumer fireworks unless
the person annually obtains and maintains a consumer fireworks
certificate from the department under this section.

5 (2) A person who knows, or should know, that he or she is
6 required to comply with this subsection and who THAT fails or
7 neglects to do so COMPLY WITH SUBSECTION (1) is guilty of a
8 misdemeanor punishable by imprisonment for not more than 2 years or
9 a fine, or both, with the fine as follows:RESPONSIBLE FOR A CIVIL

10 FINE AS FOLLOWS:

(a) For a first violation, of this subsection, not more than
\$5,000.00. THE DEPARTMENT SHALL DETERMINE THE AMOUNT OF THE FINE
IMPOSED UNDER THIS SUBDIVISION BY APPLYING A SCALE, AS DEVELOPED BY
THE DEPARTMENT, THAT REFLECTS THE SEVERITY OF THE VIOLATION.

(b) For a second violation, of this subsection, not more than
\$20,000.00.

17 (c) For a third or subsequent violation, of this subsection,
18 not more than \$40,000.00.

(3) (2) An application APPLICANT for a consumer fireworks
 certificate shall meet DO all of the following: requirements:

(a) The application shall be submitted SUBMIT AN APPLICATION
no later than April 1 of each year in which THE APPLICANT WILL SELL
consumer fireworks. are to be sold.

(b) The application shall list INCLUDE ON THE APPLICATION the
name and address of each retail location from which THE APPLICANT
WILL SELL consumer fireworks. are to be sold.

27 (c) The application shall be accompanied by a SUBMIT WITH THE

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APPLICATION ALL OF THE FOLLOWING, AS APPLICABLE:

2 (i) A NONREFUNDABLE CONSUMER FIREWORKS CERTIFICATE fee of 3 \$1,000.00 \$1,250.00 for a certificate for each retail location that 4 is a permanent building or structure or \$600.00 \$1,000.00 for each 5 retail location that is not a permanent building or structure. The 6 fireworks certificate fee required to be paid for a retail location 7 that is not a permanent building or structure shall not exceed 60% of the fireworks certificate fee for a retail location that is a 8 9 permanent building or structure. IF THE APPLICATION INCLUDES 10 OR MORE RETAIL LOCATIONS THAT ARE NOT PERMANENT BUILDINGS OR 10 11 STRUCTURES, THE FEE DESCRIBED IN THIS SUBDIVISION SHALL BE \$700.00 12 FOR EACH OF THOSE LOCATIONS.

(*ii*) FOR AN APPLICANT WHO APPLIES FOR A CONSUMER FIREWORKS
CERTIFICATE FOR A RETAIL LOCATION THAT IS NOT A PERMANENT BUILDING
OR STRUCTURE AND WHO DOES NOT HOLD A CONSUMER FIREWORKS CERTIFICATE
FOR A PERMANENT BUILDING OR STRUCTURE, A BOND IN THE AMOUNT OF
\$5,000.00 TO SECURE THE COLLECTION OF ESTIMATED SALES TAX AND
FIREWORKS SAFETY FEES.

19 (iii) (d) The application shall be accompanied by a A copy of 20 the applicant's current sales tax license, including the 21 applicant's account number, issued by the department of treasury 22 for each retail location where THE APPLICANT WILL SELL consumer 23 fireworks. are to be sold by the applicant.

24 (*iv*) ANY OTHER DOCUMENT REQUIRED BY THE DEPARTMENT.

(4) THE DEPARTMENT SHALL NOT ISSUE AN INITIAL CONSUMER
FIREWORKS CERTIFICATE TO AN APPLICANT UNTIL THE DEPARTMENT OF
TREASURY HAS CONFIRMED TO THE DEPARTMENT THAT EACH SALES TAX

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LICENSE SUBMITTED BY THE APPLICANT IS CURRENT AND VALID, AND THAT
 THE APPLICANT IS OTHERWISE ELIGIBLE TO OBTAIN A CONSUMER FIREWORKS
 CERTIFICATE UNDER THIS ACT.

4 (5) (3) A consumer fireworks certificate issued under this 5 section is valid from the date of issue until April 30 of the year 6 after it was FOLLOWING THE YEAR IN WHICH IT IS issued. A person may renew a consumer fireworks certificate for a retail location by 7 making application in the same manner as provided under subsection 8 (2). However, the ON A FORM PRESCRIBED BY THE DEPARTMENT CERTIFYING 9 THAT ALL INFORMATION ON FILE WITH THE DEPARTMENT IS TRUE AND 10 11 CORRECT, THAT THE PERSON'S SALES TAX LICENSE FOR THE RETAIL 12 LOCATION IS CURRENT AND VALID, AND THAT THE PERSON HAS PROPERLY REMITTED ALL REQUIRED FIREWORKS SAFETY FEES FOR THE PRECEDING YEAR. 13 THE department shall not issue a MAY DENY THE renewal OF A consumer 14 15 fireworks certificate unless IF the department determines that the 16 applicant **DID NOT** properly remitted **REMIT** all of the **REQUIRED** 17 fireworks safety fees required to be paid in the preceding year. FOR ALL PRECEDING YEARS, OR SALES TAX FOR ANY OF THE PRECEDING 5 18 19 YEARS, DURING WHICH THE APPLICANT HELD A CONSUMER FIREWORKS 20 **CERTIFICATE.** The department shall provide to the department of 21 treasury the sales tax license information received from the 22 applicant and any additional information as may be necessary to 23 allow the department of treasury to confirm that each sales tax 24 license submitted by the applicant is current and valid. The 25 department shall enter into an agreement with the department of treasury under section 28(1) of 1941 PA 122, MCL 205.28, that will 26 27 allow the department of treasury to provide that information to the

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department. The department shall not issue an original or renewal consumer fireworks certificate to an applicant until the department of treasury has confirmed to the department that each sales tax license submitted by the applicant is current and valid, and that the applicant is otherwise eligible to obtain a consumer fireworks certificate under this act.

7 (6) (4) Not more than 30 days after an application is AND ALL
8 REQUIRED SUPPORTING DOCUMENTATION AND FEES ARE submitted to the
9 department under this section, the department shall issue or deny
10 issuance of a consumer fireworks certificate to the applicant and,
11 if issuance is denied, OR DENY THE APPLICATION. IF THE DEPARTMENT
12 DENIES THE APPLICATION, THE DEPARTMENT shall indicate to the
13 applicant the reason for denial.

14 (7) (5) If the department denies issuance of AN APPLICATION
15 FOR a consumer fireworks certificate under this section, the
16 applicant may cure any defect of IN the application within 45 days
17 after the denial without paying an additional fee. The department
18 shall not unreasonably delay or deny an application. under this
19 section.

20 (8) (6) A consumer fireworks certificate is transferable upon 21 approval by the department and the payment of a $\frac{25.00}{250.00}$ 22 transfer fee. However, the THE department shall not approve the 23 transfer of a consumer fireworks certificate unless the transferee 24 satisfies DOES NOT SATISFY THE eligibility requirements for an 25 original consumer fireworks certificate under this act. THE 26 DEPARTMENT SHALL NOT PROCESS A REQUEST FOR A TRANSFER OF LOCATION 27 BETWEEN JUNE 1 AND JULY 31.

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(9) (7) The holder of a consumer fireworks certificate shall
 prominently display the original CERTIFICATE or A copy of the
 certificate in the appropriate EACH retail location TO WHICH THE
 CERTIFICATE APPLIES. A person that violates this subsection is
 responsible for a civil fine of \$100.00. Each day that the consumer
 fireworks certificate is not displayed as required under this
 subsection is a separate violation.\$200.00.

8 (10) (8) The department shall not issue a consumer fireworks
9 certificate to a EITHER OF THE FOLLOWING:

10 (A) A person that is ineligible under this act.

(B) A PERSON THAT HAS AN OUTSTANDING FINE ISSUED UNDER THIS
ACT NOT CURRENTLY UNDER APPEAL.

13 (11) (9) The face of the consumer fireworks certificate shall
14 MUST indicate the location or address for which it was issued.

15 (12) (10) Fees collected under this section shall be deposited
16 in the fireworks safety fund.

17 Sec. 5. (1) Consumer A PERSON SHALL NOT SELL CONSUMER

18 fireworks shall only be sold from a retail location if UNLESS all

19 of the following applicable conditions are met:

20 (a) Except as provided in subdivision (b), a-THE retail location AND ANY ADJACENT OR DIRECTLY ASSOCIATED RETAIL STORAGE 21 22 satisfies the applicable requirements of NFPA 101 and NFPA 1124 FOR 23 CONSUMER AND LOW-IMPACT FIREWORKS THAT ARE not in conflict with 24 this act $_{--}$ and the Stille-DeRossett-Hale single state construction 25 code act, 1972 PA 230, MCL 125.1501 to 125.1531. However, any ANY 26 provision of the Stille-DeRossett-Hale single state construction 27 code act, 1972 PA 230, MCL 125.1501 to 125.1531, that is

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inconsistent with the applicable requirements of NFPA 101 and NFPA
 1124 is superseded to the extent of the inconsistency or conflict.

(b) Beginning January 1, 2013, IF THE RETAIL LOCATION IS a 3 4 permanent building or structure, shall be THE BUILDING OR STRUCTURE 5 IS equipped with a fire suppression system in compliance with NFPA 1124. BEGINNING ON THE EFFECTIVE DATE OF THE 2018 ACT THAT ADDED 6 THIS SENTENCE AND NOTWITHSTANDING THE NFPA 1124 REQUIREMENTS 7 REGARDING AUTOMATIC SPRINKLER SYSTEMS, IF THE RETAIL LOCATION IS IN 8 A PERMANENT MULTITENANT BUILDING OR STRUCTURE, THE BUILDING OR 9 10 STRUCTURE MUST BE EQUIPPED WITH AN AUTOMATIC SPRINKLER SYSTEM. THE 11 REQUIREMENT FOR AN AUTOMATIC SPRINKLER SYSTEM DESCRIBED IN THIS 12 SUBDIVISION DOES NOT APPLY TO THE RETAIL LOCATION OF A PERSON THAT HELD A CONSUMER FIREWORKS CERTIFICATE FOR A RETAIL LOCATION OF THE 13 14 SAME ADDRESS IN A PERMANENT BUILDING OR STRUCTURE DURING THE 15 CALENDAR YEAR BEFORE THE EFFECTIVE DATE OF THE 2018 ACT THAT ADDED 16 THIS SENTENCE.

17 (c) The retailer at that retail location is licensed under18 section 3 of the general sales tax act, 1933 PA 167, MCL 205.53.

(d) The retailer has a valid federal taxpayer identification
number. issued by the federal department of the treasury, internal
revenue service. This requirement does not apply to a retailer that
is a sole proprietorship.

(2) A person that knows, or should know, that he or she is
required to comply with subsection (1) and who THAT fails or
neglects to do so COMPLY WITH SUBSECTION (1) is responsible for a
civil fine of NOT MORE THAN \$2,500.00 for each violation. THE
DEPARTMENT SHALL DETERMINE THE AMOUNT OF THE FINE IMPOSED UNDER

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THIS SUBSECTION BY APPLYING A SCALE, AS DEVELOPED BY THE
 DEPARTMENT, THAT REFLECTS THE SEVERITY OF THE VIOLATION. Each day
 that a person is in noncompliance constitutes—IS a separate
 violation.

5 (3) During periods when ANY PERIOD OF TIME IN WHICH A PERSON 6 IS SELLING consumer fireworks, are sold, each retail location 7 selling consumer fireworks either shall be added THE PERSON SHALL ADD as an additional insured, or OBTAIN AND MAINTAIN public 8 9 liability and product liability insurance coverage shall be 10 obtained and maintained, FOR, EACH RETAIL LOCATION AT WHICH THE 11 PERSON IS SELLING CONSUMER FIREWORKS, in an amount not less than 12 \$10,000,000.00 per occurrence. A person that knows, or should know, 13 that he or she is required to comply with this subsection and who 14 fails or neglects to do so is liable for IF THE DEPARTMENT DETERMINES THAT A PERSON HAS FAILED OR NEGLECTED TO COMPLY WITH 15 THIS SUBSECTION, THE DEPARTMENT SHALL ORDER THE PERSON TO 16 17 IMMEDIATELY CEASE OPERATIONS AND PAY a civil fine of not more than 18 \$5,000.00.

19 (4) A RETAILER SHALL PROVIDE WITH EVERY PURCHASE OF CONSUMER 20 FIREWORKS A NOTICE LISTING THE DATES AND TIMES PERMITTED UNDER THIS 21 ACT FOR THE IGNITION, DISCHARGE, AND USE OF CONSUMER FIREWORKS. THE NOTICE SHALL BEGIN WITH THE FOLLOWING STATEMENT: "STATE LAW 22 23 PERMITS, UNDER MCL 28.457, THE IGNITION, DISCHARGE, AND USE OF 24 CONSUMER FIREWORKS AT THE FOLLOWING TIMES:". THE RETAILER MAY 25 PROVIDE THE NOTICE IN A FORM AND MANNER DETERMINED BY THE RETAILER, INCLUDING, BUT NOT LIMITED TO, PRINTING OR STAMPING THE NOTICE ON, 26 27 OR AFFIXING THE NOTICE TO, A RECEIPT, BAG, OR THE PRODUCT BEING

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PURCHASED, OR A PRINTED HANDOUT PROVIDED AT THE TIME OF PURCHASE. 1 2 POSTING THE NOTICE ON A WALL, WINDOW, DISPLAY, OR OTHERWISE, AT THE RETAIL LOCATION, DOES NOT SATISFY THE REQUIREMENTS OF THIS 3 4 SUBSECTION. A RETAILER WHO FAILS TO PROVIDE THE NOTICE REQUIRED BY THIS SUBSECTION IS RESPONSIBLE FOR A CIVIL FINE OF \$100.00 FOR EACH 5 DAY ON WHICH 1 OR MORE VIOLATIONS OCCUR. THE DEPARTMENT SHALL 6 PROVIDE FOR THE REMITTANCE OF THE FINE COLLECTED UNDER THIS 7 SUBSECTION TO THE LOCAL LAW ENFORCEMENT AGENCY RESPONSIBLE FOR 8 9 ENFORCING THE NOTICE REQUIREMENT.

10 (5) A PERSON SHALL NOT ENGAGE IN THE RETAIL SALE OF CONSUMER
11 FIREWORKS OVER THE TELEPHONE, INTERNET, OR OTHER LIKE MANNER UNLESS
12 THE CONSUMER FIREWORKS ARE PICKED UP OR SHIPPED FROM A PERMANENT
13 LOCATION FOR WHICH THE PERSON HOLDS A VALID CONSUMER FIREWORKS
14 CERTIFICATE.

Sec. 6. (1) The department shall establish and maintain, or cause to be created ESTABLISHED and maintained, an internet website that has as its purpose the protection of the residents of this state who purchase, use, or transport fireworks. The website shall MUST include, at a minimum, BUT IS NOT LIMITED TO, both of the following:

(a) A list of every person and entity that is issued a
consumer fireworks certificate under section 4.

(b) A low-impact fireworks retail registry. All of the
following apply to the online low-impact fireworks retail registry:
(i) It shall be maintained and operated at no cost to a user.
(ii) The cost of its maintenance and operation shall be paid
with funds described in section 11(4).

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1 (iii) It shall provide for instant registry without condition. (2) Beginning February 1, 2012, a A person shall not sell low-2 impact fireworks unless he or she THAT PERSON registers with the 3 4 low-impact fireworks retail registry not less than 10 days before 5 selling the fireworks in each calendar year AND PAYS A \$100.00 REGISTRY APPLICATION FEE FOR EACH RETAIL LOCATION REGISTERED. FOR A 6 PERSON WITH MULTIPLE RETAIL LOCATIONS, THE REGISTRY APPLICATION 7 FEES IN TOTAL SHALL NOT EXCEED \$1,000.00. A PERSON THAT HOLDS A 8 VALID CONSUMER FIREWORKS CERTIFICATE ISSUED UNDER SECTION 4 IS NOT 9 REQUIRED TO REGISTER WITH THE LOW-IMPACT FIREWORKS RETAIL REGISTRY. 10 11 (3) A-IF THE DEPARTMENT DETERMINES THAT A person who-THAT 12 sells low-impact fireworks at retail and who fails HAS FAILED to register as described in this section, THE DEPARTMENT shall ORDER 13 14 THE PERSON TO IMMEDIATELY cease the sale of low-impact fireworks 15 until the person complies with subsection (2) AND PAY A CIVIL FINE OF NOT MORE THAN \$1,000.00. 16

Sec. 8. (1) A user fee, known as the fireworks safety fee, is
imposed on retail transactions made in this state for consumer
fireworks and low-impact fireworks as provided in section 9.

(2) A person that acquires consumer fireworks or low-impact
fireworks in a retail transaction is liable for the fireworks
safety fee on the transaction and, except as otherwise provided in
this act, shall pay the fireworks safety fee to the retailer as a
separate added amount to the consideration in the transaction. The
retailer shall collect the fireworks safety fee as an agent for the
state.

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(3) The fireworks safety fee shall be deposited in the

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1 fireworks safety fund.

2 (4) A person that knows or should know that he or she is
3 required to comply with the requirements of subsection (2) but
4 fails to collect or remit a fireworks safety fee as required under
5 this section is guilty of a misdemeanor punishable by RESPONSIBLE
6 FOR a CIVIL fine as follows:

7 (a) For a first violation, of this subsection, not more than
8 \$10,000.00.

9 (b) For a second violation, of this subsection, not more than
10 \$20,000.00.

11 (c) For a third or subsequent violation, of this subsection,
12 not more than \$40,000.00.

Sec. 10. (1) The retailer or person to whom A PERSON THAT 13 14 HOLDS a consumer fireworks certificate is issued is responsible for 15 remitting all fireworks safety fees, as described in section 9, to the department. on forms THE PERSON SHALL REMIT THE FEES COLLECTED 16 17 WITH A FORM PROVIDED and in the A manner prescribed by the 18 department. ;- THE PERSON shall hold IN TRUST FOR THE STATE the 19 fireworks safety fees collected in trust for the state until THOSE FEES ARE remitted to the state. ; and AN INDIVIDUAL WHO HOLDS A 20 21 CONSUMER FIREWORKS CERTIFICATE is personally liable for the payment 22 of the fireworks safety fee money to this state.FEES COLLECTED. 23 (2) The department may refer for collection to the department

of treasury past due amounts of the fireworks safety fee consistent
with section 13 of 1941 PA 122, MCL 205.13 OR MAY INITIATE
SUBROGATION FOR COLLECTION WITHIN THE DEPARTMENT.

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(3) A retailer or person THAT IS RESPONSIBLE FOR REMITTING THE

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1 COLLECTED FIREWORKS SAFETY FEES UNDER SUBSECTION (1) shall remit
2 the fireworks safety THOSE fees no later than 20 days after the end
3 of each preceding month. A retailer or person that operates 25 or
4 more retail locations in this state that are permanent buildings or
5 structures may remit the fireworks safety COLLECTED fees in an
6 aggregate filing under 1 common identification number as determined
7 by the department.

8 (4) The department shall investigate any fireworks safety fees
9 reported, but not paid, by a retailer no later than September 30 of
10 each year.

(4) A PERSON THAT FAILS TO REMIT A FIREWORKS SAFETY FEE AS
REQUIRED UNDER THIS SECTION IS RESPONSIBLE FOR A CIVIL FINE AS
FOLLOWS:

14 (A) FOR A FIRST VIOLATION, NOT MORE THAN \$10,000.00.

15 (B) FOR A SECOND VIOLATION, NOT MORE THAN \$20,000.00.

16 (C) FOR A THIRD OR SUBSEQUENT VIOLATION, NOT MORE THAN

17 \$40,000.00.

18 Sec. 11. (1) The fireworks safety fund is created within the 19 department of treasury.

(2) The state treasurer may receive money or other assets from
any source for deposit into the fund. The state treasurer shall
direct the investment of the fund. The state treasurer shall credit
to the fund interest and earnings from fund investments.

24 (3) Money in the fund at the close of the fiscal year shall25 remain in the fund and shall not lapse to the general fund.

26 (4) The department shall expend money deposited in the fund as27 follows:

(a) One hundred percent of the money received from fireworks
 safety fees under section 8 to be used for the training of
 firefighters under the direction and approval of the firefighters
 training council established under the firefighters training
 council act, 1966 PA 291, MCL 29.361 to 29.377.

6 (b) One hundred percent of the money received from consumer
7 fireworks safety certificates CERTIFICATE FEES under section 4 to
8 administer this act and to pay the costs of delegating inspections
9 under this act to local units of government under subsection (5).

(c) One hundred percent of the money received from the fees collected under section 11 of the firefighters training council act, 1966 PA 291, MCL 29.371, to be used for the training of firefighters under the direction and approval of the firefighters training council established under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

16 (5) The department may establish a program for delegating 17 inspection duties under this act to 1 or more local units of government. If a local unit of government agrees to carry out 18 19 inspections, the department shall pay 70%-50% of the consumer 20 fireworks safety certificate fee paid by each retail location 21 inspected by the local unit of government and retain the remaining 30% 50% of that fee. If a local unit of government declines to 22 23 participate in the program described in this subsection, the 24 department retains SHALL RETAIN its inspection duties under this 25 act.

Sec. 12. (1) A person shall not ignite, discharge, or useconsumer fireworks on public property, school property, church

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property, or the property of another person without that organization's or person's express permission to use those fireworks on those premises. Except as otherwise provided in this section, a person that violates this subsection is responsible for a state civil infraction and may be ordered to pay a civil fine of not more than \$500.00.

(2) Consumer A PERSON SHALL NOT SELL CONSUMER fireworks shall 7 not be sold to a minor. A person that violates this subsection 8 9 shall be ordered to pay a civil fine of not more than \$500.00, 10 \$1,000.00, or, for a second or subsequent violation of this 11 subsection, a civil fine of not more than \$1,000.00. In addition, 12 \$2,500.00. FOR A SECOND OR SUBSEQUENT VIOLATION, THE DEPARTMENT SHALL SUSPEND the person's consumer fireworks certificate shall be 13 14 suspended for 90 days after the BEGINNING ON THE DATE A civil fine 15 is ordered. for a second or subsequent violation. This age

16 requirement THE AGE OF AN INDIVIDUAL PURCHASING CONSUMER FIREWORKS
17 shall be verified by any of the following:

18 (a) An operator's or chauffeur's license issued under the19 Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923.

20 (b) An official state personal identification card issued
21 under 1972 PA 222, MCL 28.291 to 28.300.

(c) An enhanced driver license or enhanced official state
personal identification card issued under the enhanced driver
license and enhanced official state personal identification card
act, 2008 PA 23, MCL 28.301 to 28.308.

- 26 (d) A military identification card.
- 27 (e) A passport.

(f) Any other bona fide photograph identification that
 establishes the identity and age of the individual.

3 (3) An individual shall not discharge, ignite, or use consumer
4 fireworks or low-impact fireworks while under the influence of
5 alcoholic liquor, a controlled substance, or a combination of
6 alcoholic liquor and a controlled substance. A PERSON THAT VIOLATES
7 THIS SUBSECTION IS RESPONSIBLE FOR A STATE CIVIL INFRACTION AND MAY
8 BE ORDERED TO PAY A CIVIL FINE OF NOT MORE THAN \$1,000.00. As used
9 in this subsection:

10 (a) "Alcoholic liquor" means that term as defined in section11 1d of the Michigan vehicle code, 1949 PA 300, MCL 257.1d.

12 (b) "Controlled substance" means that term as defined in13 section 8b of the Michigan vehicle code, 1949 PA 300, MCL 257.8b.

(4) An individual who violates the smoking prohibition under
DESCRIBED IN NFPA 1124, 7.3.11.1, REGARDLESS OF THE TYPE OR
QUANTITY OF CONSUMER OR LOW-IMPACT FIREWORKS PRESENT, is guilty of
a misdemeanor punishable by imprisonment for not more than 1 year
or RESPONSIBLE FOR a CIVIL fine of not more than \$1,000.00. , or
both.

20 (5) Signage stating the smoking prohibition described in21 subsection (4) satisfies the requirements of NFPA 1124.

Sec. 14. (1) A governmental or law enforcement agency that identifies a firework that is in violation of this act shall secure the firework and immediately notify the department of the alleged violation. The department or law enforcement agency shall investigate the alleged violation for compliance with this act.

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1 (2) If the department or law enforcement agency determines 2 THROUGH ITS INVESTIGATION UNDER SUBSECTION (1) that a violation of this act has occurred, except for a violation of section 6(2), the 3 4 department or law enforcement agency may seize the firework as evidence of the violation. Evidence THE DEPARTMENT OR LAW 5 ENFORCEMENT AGENCY SHALL STORE, OR CAUSE TO BE STORED, THE EVIDENCE 6 seized under this section shall be stored pending disposition of 7 any criminal or civil proceedings arising from a-THE violation. of 8 9 this act at the expense of the person, if IF the person SUBJECT TO CRIMINAL OR CIVIL PROCEEDINGS UNDER THIS SECTION is found quilty, 10 11 responsible, or liable for the violation, THE PERSON SHALL BE 12 REQUIRED TO PAY THE STORAGE EXPENSE FOR THE EVIDENCE SEIZED. Sec. 15. (1) Fireworks seized for an alleged violation of this 13

14 act shall be stored in compliance with this act and THE rules
15 promulgated under this act.

16 (2) Following A final disposition of AN APPEAL OF a conviction 17 for violating UNDER this act THAT AFFIRMS THE CONVICTION, the 18 seizing agency in possession DEPARTMENT may dispose of or destroy 19 any fireworks retained as evidence in that prosecution.

20 (3) The A person from whom fireworks are seized under this act
21 shall pay the actual costs of storage and disposal of the seized
22 fireworks IF FOUND GUILTY, RESPONSIBLE, OR LIABLE FOR A VIOLATION
23 UNDER THIS ACT.

24 (4) The department of state police and the THE department may
25 use fireworks described in subsection (2) for training purposes.
26 Sec. 16. (1) The legislative body of a city, village, or
27 township, upon application in writing on forms provided by the

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department **ON THE DEPARTMENT'S WEBSITE** and payment of a fee set by 1 2 the legislative body, if any, may grant a permit for the use of agricultural or wildlife fireworks, articles pyrotechnic, display 3 4 fireworks, CONSUMER FIREWORKS, or special effects manufactured for 5 outdoor pest control or agricultural purposes, or for public or private display within the city, village, or township by 6 7 municipalities, fair associations, amusement parks, or other organizations or individuals approved by the city, village, or 8 9 township authority, if the applicable provisions of this act are 10 complied with. MET. After a permit has been granted, sales, 11 possession, or transportation of A PERMIT HOLDER MAY SELL, POSSESS, 12 OR TRANSPORT fireworks for ONLY the purposes described in the 13 permit. only may be made. A permit granted under this subsection is 14 not transferable and shall not be issued to a minor.

15 (2) Before a permit for articles pyrotechnic or a display 16 fireworks ignition is issued, the person - firm, or corporation 17 applying for the permit shall furnish proof of financial 18 responsibility by a bond or insurance in an amount, character, and 19 form deemed necessary by the local governing authority TO PROTECT 20 THE PUBLIC AND to satisfy claims for damages to property or 21 personal injuries arising out of an act or omission on the part of 22 the person , firm, or corporation or an agent or employee of the 23 person. , firm, or corporation, and to protect the public. 24 (3) A-THE DEPARTMENT SHALL NOT ISSUE UNDER THIS ACT A permit 25 shall not be issued under this act to a nonresident person 7 firm, 26 or corporation for ignition of articles pyrotechnic or display

27 fireworks in this state until the person , firm, or corporation has

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1 appointed in writing a resident member of the bar of this state or 2 a resident agent to be the legal representative upon whom all 3 process in an action or proceeding against the person , firm, or 4 corporation may be served.

(4) The BEFORE GRANTING A PERMIT UNDER THIS ACT, THE local 5 6 governing authority shall rule on the competency and qualifications 7 of AN articles pyrotechnic and display fireworks operators as required OPERATOR, AS FURNISHED BY THE OPERATOR ON THE OPERATOR'S 8 APPLICATION FORM, IN ACCORDANCE WITH THE REQUIREMENTS PROVIDED 9 under NFPA 1123, as the operator has furnished in his or her 10 11 application form, and on the time, place, and safety aspects of the 12 display of articles pyrotechnic or display fireworks. before 13 granting permits.

14 (5) A local unit of government that charges AND COLLECTS a fee
15 to issue a permit under this section shall retain the COLLECTED
16 fee. paid.

Sec. 17. Except as otherwise provided in this act, this actdoes not prohibit any of the following:

(a) A wholesaler, retailer, commercial manufacturer, or
importer from selling, storing, using, transporting, or
distributing consumer fireworks or low-impact fireworks.

(b) The use of fireworks by railroads or other transportation
agencies or law enforcement agencies for signal purposes or
illumination.

(c) The use of agricultural or wildlife fireworks.
(d) The sale or use of blank cartridges for any of the
following:

23

- 1
- (i) A show or play.

2 (*ii*) Signal or ceremonial purposes in athletics or sports.

3 (*iii*) Use by military organizations.

4

(*iv*) Use by law enforcement agencies.

5 (e) The possession, sale, or disposal of fireworks incidental
6 to the public display of fireworks by wholesalers or other persons
7 who possess a permit to possess, store, and OR sell explosives from
8 the bureau of alcohol, tobacco, firearms, and explosives of the
9 United States department of justice.DEPARTMENT OF JUSTICE.

10 (f) Interstate wholesalers from selling, storing, using,11 transporting, or distributing fireworks.

12 (G) A PERSON FROM PARKING A MOTOR VEHICLE, OR TRAILER, THAT IS
13 NOT BEING USED FOR THE STORAGE OF CONSUMER FIREWORKS, WITHIN 10
14 FEET OF A PERMANENT BUILDING OR STRUCTURE USED IN THE RETAIL SALE
15 OF CONSUMER FIREWORKS.

Sec. 17a. (1) If, as a result of an inspection or investigation, the state fire marshal or the state fire marshal's designee believes that a person has violated this act, an order issued under this act, or a rule promulgated under this act, the state fire marshal or his or her THE STATE FIRE MARSHAL'S designee shall issue a citation to the person not more than 90 days after the completion of the physical inspection or investigation.

(2) THE STATE FIRE MARSHAL OR THE STATE FIRE MARSHAL'S
DESIGNEE SHALL ISSUE THE CITATION DESCRIBED IN SUBSECTION (1) TO
THE HOLDER OF THE CONSUMER FIREWORKS CERTIFICATE FOR, OR TO A
PERSON CONDUCTING OR DIRECTING THE SALE OF CONSUMER FIREWORKS
WITHOUT A CONSUMER FIREWORKS CERTIFICATE AT, THE RETAIL LOCATION

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THAT IS THE SUBJECT OF THE INSPECTION OR INVESTIGATION. A HOLDER OF
 A CONSUMER FIREWORKS CERTIFICATE, OR A PERSON CONDUCTING OR
 DIRECTING THE SALE OF CONSUMER FIREWORKS WITHOUT A CONSUMER
 FIREWORKS CERTIFICATE, AS DESCRIBED IN THIS SUBSECTION, IS
 RESPONSIBLE FOR THE ACTS OR OMISSIONS OF AN INDIVIDUAL UNDER THAT
 PERSON'S EMPLOY OR CONTROL.

7 (3) (2) Except as otherwise provided in this act, upon
8 issuance of a citation, the state fire marshal may immediately
9 suspend the consumer fireworks certificate of the person to whom
10 RECEIVING the citation. was issued.

(4) (3) Upon a proper petition, a court of competent
jurisdiction may enjoin a violation of this act.

13 (5) (4) All of the following apply to a citation issued by the 14 state fire marshal or the state fire marshal's designee under this 15 act:

16 (a) It shall be in writing.

(b) It shall state on its face that it is an allegation of a violation of this act, describe with particularity the nature of the violation, and include a reference to the provision, rule, or order alleged to be violated.

21 (c) It shall contain all of the following:

22 (i) The date of the citation.

23 (ii) The name and title of the individual who issued the24 citation.

25 (*iii*) The name and address of the person to whom RECEIVING the
26 citation. is issued.

27

(iv) The actions necessary to bring the person to whom

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RECEIVING the citation is issued into compliance, including the
 payment of a fine.

3 (v) A space for the signature of the person to whom RECEIVING
4 the citation is issued indicating that the person has received the
5 citation.

6 (vi) A space where the person to whom RECEIVING the citation
7 is issued may accept the citation and agree to comply or, in the
8 alternative, may indicate the PERSON'S intent of the person to whom
9 the citation is issued to contest the citation.

10 (vii) A notice that the person to whom RECEIVING the citation
11 is issued shall MUST accept or reject the terms of the citation IN
12 WRITING within 15 days of the date RECEIPT of the citation.

13 (viii) A brief description of the administrative hearing14 process and the process for settlement as provided for by rule.

15 (d) A citation may either be mailed to the person to whom
16 RECEIVING the citation is issued by certified mail, return receipt
17 requested, or delivered in person by the state fire marshal, or THE
18 state fire marshal's designee who issued the citation.

Sec. 18a. (1) Except as otherwise provided in this section, a person who THAT receives a citation for a serious violation, an order issued under this act, or a rule promulgated under this act shall be assessed a civil fine of not more than \$1,000.00 for each violation.

24 (2) Except as otherwise provided in this section, a person who
25 THAT receives a citation for a violation of this act that is not a
26 serious violation may be assessed a civil fine of not more than
27 \$500.00 for each violation.

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(3) Subsections (1) and (2) do not apply to violations for
 which a specific civil fine is provided by this act.

3 (4) The state fire marshal may request that the prosecuting
4 attorney for the county in which a violation of this act occurred
5 issue a complaint and request a warrant for the prosecution of a
6 person AN INDIVIDUAL who commits a criminal violation of this act.
7 (5) All A civil fines collected FINE ORDERED under this
8 section ACT shall be paid to the department within 15 working days
9 after the date the penalty CIVIL FINE is ordered, not subject to

10 further review, and credited to the fireworks safety fund.

11 (6) The department of treasury shall institute proceedings to12 collect any civil fines ordered but not paid under this act.

Sec. 18b. (1) The department shall not issue, and a person AN
INDIVIDUAL is ineligible to be issued, a consumer fireworks
certificate if, either of the following apply:AS VERIFIED BY THE
INTERNET CRIMINAL HISTORY ACCESS TOOL (ICHAT) MAINTAINED BY THE
DEPARTMENT OF STATE POLICE, THE INDIVIDUAL WAS CONVICTED OF A
FELONY INVOLVING THEFT, FRAUD, OR ARSON.

19 (a) The person was sentenced for a felony conviction within
20 the preceding 5 years.

(b) The person has ever been convicted of a felony involving
 theft, fraud, or arson.

- 23 (2) If a person is convicted of a crime that would cause the
 24 person to be ineligible to be issued a consumer fireworks
- 25 certificate on April 30 of the following year, the person's
- 26 consumer fireworks certificate shall be revoked for the balance of
- 27 the year for which the person's current consumer fireworks

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certificate was issued. IF DUE TO A CRIMINAL CONVICTION AN
 INDIVIDUAL WILL BE INELIGIBLE FOR A CONSUMER FIREWORKS CERTIFICATE
 ON APRIL 30 OF THE YEAR FOLLOWING THE YEAR FOR WHICH THE INDIVIDUAL
 CURRENTLY HOLDS A CONSUMER FIREWORKS CERTIFICATE, THE DEPARTMENT
 SHALL REVOKE THE CURRENT CONSUMER FIREWORKS CERTIFICATE FOR THE
 BALANCE OF THE CURRENT YEAR.

Sec. 18c. (1) A person who THAT is convicted FOUND RESPONSIBLE
FOR ANY of the following offenses is ineligible, BEGINNING ON THE
DATE OF THE FINDING, to obtain a consumer fireworks certificate for
the following periods PERIOD of time after conviction:INDICATED:

11 (a) For a A second violation of section 4(1), 5 years.

(b) For a A third or subsequent violation of section 4(1), 10
vears.

14 (c) For a A first violation of section 8(4), 1 year.

(d) For a A second violation of section 8(4), 5 years.

16 (e) For a A third or subsequent violation of section 8(4), 10
17 years.

(f) For a A violation of SUBJECT TO section 18(1)(b), 1 year.
(g) For a A violation of SUBJECT TO section 18(1)(c),

20 permanently.

(h) For a A violation of SUBJECT TO section 18(1)(d),
permanently.

(2) A sanction imposed under subsection (1) shall be imposed
in addition to any other penalty or sanction imposed for a
violation of this act.

26 Enacting section 1. Section 13 of the Michigan fireworks27 safety act, 2011 PA 256, MCL 28.463, is repealed.

Final Page