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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/12

SPONSOR Griego, P. LAST UPDATED _____ HB _____

SHORT TITLE Allow EMNRD to Ban Fireworks SB 300

ANALYST Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal		See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 5

SOURCES OF INFORMATION

LFC Files

Response Received From

Public Regulation Commission, State Fire Marshal's Office (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 300 amends the Fireworks Licensing and Safety Act to all the EMNRD's Forestry Division to ban the sale and use of fireworks in extreme drought conditions and gives specific rulemaking authority to the department. The bill includes an emergency clause.

FISCAL IMPLICATIONS

Any ban on fireworks sales may reduce gross receipts revenue to the state, counties and municipalities. No state agency has been able to provide annual fireworks sales information but TNT Fireworks estimates fireworks sales in New Mexico to be approximately \$14 to \$15 million annually. This generates approximately \$750 thousand in gross receipts revenue to the state general fund. Additional distributions are made to counties and municipalities depending on their gross receipts rate.

SIGNIFICANT ISSUES

Counties currently can issue fireworks bans during extreme or severe drought conditions. This bill provides, in the absence of such a proclamation, the Forestry Division of EMNRD can make

and enforce fireworks restrictions on all nonfederal, non-municipal lands. The bill provides a list of 10 considerations and procedures in issuing the ban. Included is obtaining the governors approval of rules prior to becoming effective.

The State Fire Marshal advises the powers in this bill could only be applied to geographic areas where an extreme fire danger exists, as determined by a component of the National Fire Danger Rating System.

OTHER SUBSTANTIVE ISSUES

The bill does not assign a role to the State Fire Marshall in the PRC in imposing a fireworks ban.

GAC/lj