

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 18, 2015

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1150** by White, James (Relating to the sale of fireworks on and before certain holidays; affecting a provision subject to a criminal penalty.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1150, As Engrossed: an impact of \$0 through the biennium ending August 31, 2017.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from Rural Volunteer Fire Dept Ins 5066
2016	\$150,000
2017	\$150,000
2018	\$150,000
2019	\$150,000
2020	\$150,000

Fiscal Analysis

The bill would amend Chapter 2154 of the Occupations Code, regarding the regulation of fireworks and firework displays, to expand the dates during which fireworks may be sold to the public.

The bill would add Section 2154.202(h) to provide that the holder of a retail fireworks permit may, if authorized by the commissioners court of a county, sell fireworks from February 25 through March 2 (for Texas Independence Day), from April 16 through April 21 (for San Jacinto Day), and

from the Wednesday before the last Monday in May through the last Monday in May (for Memorial Day), in addition to the periods currently allowed for Cinco de Mayo, the Fourth of July, and the December season.

The bill would make conforming changes to Chapter 352 of the Local Government Code, regarding county fire protection.

The bill would take effect September 1, 2015.

Methodology

Authorization of additional fireworks seasons would be expected to result in incremental sales subject to the 2 percent fireworks tax under Chapter 161 of the Tax Code; however, the incremental sales would not be expected to exceed approximately 10 percent of the sales that occur during the traditional Fourth of July and December holiday seasons. No significant increase in general sales tax revenues would be expected, as incremental sales of fireworks would likely be at the expense of other discretionary purchases of sales taxable items.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 576 Texas A&M Forest Service

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