

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: RN 07 23627 to June 25, 2007
POSITION: Support
SPONSOR: Department of Forestry and Fire Protection

BILL NUMBER: SB 839
AUTHOR: R. Calderon
RELATED BILLS: AB 476

BILL SUMMARY: Fireworks

Existing law regulates the sale, purchase, and possession of fireworks and establishes penalties (both fines and imprisonment) for the violation of fireworks laws. This bill would enhance regulations on the sale, purchase, possession, transportation, and disposal of fireworks, increase the penalties for violating fireworks laws, and authorize the State Fire Marshal (SFM) to impose a fee on all import, export, wholesale, and retail fireworks licensees to fund fireworks law enforcement and disposal efforts.

FISCAL SUMMARY

This bill would create the State Fire Marshal Enforcement and Disposal Fund, which would receive revenue from a fee on all import, export, wholesale, and retail fireworks licensees, and fines levied on violators of fireworks laws. The SFM would be authorized to develop the fee level in accordance with Office of Administrative Law regulations. According to the SFM, a fee would only be instituted if fine revenue is insufficient to fund the statewide programs described in the bill.

We note that the bill would create a reimbursable state mandate and requires the state to reimburse local public safety agencies for expenses including, but not limited to, handling, processing, photographing, and storing seized illegal fireworks. The bill would allocate 35 percent of fines and forfeitures collected by a court to local agencies for their costs, but it is unclear if that would provide sufficient funding. It is also unclear whether fees collected from import, export, wholesale, and retail fireworks licensees could be used to reimburse local agencies because the bill specifies that fee revenue is for statewide programs.

SUMMARY OF CHANGES

Amendments to this bill since our analysis of the May 10, 2006 version are minor and do not alter our position. The bill has been amended to require that funding for implementation efforts be authorized in the annual Budget Act, and to clarify how the SFM would be reimbursed for disposing of fireworks seized from violators possessing less than 25 pounds of dangerous fireworks.

COMMENTS

Finance supports this bill because increasing enforcement of fireworks laws would improve public safety and because the bill identifies a funding source and revenue stream for the proposed activities. We note that the bill would do the following:

- Authorize the SFM to appoint arson bomb investigators, and stipulate that funding for enforcement efforts would be subject to approval in the annual Budget Act.
Authorize the SFM to impose a fee on all import, export, wholesale, and retail fireworks licensees to fund enforcement, disposal and education efforts.

(Continued)

Analyst/Principal Date Program Budget Manager Date
(0634) M. Almy Karen Finn

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

R. Calderon

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COMMENTS (continued)

- Require the SFM to evaluate methods to capture detailed data relating to fires, injuries, and damages caused by legal and illegal fireworks.
- Set the fine for the illegal possession of fireworks based on the weight of the seized fireworks and increase the fine level for repeat offenders.
- Require the SFM, in conjunction with the Department of Motor Vehicles, to develop procedures to suspend the commercial motor vehicle license of a person carrying more than 10,000 pounds of fireworks and require a three-year license suspension.
- Require the SFM to dispose of confiscated illegal fireworks and acquire mobile dangerous fireworks destruction units for that purpose.
- Require the SFM, in conjunction with other public safety agencies and stakeholders, to develop a model ordinance to streamline administrative fine procedures related to the possession of 25 pounds or less of dangerous fireworks to ensure that the SFM is reimbursed for costs to transport and dispose of illegal fireworks. Local jurisdictions that do not adopt the model ordinance would be required to comply with minimum requirements to reimburse the SFM for its costs. We note that penalties for the possession of more than 25 pounds of dangerous fireworks are specified in the state Health and Safety Code, not by local jurisdictions.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO RV	PROP 98	FC	2007-2008 FC	2008-2009 FC	2009-2010 FC			
3540/Forest&Fire	SO	No	-----	See Fiscal Summary	-----	0499			
8885/Comm St Mndt	SO	No	-----	See Fiscal Summary	-----	0001			
<u>Fund Code</u>	<u>Title</u>								
0001	General Fund								
0499	Pending New Special Funds								