

SENATE CS FOR CS FOR HOUSE BILL NO. 146(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 5/3/24

Referred: Labor & Commerce

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to fireworks; directing the Department of Public Safety to adopt
2 fireworks regulations; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * **Section 1.** AS 11.81.900(b)(24) is amended to read:

* **Sec. 2.** AS 18.72 is amended by adding a new section to read:

1 explosion by establishing minimum standards for fireworks, including sale, storage,
 2 distribution, and use. The Department of Public Safety shall designate by regulation
 3 fireworks that qualify as consumer fireworks and fireworks that qualify as display
 4 fireworks under this chapter.

5 (b) The commissioner of public safety may establish by regulation, and the
 6 Department of Public Safety may charge, reasonable fees for fireworks licenses,
 7 fireworks permits, and fireworks inspections.

8 (c) During reasonable business hours, the Department of Public Safety may,
 9 for the sole purpose of inspecting fireworks for compliance with regulations adopted
 10 under this section, enter a building where fireworks are stored or kept.

11 * **Sec. 3. AS 18.72.020** is amended to read:

12 **Sec. 18.72.020. Regulation of sale of consumer [SALABLE] fireworks.** (a)
 13 A person who holds a permit under this section may sell consumer fireworks in
 14 the state. A person may apply for a permit by completing a form provided by the
 15 state fire marshal. The state fire marshal shall issue a permit to a person
 16 [HOLDING A PERMIT REQUIRED BY THE FIRE SAFETY CODE MAY SELL
 17 OR OFFER FOR SALE SALABLE FIREWORKS] if

18 (1) the person submits [HAS SUBMITTED] to the state fire marshal a
 19 policy, or a certified true copy of a policy, of public liability and products liability
 20 insurance, including both accident and occurrence coverage, provided by the
 21 wholesale company selling fireworks to the person, in an [THE] amount established
 22 in regulation; the policy must name the person [OF AT LEAST \$200,000 FOR
 23 BODILY INJURY OR DEATH AND AT LEAST \$50,000 PROPERTY DAMAGE
 24 AND THE PERSON IS NAMED] as an insured party [UPON THE POLICY AND
 25 THE POLICY IS CONTINUOUSLY IN FORCE WHILE THE PERSON IS
 26 ENGAGED IN THE RETAIL SALE OF FIREWORKS]; and

27 (2) the person pays an endorsement fee [OF \$10 IS PAID] to the state
 28 fire marshal for an endorsement that is valid for two years or portions of two years
 29 from the date of issue during which the permit holder is engaged in the retail sale of
 30 consumer fireworks.

31 (b) Upon approval of the insurance required in (a) of this section, the state

1 **fire marshal shall endorse the** permit [OF THE HOLDER SHALL BE ENDORSED
 2 BY THE STATE FIRE MARSHAL] to indicate the holder's right to sell **consumer**
 3 fireworks at retail. **The permit must show an expiration date** [, AND SHALL
 4 INDICATE AN EXPIRATION OF THE AUTHORITY]. The expiration date **must**
 5 [SHALL] coincide with the expiration date of the permit holder's liability insurance.

6 * **Sec. 4.** AS 18.72.020 is amended by adding new subsections to read:

7 (c) A person holding a permit issued under this section may only sell a
 8 consumer firework to a retail customer if the consumer firework was purchased from a
 9 wholesaler licensed under this chapter.

10 (d) A person who holds a permit to sell consumer fireworks under this section
 11 shall maintain the insurance required under (a) of this section continuously in force
 12 while the person is engaged in the retail sale of consumer fireworks.

13 * **Sec. 5.** AS 18.72.030 is amended to read:

14 **Sec. 18.72.030. Fireworks wholesaler's license.** (a) **A person who holds a**
 15 **license under this section may sell consumer fireworks or display fireworks at**
 16 **wholesale.** A person **may apply to the state fire marshal for a license to sell**
 17 **consumer fireworks or display** [WHO DESIRES TO SELL] fireworks at wholesale
 18 in the state [SHALL FIRST MAKE VERIFIED APPLICATION FOR A LICENSE
 19 TO THE STATE FIRE MARSHAL] on forms provided by the state fire marshal.
 20 [THE FORMS MUST REQUIRE THE APPLICANT TO SUPPLY THE
 21 APPLICANT'S SOCIAL SECURITY NUMBER IF THE APPLICANT IS A
 22 NATURAL PERSON.] The **applicant shall certify that the information provided**
 23 **in the** application **is true and complete and pay** [SHALL BE ACCOMPANIED BY]
 24 an annual license fee of \$50.

25 (b) **A fireworks wholesaler's license** [THE LICENSE REQUIRED UNDER
 26 (a) OF THIS SECTION] is valid until December 31 of the year **of issuance** [DURING
 27 WHICH IT IS ISSUED] and is renewable upon

28 (1) [THE] payment of each subsequent annual license fee [AND
 29 AFFIRMATION THAT THE INFORMATION CONTAINED IN THE
 30 WHOLESALER'S ORIGINAL APPLICATION FOR A FIREWORKS
 31 WHOLESALER'S LICENSE IS CURRENTLY ACCURATE]; [AND]

(2) submission of proof of the existence of a policy that meets the requirements of (c) of this section; and

(3) the holder of the fireworks wholesaler's license updating, on a form provided by the state fire marshal, the information provided in the person's most recent application or renewal [SUPPLYING THE WHOLESALER'S SOCIAL SECURITY NUMBER IF IT HAS NOT PREVIOUSLY BEEN SUPPLIED UNDER (a) OF THIS SECTION AND IF THE WHOLESALER IS A NATURAL PERSON].

* **Sec. 6.** AS 18.72.030 is amended by adding new subsections to read:

(c) A person with a wholesaler's license shall maintain a policy of public liability insurance and products liability insurance that includes both accident and occurrence coverage in amounts set by regulation. If the person's policy lapses or does not include coverage at least equal to an amount required by regulation, the person's wholesaler's license is immediately rescinded.

(d) A person with a wholesaler's license may only sell consumer fireworks to a person with a valid permit to sell consumer fireworks under AS 18.72.020 and display fireworks to a person with a valid pyrotechnic license under AS 18.72.035.

(e) A person with a wholesaler's license shall affix to each record of the sale of a firework the person's license number and the license or permit number of the purchaser and shall maintain a copy of the record of sale for inspection by the state fire marshal.

* **Sec. 7.** AS 18.72 is amended by adding a new section to read:

Sec. 18.72.035. Pyrotechnic license. (a) A person may purchase or possess display fireworks in the state if the person holds a pyrotechnic license from the state fire marshal. A person may apply for a license under this section on a form provided by the state fire marshal. The state fire marshal shall issue a pyrotechnic license to a person if

(1) the person submits to the state fire marshal proof of a policy of public liability and products liability insurance in the name of the person that includes both accident and occurrence coverage in an amount set by regulation; and

(2) the person pays an endorsement fee in an amount set by regulation.

(b) A pyrotechnic license issued under this section is valid for two years but is

1 immediately rescinded if the person's insurance policy lapses or does not include
 2 coverage in an amount at least equal to an amount required by regulation.

3 (c) The holder of a pyrotechnic license may purchase display fireworks from a
 4 person with a fireworks wholesaler's license issued under AS 18.72.030.

5 (d) A license holder under this section may use display fireworks for public
 6 display purposes, unless prohibited from doing so under federal law. Before
 7 conducting a fireworks display or testing a display firework, the license holder shall
 8 apply for and obtain a permit from the state fire marshal. A license holder shall submit
 9 an application for a permit under this subsection not later than

10 (1) 14 days before a fireworks display or nonroutine testing is
 11 scheduled to occur; or

12 (2) seven days before routine testing occurs.

13 * **Sec. 8.** AS 18.72.040 is amended to read:

14 **Sec. 18.72.040. Criminal penalty.** A person who recklessly fails to comply
 15 with a provision of this chapter or fireworks regulations adopted under this chapter
 16 [IN THE FIRE SAFETY CODE] is guilty of a class B misdemeanor. Each day of
 17 noncompliance constitutes a separate offense. In this section, "recklessly" has the
 18 meaning given in AS 11.81.900.

19 * **Sec. 9.** AS 18.72.060 is amended to read:

20 **Sec. 18.72.060. Municipal regulation of fireworks.** This chapter and
 21 fireworks regulations adopted under this chapter [THE FIRE SAFETY CODE]
 22 supersede the provisions of an ordinance adopted by a city or borough, whether before
 23 or after May 23, 1969, that are less restrictive than this chapter or the code. However,
 24 nothing in this section affects the authority of a city or organized borough under other
 25 law to prohibit or regulate more restrictively than this chapter the offering for sale,
 26 exposure for sale, sale, use, or explosion of fireworks.

27 * **Sec. 10.** AS 18.72.010 and 18.72.100 are repealed.

28 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
 29 read:

30 TRANSITION: REGULATIONS. The Department of Public Safety may adopt
 31 regulations necessary to implement the changes made by this Act. The regulations take effect

- 1 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law
- 2 implemented by the regulations.
- 3 * **Sec. 12.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).