

# HOUSE BILL NO. 5533

November 04, 2021, Introduced by Rep. Steven Johnson and referred to the Committee on Regulatory Reform.

A bill to amend 2011 PA 256, entitled  
"Michigan fireworks safety act,"  
by amending section 4 (MCL 28.454), as amended by 2018 PA 634.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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

4           (2) A person that fails or neglects to comply with subsection  
5 (1) is responsible for a civil fine as follows:

6           (a) For a first violation, not more than \$5,000.00. The

1 department shall determine the amount of the fine imposed under  
2 this subdivision by applying a scale, as developed by the  
3 department, that reflects the severity of the violation.

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

5 (c) For a third or subsequent violation, not more than  
6 \$40,000.00.

7 (3) An applicant for a consumer fireworks certificate shall do  
8 all of the following:

9 (a) Submit an application no later than April 1 of each year  
10 in which the applicant will sell consumer fireworks.

11 (b) Include on the application the name and address of each  
12 retail location from which the applicant will sell consumer  
13 fireworks.

14 (c) Submit with the application all of the following, as  
15 applicable:

16 (i) A nonrefundable consumer fireworks certificate fee of  
17 \$1,250.00 for each retail location that is a permanent building or  
18 structure or \$1,000.00 for each retail location that is not a  
19 permanent building or structure. If the application includes 10 or  
20 more retail locations that are not permanent buildings or  
21 structures, the fee described in this subdivision ~~shall~~**must** be  
22 \$700.00 for each of those locations.

23 (ii) For an applicant who applies for a consumer fireworks  
24 certificate for a retail location that is not a permanent building  
25 or structure and who does not hold a consumer fireworks certificate  
26 for a permanent building or structure, a bond ~~in the amount of~~  
27 ~~\$5,000.00~~ to secure the collection of estimated sales tax and  
28 fireworks safety fees **-in the lesser of the following amounts:**

29 (A) **\$5,000.00 for each location.**

1           **(B) \$25,000.00 for each applicant.**

2           (iii) A copy of the applicant's current sales tax license,  
3 including the applicant's account number, issued by the department  
4 of treasury for each retail location where the applicant will sell  
5 consumer fireworks.

6           (iv) Any other document required by the department.

7           (4) The department shall not issue an initial consumer  
8 fireworks certificate to an applicant until the department of  
9 treasury has confirmed to the department that each sales tax  
10 license submitted by the applicant is current and valid, and that  
11 the applicant is otherwise eligible to obtain a consumer fireworks  
12 certificate under this act.

13           (5) A consumer fireworks certificate issued under this section  
14 is valid from the date of issue until April 30 of the year  
15 following the year in which it is issued. A person may renew a  
16 consumer fireworks certificate for a retail location by ~~making~~  
17 ~~application~~**applying** on a form prescribed by the department **and**  
18 certifying that all information on file with the department is true  
19 and correct, that the person's sales tax license for the retail  
20 location is current and valid, and that the person has properly  
21 remitted all required fireworks safety fees for the preceding year.  
22 The department may deny the renewal of a consumer fireworks  
23 certificate if the department determines that the applicant did not  
24 properly remit all of the required fireworks safety fees ~~For~~**for**  
25 all preceding years, or sales tax for any of the preceding 5 years,  
26 during which the applicant held a consumer fireworks certificate.  
27 The department shall provide to the department of treasury the  
28 sales tax license information received from the applicant and any  
29 additional information ~~as may be~~**that is** necessary to allow the

1 department of treasury to confirm that each sales tax license  
2 submitted by the applicant is current and valid. The department  
3 shall enter into an agreement with the department of treasury under  
4 section 28(1) of 1941 PA 122, MCL 205.28, that will allow the  
5 department of treasury to provide that information to the  
6 department.

7 (6) Not more than 30 days after an application and all  
8 required supporting documentation and fees are submitted to the  
9 department under this section, the department shall issue a  
10 consumer fireworks certificate to the applicant or deny the  
11 application. If the department denies the application, the  
12 department shall indicate to the applicant the reason for denial.

13 (7) If the department denies an application for a consumer  
14 fireworks certificate under this section, the applicant may cure  
15 any defect in the application within 45 days after the denial  
16 without paying an additional fee. The department shall not  
17 unreasonably delay or deny an application.

18 (8) A consumer fireworks certificate is transferable upon  
19 approval by the department and the payment of a \$250.00 transfer  
20 fee. The department shall approve the transfer of a consumer  
21 fireworks certificate unless the transferee does not satisfy the  
22 eligibility requirements for an original consumer fireworks  
23 certificate under this act. The department shall not process a  
24 request for a transfer of location between June 1 and July 31.

25 (9) The holder of a consumer fireworks certificate shall  
26 prominently display the original certificate or a copy of the  
27 certificate in ~~the~~ each retail location to which the certificate  
28 applies. A person that violates this subsection is responsible for  
29 a civil fine of \$200.00.

1           (10) The department shall not issue a consumer fireworks  
2 certificate to either of the following:

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

4           (b) A person that has an outstanding fine issued under this  
5 act not currently under appeal.

6           (11) The face of the consumer fireworks certificate must  
7 indicate the location or address for which it was issued.

8           (12) Fees collected under this section ~~shall~~**must** be deposited  
9 in the fireworks safety fund.