SENATE 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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department DEPARTMENT of the interior INTERIOR or the department of
 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.

(T) (s) "NFPA 1123" means the "Code for Fireworks Display",
 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) (ee) "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.

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(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 is a permanent building or structure or \$600.00 \$1,000.00 for each 4 5 retail location that is not a permanent building or structure. The 6 fireworks certificate fee required to be paid for a retail location that is not a permanent building or structure shall not exceed 60% 7 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

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 14 THE department shall not issue a MAY DENY THE renewal OF A consumer 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 26 treasury under section 28(1) of 1941 PA 122, MCL 205.28, that will 27 allow the department of treasury to provide that information to the

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.

(8) (6) A consumer fireworks certificate is transferable upon 20 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 original consumer fireworks certificate under this act. THE 25 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 1 2 prominently display the original **CERTIFICATE** or **A** copy of the certificate in the appropriate EACH retail location TO WHICH THE 3 CERTIFICATE APPLIES. A person that violates this subsection is 4 5 responsible for a civil fine of \$100.00. Each day that the consumer 6 fireworks certificate is not displayed as required under this 7 subsection is a separate violation. \$200.00.

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

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

11 (B) A PERSON THAT HAS AN OUTSTANDING FINE ISSUED UNDER THIS 12 ACT NOT CURRENTLY UNDER APPEAL.

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

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

Sec. 5. (1) Consumer A PERSON SHALL NOT SELL CONSUMER 17 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 satisfies the applicable requirements of NFPA 101 and NFPA 1124 FOR 22 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 STRUCTURE MUST BE EQUIPPED WITH AN AUTOMATIC SPRINKLER SYSTEM. THE 10 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 SAME ADDRESS IN A PERMANENT BUILDING OR STRUCTURE DURING THE 14 15 CALENDAR YEAR BEFORE THE EFFECTIVE DATE OF THE 2018 ACT THAT ADDED THIS SENTENCE. 16

17 (c) The retailer at that retail location is licensed under
18 section 3 of the general sales tax act, 1933 PA 167, MCL 205.53.
19 (d) The retailer has a valid federal taxpayer identification
20 number. issued by the federal department of the treasury, internal
21 revenue service. This requirement does not apply to a retailer that
22 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 IS SELLING consumer fireworks, are sold, each retail location 6 selling consumer fireworks either shall be added THE PERSON SHALL 7 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 ACT FOR THE IGNITION, DISCHARGE, AND USE OF CONSUMER FIREWORKS. THE 21 NOTICE SHALL BEGIN WITH THE FOLLOWING STATEMENT: "STATE LAW 22 PERMITS, UNDER MCL 28.457, THE IGNITION, DISCHARGE, AND USE OF 23 CONSUMER FIREWORKS AT THE FOLLOWING TIMES:". THE RETAILER MAY 24 PROVIDE THE NOTICE IN A FORM AND MANNER DETERMINED BY THE RETAILER, 25 26 INCLUDING, BUT NOT LIMITED TO, PRINTING OR STAMPING THE NOTICE ON, 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 ENFORCING THE NOTICE REQUIREMENT. 9

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 3 impact fireworks unless he or she THAT PERSON registers with the 4 low-impact fireworks retail registry not less than 10 days before selling the fireworks in each calendar year AND PAYS A <<\$50.00 >> 5 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 9 VALID CONSUMER FIREWORKS CERTIFICATE ISSUED UNDER SECTION 4 IS NOT 10 REQUIRED TO REGISTER WITH THE LOW-IMPACT FIREWORKS RETAIL REGISTRY.

11 (3) A-IF THE DEPARTMENT DETERMINES THAT A person who-THAT sells low-impact fireworks at retail and who fails HAS FAILED to 12 register as described in this section, THE DEPARTMENT shall ORDER 13 THE PERSON TO IMMEDIATELY cease the sale of low-impact fireworks 14 15 until the person complies with subsection (2) AND PAY A CIVIL FINE 16 OF NOT MORE THAN \$1,000.00. FOR A FIRST VIOLATION OF THIS SECTION, 17 IF A PERSON COMPLIES WITH SUBSECTION (2) WITHIN 30 DAYS OF 18 RECEIVING A NOTICE OF VIOLATION, THE DEPARTMENT SHALL WAIVE THE 19 CIVIL FINE DESCRIBED IN THIS SUBSECTION.

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

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retailer shall collect the fireworks safety fee as an agent for the
 state.

3 (3) The fireworks safety fee shall be deposited in the4 fireworks safety fund.

5 (4) A person that knows or should know that he or she is
6 required to comply with the requirements of subsection (2) but
7 fails to collect or remit a fireworks safety fee as required under
8 this section is guilty of a misdemeanor punishable by RESPONSIBLE
9 FOR a CIVIL fine as follows:
10 (a) For a first violation, of this subsection, not more than

11 \$\frac{\frac{10}{000.00.}\$5,000.00. IF<< THE PERSON IS A RETAILER OF LOW-IMPACT FIREWORKS AND>>, WITHIN 30 DAYS OF RECEIVING A NOTICE OF 12 VIOLATION, THE PERSON REMITS TO THE DEPARTMENT THE ESTIMATED

13 EQUIVALENT OF THE AMOUNT THE PERSON SHOULD HAVE COLLECTED UNDER

14 THIS SECTION, THE DEPARTMENT SHALL WAIVE THE CIVIL FINE DESCRIBED

15 IN THIS SUBDIVISION.

16 (b) For a second violation, of this subsection, not more than 17 \$20,000.00.

18 (c) For a third or subsequent violation, of this subsection,19 not more than \$40,000.00.

20 Sec. 10. (1) The retailer or person to whom A PERSON THAT

HOLDS a consumer fireworks certificate<< OR THAT IS A RETAILER OF LOW -IMPACT FIREWORKS>> is issued is responsible for remitting all fireworks safety fees, as described in section 9, to the department. on forms THE PERSON SHALL REMIT THE FEES COLLECTED WITH A FORM PROVIDED and in the A manner prescribed by the department. - THE PERSON shall hold IN TRUST FOR THE STATE the fireworks safety fees collected in trust for the state until THOSE FEES ARE remitted to the state. - and AN INDIVIDUAL WHO HOLDS A

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CONSUMER FIREWORKS CERTIFICATE<< OR WHO IS A RETAILER OF LOW-IMPACT 1 FIREWORKS>> is personally liable for the payment of the fireworks safety fee money to this state.FEES COLLECTED. 2 (2) The department may refer for collection to the department 3 4 of treasury past due amounts of the fireworks safety fee consistent with section 13 of 1941 PA 122, MCL 205.13 OR MAY INITIATE 5 SUBROGATION FOR COLLECTION WITHIN THE DEPARTMENT. 6 (3) A retailer or person THAT IS RESPONSIBLE FOR REMITTING THE 7 COLLECTED FIREWORKS SAFETY FEES UNDER SUBSECTION (1) shall remit 8 9 the fireworks safety **THOSE** fees no later than 20 days after the end of each preceding month. A retailer or person that operates 25 or 10 11 more retail locations in this state that are permanent buildings or 12 structures may remit the fireworks safety COLLECTED fees in an 13 aggregate filing under 1 common identification number as determined by the department. 14 (4) The department shall investigate any fireworks safety fees 15 16 reported, but not paid, by a retailer no later than September 30 of 17 each year. (4) A PERSON THAT FAILS TO REMIT THE COLLECTED FIREWORKS 18 19 SAFETY FEES, AS DESCRIBED IN SUBSECTION (1), IS RESPONSIBLE FOR A CIVIL FINE AS FOLLOWS: 20 (A) FOR A FIRST VIOLATION, NOT MORE THAN \$5,000.00. IF << THE PERSON 21 IS A RETAILER OF LOW-IMPACT FIREWORKS AND>>, WITHIN 30 DAYS OF RECEIVING A NOTICE OF VIOLATION, THE PERSON REMITS TO 22 THE DEPARTMENT THE COLLECTED FEES THAT ARE THE SUBJECT OF THE 23 24 VIOLATION, THE DEPARTMENT SHALL WAIVE THE CIVIL FINE DESCRIBED IN 25 THIS SUBDIVISION. 26 (B) FOR A SECOND VIOLATION, NOT MORE THAN \$20,000.00. 27 (C) FOR A THIRD OR SUBSEQUENT VIOLATION, NOT MORE THAN

1 \$40,000.00.

2 Sec. 11. (1) The fireworks safety fund is created within the3 department of treasury.

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

8 (3) Money in the fund at the close of the fiscal year shall9 remain in the fund and shall not lapse to the general fund.

10 (4) The department shall expend money deposited in the fund as 11 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.

17 (b) One hundred percent of the money received from consumer 18 fireworks safety certificates CERTIFICATE FEES under section 4 to 19 administer this act and to pay the costs of delegating inspections 20 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.

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(5) The department may establish a program for delegating

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inspection duties under this act to 1 or more local units of 1 2 government. If a local unit of government agrees to carry out inspections, the department shall pay 70% 50% of the consumer 3 4 fireworks safety certificate fee paid by each retail location 5 inspected by the local unit of government and retain the remaining 30% 50% of that fee. If a local unit of government declines to 6 participate in the program described in this subsection, the 7 8 department retains SHALL RETAIN its inspection duties under this 9 act.

Sec. 12. (1) A person shall not ignite, discharge, or use 10 11 consumer fireworks on public property, school property, church 12 property, or the property of another person without that 13 organization's or person's express permission to use those 14 fireworks on those premises. Except as otherwise provided in this section, a person that violates this subsection is responsible for 15 a state civil infraction and may be ordered to pay a civil fine of 16 17 not more than \$500.00.

(2) Consumer A PERSON SHALL NOT SELL CONSUMER fireworks shall 18 19 not be sold to a minor. A person that violates this subsection 20 shall be ordered to pay a civil fine of not more than \$500.00, 21 \$1,000.00, or, for a second or subsequent violation of this 22 subsection, a civil fine of not more than \$1,000.00. In addition, 23 \$2,500.00. FOR A SECOND OR SUBSEQUENT VIOLATION, THE DEPARTMENT 24 SHALL SUSPEND the person's consumer fireworks certificate shall be 25 suspended for 90 days after the BEGINNING ON THE DATE A civil fine 26 is ordered. for a second or subsequent violation. This age requirement THE AGE OF AN INDIVIDUAL PURCHASING CONSUMER FIREWORKS 27

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1 shall be verified by any of the following:

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

4 (b) An official state personal identification card issued5 under 1972 PA 222, MCL 28.291 to 28.300.

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

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(d) A military identification card.

11 (e) A passport.

12 (f) Any other bona fide photograph identification that13 establishes the identity and age of the individual.

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

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

(b) "Controlled substance" means that term as defined in
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

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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.

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

6 (6) A PERSON SHALL NOT IGNITE, DISCHARGE, OR USE CONSUMER 7 FIREWORKS OR LOW-IMPACT FIREWORKS IN A MANNER THAT IS INTENDED TO 8 HARASS, SCARE, OR INJURE LIVESTOCK. AS USED IN THIS SUBSECTION, 9 "LIVESTOCK" MEANS THAT TERM AS DEFINED IN SECTION 5 OF THE ANIMAL 10 INDUSTRY ACT, 1988 PA 466, MCL 287.705.

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. within a reasonable time.

17 (2) If the department or law enforcement agency determines 18 THROUGH ITS INVESTIGATION UNDER SUBSECTION (1) that a violation of 19 this act has occurred, except for a violation of section 6(2), the 20 department or law enforcement agency may seize the firework as 21 evidence of the violation. Evidence-THE DEPARTMENT OR LAW ENFORCEMENT AGENCY SHALL STORE, OR CAUSE TO BE STORED, THE EVIDENCE 22 23 seized under this section shall be stored pending disposition of 24 any criminal or civil proceedings arising from a THE violation. of 25 this act at the expense of the person, if IF the person SUBJECT TO 26 CRIMINAL OR CIVIL PROCEEDINGS UNDER THIS SECTION is found quilty, 27 responsible, or liable for the violation, THE PERSON SHALL BE

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1 REQUIRED TO PAY THE STORAGE EXPENSE FOR THE EVIDENCE SEIZED.

Sec. 15. (1) Fireworks seized for an alleged violation of this
act shall be stored in compliance with this act and THE rules
promulgated under this act.

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

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

13 (4) The department of state police and the THE department may
14 use fireworks described in subsection (2) for training purposes.

15 Sec. 16. (1) The legislative body of a city, village, or 16 township, upon application in writing on forms provided by the 17 department ON THE DEPARTMENT'S WEBSITE and payment of a fee set by the legislative body, if any, may grant a permit for the use of 18 19 agricultural or wildlife fireworks, articles pyrotechnic, display 20 fireworks, CONSUMER FIREWORKS, or special effects manufactured for 21 outdoor pest control or agricultural purposes, or for public or 22 private display within the city, village, or township by 23 municipalities, fair associations, amusement parks, or other 24 organizations or individuals approved by the city, village, or 25 township authority, if the applicable provisions of this act are 26 complied with. MET. After a permit has been granted, sales, 27 possession, or transportation of A PERMIT HOLDER MAY SELL, POSSESS,

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OR TRANSPORT fireworks for ONLY the purposes described in the 1 2 permit. only may be made. A permit granted under this subsection is not transferable and shall not be issued to a minor. 3

4 (2) Before a permit for articles pyrotechnic or a display 5 fireworks ignition is issued, the person - firm, or corporation 6 applying for the permit shall furnish proof of financial 7 responsibility by a bond or insurance in an amount, character, and form deemed necessary by the local governing authority TO PROTECT 8 9 THE PUBLIC AND to satisfy claims for damages to property or 10 personal injuries arising out of an act or omission on the part of 11 the person , firm, or corporation or an agent or employee of the 12 person. , firm, or corporation, and to protect the public.

(3) A THE DEPARTMENT SHALL NOT ISSUE UNDER THIS ACT A permit 13 14 shall not be issued under this act to a nonresident person 7 firm, or corporation for ignition of articles pyrotechnic or display 15 16 fireworks in this state until the person , firm, or corporation has 17 appointed in writing a resident member of the bar of this state or 18 a resident agent to be the legal representative upon whom all 19 process in an action or proceeding against the person , firm, or 20 corporation may be served.

(4) The BEFORE GRANTING A PERMIT UNDER THIS ACT, THE local 21 22 governing authority shall rule on the competency and qualifications 23 of AN articles pyrotechnic and display fireworks operators as required OPERATOR, AS FURNISHED BY THE OPERATOR ON THE OPERATOR'S 24 APPLICATION FORM, IN ACCORDANCE WITH THE REQUIREMENTS PROVIDED 25 26 under NFPA 1123, as the operator has furnished in his or her 27 application form, and on the time, place, and safety aspects of the

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display of articles pyrotechnic or display fireworks. before
 granting permits.

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

6 Sec. 17. Except as otherwise provided in this act, this act7 does not prohibit any of the following:

8 (a) A wholesaler, retailer, commercial manufacturer, or
9 importer from selling, storing, using, transporting, or
10 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.

15 (d) The sale or use of blank cartridges for any of the 16 following:

17 (*i*) A show or play.

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

19 (*iii*) Use by military organizations.

20 (*iv*) Use by law enforcement agencies.

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

26 (f) Interstate wholesalers from selling, storing, using,27 transporting, or distributing fireworks.

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1 (G) A PERSON FROM PARKING A MOTOR VEHICLE, OR TRAILER, THAT IS 2 NOT BEING USED FOR THE STORAGE OF CONSUMER FIREWORKS, WITHIN 10 3 FEET OF A PERMANENT BUILDING OR STRUCTURE USED IN THE RETAIL SALE 4 OF CONSUMER FIREWORKS.

5 Sec. 17a. (1) If, as a result of an inspection or 6 investigation, the state fire marshal or the state fire marshal's 7 designee believes that a person has violated this act, an order 8 issued under this act, or a rule promulgated under this act, the 9 state fire marshal or his or her THE STATE FIRE MARSHAL'S designee 10 shall issue a citation to the person not more than 90 days after 11 the completion of the physical inspection or investigation.

12 (2) THE STATE FIRE MARSHAL OR THE STATE FIRE MARSHAL'S DESIGNEE SHALL ISSUE THE CITATION DESCRIBED IN SUBSECTION (1) TO 13 14 THE HOLDER OF THE CONSUMER FIREWORKS CERTIFICATE FOR, OR TO A PERSON CONDUCTING OR DIRECTING THE SALE OF CONSUMER FIREWORKS 15 WITHOUT A CONSUMER FIREWORKS CERTIFICATE AT, THE RETAIL LOCATION 16 17 THAT IS THE SUBJECT OF THE INSPECTION OR INVESTIGATION. A HOLDER OF A CONSUMER FIREWORKS CERTIFICATE, OR A PERSON CONDUCTING OR 18 19 DIRECTING THE SALE OF CONSUMER FIREWORKS WITHOUT A CONSUMER 20 FIREWORKS CERTIFICATE, AS DESCRIBED IN THIS SUBSECTION, IS RESPONSIBLE FOR THE ACTS OR OMISSIONS OF AN INDIVIDUAL UNDER THAT 21 22 PERSON'S EMPLOY OR CONTROL.

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

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(4) (3) Upon a proper petition, a court of competent

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1 jurisdiction may enjoin a violation of this act.

2 (5) (4) All of the following apply to a citation issued by the
3 state fire marshal or the state fire marshal's designee under this
4 act:

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(a) It shall be in writing.

6 (b) It shall state on its face that it is an allegation of a 7 violation of this act, describe with particularity the nature of 8 the violation, and include a reference to the provision, rule, or 9 order alleged to be violated.

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

11 (i) The date of the citation.

12 (*ii*) The name and title of the individual who issued the13 citation.

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

16 (*iv*) The actions necessary to bring the person to whom
17 RECEIVING the citation is issued into compliance, including the
18 payment of a fine.

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

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

26 (vii) A notice that the person to whom RECEIVING the citation
 27 is issued shall MUST accept or reject the terms of the citation IN

1 WRITING within 15 days of the date RECEIPT of the citation.

2 (viii) A brief description of the administrative hearing
3 process and the process for settlement as provided for by rule.

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

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

13 (2) Except as otherwise provided in this section, a person who
14 THAT receives a citation for a violation of this act that is not a
15 serious violation may be assessed a civil fine of not more than
16 \$500.00 for each violation.

17 (3) Subsections (1) and (2) do not apply to violations for18 which a specific civil fine is provided by this act.

19 (4) The state fire marshal may request that the prosecuting
20 attorney for the county in which a violation of this act occurred
21 issue a complaint and request a warrant for the prosecution of a
22 person AN INDIVIDUAL who commits a criminal violation of this act.

(5) All A civil fines collected FINE ORDERED under this
section ACT shall be paid to the department within 15 working days
after the date the penalty CIVIL FINE is ordered, not subject to
further review, and credited to the fireworks safety fund.

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(6) The department of treasury shall institute proceedings to

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1 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.

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

10 (b) The person has ever been convicted of a felony involving 11 theft, fraud, or arson.

12 (2) If a person is convicted of a crime that would cause the 13 person to be ineligible to be issued a consumer fireworks 14 certificate on April 30 of the following year, the person's 15 consumer fireworks certificate shall be revoked for the balance of 16 the year for which the person's current consumer fireworks certificate was issued. IF DUE TO A CRIMINAL CONVICTION AN 17 INDIVIDUAL WILL BE INELIGIBLE FOR A CONSUMER FIREWORKS CERTIFICATE 18 19 ON APRIL 30 OF THE YEAR FOLLOWING THE YEAR FOR WHICH THE INDIVIDUAL 20 CURRENTLY HOLDS A CONSUMER FIREWORKS CERTIFICATE, THE DEPARTMENT SHALL REVOKE THE CURRENT CONSUMER FIREWORKS CERTIFICATE FOR THE 21 22 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:

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

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House Bill No. 5939 as amended December 20, 2018 (b) For a A third or subsequent violation of section 4(1), 10 1 2 years. (c) For a A first violation of section 8(4), 1 year. 3 (d) For a A second violation of section 8(4), 5 years. 4 5 (e) For a A third or subsequent violation of section 8(4), 10 6 years. 7 (f) For a A violation of SUBJECT TO section 18(1)(b), 1 year. 8 (g) For a A violation of SUBJECT TO section 18(1)(c), 9 permanently. 10 (h) For a A violation of SUBJECT TO section 18(1)(d), 11 permanently. 12 (2) A sanction imposed under subsection (1) shall be imposed 13 in addition to any other penalty or sanction imposed for a 14 violation of this act. 15 Enacting section 1. Section 13 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.463, is repealed. 16 <<Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 99th Legislature are enacted into law: (a) House Bill No. 5940. (b) House Bill No. 5941.>>