### OFFICE OF FISCAL ANALYSIS

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sSB-140

AN ACT CONCERNING THE SALE AND USE OF CONSUMER FIREWORKS.

# **OFA Fiscal Note**

### State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Department of Revenue Services	Various -	1.1 million	1.1 million
	Revenue Gain		
Judicial Dept. (Probation)	GF - Potential	Minimal	Minimal
	Cost		
Correction, Dept.	GF - Potential	Minimal	Minimal
_	Cost		
Resources of the General Fund	GF - Potential	Minimal	Minimal
	Revenue Gain		

Note: Various=Various; GF=General Fund

# **Municipal Impact:** None

### Explanation

The bill, which makes various changes to the firework statutes, results in a sales tax revenue gain of \$1.1 million annually and several other fiscal impacts described below.

First, the bill results in a sales tax revenue gain of \$1.1 million annually by expanding the type of fireworks that may be sold in the state to include any consumer fireworks allowed under federal law.

By broadening what fireworks may be sold and used in the state and allowing anyone over the age of 21 to purchase consumer fireworks, the bill may lead to a decrease in illegal activity related to fireworks.<sup>1</sup> The

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<sup>&</sup>lt;sup>1</sup>In FY 23, 32 individuals were charged with firework-related offenses.

average marginal savings to the state for a reduction of supervision in the community is less than \$800<sup>2</sup> each year for adults and approximately \$1,000 each year for juveniles. The bill may also result in a reduction in revenue from associated fines.

Additionally, the provisions of the bill impose certain requirements on fireworks sellers. Violations of those provisions may result in a class A misdemeanor or a class C felony if the violation results in death. This may result in a potential cost to the Department of Correction and Judicial Department and a potential revenue gain from fines. On average, the marginal cost to the state for incarcerating an offender for the year is \$3,300.<sup>3</sup>

Finally, the bill results in a potential revenue gain to the General Fund by allowing the Department of Public Protection and Emergency Services to issue licenses to sell consumer fireworks. The fee for issuance and annual renewal is \$1,500.

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of consumer fireworks purchased, licenses issued, and offenses committed.

<sup>&</sup>lt;sup>2</sup>Probation marginal cost is based on the services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

<sup>&</sup>lt;sup>3</sup>Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.). This does not include a change in staffing costs or utility expenses because these would only be realized if a unit or facility opened.