

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance\*

Rule No. Chapter 482-2-105

Rule Title: Fireworks Permit Fees

New       Amend       Repeal       Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? Yes, 20%

Is the increase in costs, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? No

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

\*\*\*\*\*

Does the proposed rule have an economic impact? Yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

\*\*\*\*\*

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it complies with all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer Jim L. Bidling  
Jim L. Bidling  
Commissioner of Insurance

Date: October 20, 2015

Alabama Department of Insurance

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** Alabama Department of Insurance

**RULE NO. & TITLE:** Chapter 482-2-105: Fireworks Permit Fees.

**INTENDED ACTION:** Adopt new chapter.

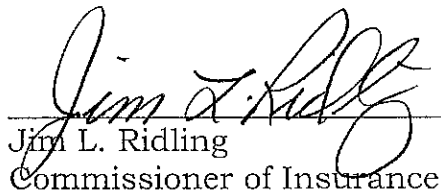
**SUBSTANCE OF PROPOSED ACTION:** The State Fire Marshal is proposing to adopt a new regulation to set the fees necessary for the administration and enforcement of Article 8 of Chapter 17 of Title 8, Code of Alabama 1975, relating to the regulation of the manufacturing, sale and display of fireworks in this state. The fees were initially set in 2003 in Section 8-17-211, Code of Alabama 1975. The revisions adjust the fees according to changes in the Consumer Price Index over the last ten years as permitted by Alabama Act No. 2015-441. The proposed effective date of the new regulation is January 1, 2016.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to December 1, 2015, to the Alabama Department of Insurance, Attention: Legal Division, Post Office Box 303351, Montgomery, Alabama 36130-3351, or orally by appearing at the public hearing, Suite 502, RSA Tower, 201 Monroe Street, Montgomery, Alabama, beginning at 2:00 PM, December 8, 2015.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

December 4, 2015

**CONTACT PERSON AT AGENCY:** Reyn Norman  
General Counsel

  
\_\_\_\_\_  
Jim L. Ridling  
Commissioner of Insurance

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control 482 Department or Agency Department of Insurance

Rule No. Rule 482-2-105

Rule Title: Fireworks Permit Fees.

New       Amend       Repeal       Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

3. EFFECT OF THIS RULE ON COMPETITION:

Applicable to all permit holders, thus should have no effect on competition.

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Fees are increasing according to changes in the Consumer Price Index, limited to 2% per year for 10 years (a total of 20%), as authorized in Act 2015-441.

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Should have no effect.

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

Initial applicants and annual renewal for sprinkler contractor permits, and for initial and annual renewal of skilled worker exemption certificates.

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THIS RULE:

Increases the fees for fireworks permits by 20% as follows:

- Manufacturer fee increasing from \$2,000 to \$2,400
- Distributor fee increasing from \$2,000 to \$2,400
- Wholesaler fee increasing from \$700 to \$840
- Retailer fee increasing from \$200 to \$240
- Seasonal Retailer fee increasing from \$200 to \$240
- Seasonal Retailer, application filed after July 10, fee increasing from \$100 to \$120
- Display, application filed 10 days before display, fee increasing from \$50 to \$60
- Display, application filed within 10 days of display, fee increasing from \$100 to \$120

Increases the permit fees for pyrotechnics before a proximate audience by 20% as follows:

- Permit fee, application filed 10 days before event, increasing from \$100 to \$120
- Permit fee, application filed 10 days before event, additional events at same location on same calendar day, increasing from \$50 to \$60
- Permit fee, application filed within 10 days of display, increasing from \$200 to \$240
- Permit fee, application filed within 10 days of event, additional events at same location on same calendar day, increasing from \$100 to \$120

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

None known.

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

None.

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

None.

**\*\*Additional pages may be used if needed.**

**ALABAMA DEPARTMENT OF INSURANCE  
STATE FIRE MARSHAL REGULATION**

**CHAPTER 482-2-105**

**FIREWORKS PERMIT FEES**

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1 **482-2-105-.01. Fireworks Permit Fees.** The State Fire Marshal  
2 hereby sets the following fees as are declared necessary for  
3 the administration and enforcement of Article 8 of Chapter 17  
4 of Title 8, Code of Alabama 1975, relating to the regulation  
5 of the manufacturing, sale and display of fireworks in this  
6 state, adjusted according to Alabama Act No. 2015-441:

- 7 (a) Manufacturer ..... \$2,400.00
- 8 (b) Distributor ..... \$2,400.00
- 9 (c) Wholesaler ..... \$840.00
- 10 (d) Retailer. .... \$240.00
- 11 (e) Seasonal Retailer. .... \$240.00
- 12 (f) Seasonal Retailer, application filed  
13 after July 10. .... \$120.00
- 14 (g) Display, application filed at least 10  
15 business days before display date. .... \$60.00
- 16 (h) Display, application filed within 10  
17 business days of display date. .... \$120.00

18 **Author:** State Fire Marshal  
19 **Statutory Authority:** Code of Alabama 1975, §§ 27-2-17, 8-17-  
20 211, & 8-17-216, & Ala. Act No. 2015-441  
21 **History:** New \_\_\_\_\_, Effective January 1, 2016

1 **482-2-105-.02. Permit Fees for Pyrotechnics before a**  
 2 **Proximate Audience.** The State Fire Marshal hereby sets the  
 3 following fees as are declared necessary for the  
 4 administration and enforcement of Section 8-17-216.1, Code of  
 5 Alabama 1975, relating to the regulation of the use of  
 6 pyrotechnics before a proximate audience, adjusted according  
 7 to Alabama Act No. 2015-441:

8 (a) Permit fee, application filed at least  
 9 10 business days before planned date of event. .... \$120.00

10 (b) Permit fee, application filed at least  
 11 10 business days before planned date of event,  
 12 additional events taking place at same location  
 13 on the same calendar day, for second and  
 14 subsequent events. .... \$60.00

15 (c) Permit fee, application filed within 10  
 16 business days of planned date of event. .... \$240.00

17 (d) Permit fee, application filed within 10  
 18 business days of planned date of event,  
 19 additional events taking place at same location  
 20 on the same calendar day, for second and  
 21 subsequent events. .... \$120.00

- 1 **Author:** State Fire Marshal
- 2 **Statutory Authority:** Code of Alabama 1975, §§ 27-2-17, 8-17-
- 3 216.1, & Ala. Act No. 2015-441
- 4 **History:** New \_\_\_\_\_, Effective January 1, 2016