

Issue Summary and Background

Re-Establishing the Office of Fireworks Industry Liaison

Until recently, ATF funded an office of fireworks industry liaison to work with industry representatives in coordinating regulatory enforcement and communications. Located at ATF headquarters, the office served as a conduit among industry representatives, ATF field inspectors and ATF leadership.

The invaluable position facilitated smooth communication, efficient resolution of regulatory concerns and uniform enforcement of ATF regulations from region to region. The ATF eliminated this office in August 2005, citing budgetary constraints.

Regulations Threatening the Display Fireworks Industry

1) Identification and Record Keeping/Import Marking

ATF constrains the fireworks industry to the same tracking requirements as commercial high explosives. Manufacturers mark and pack fireworks individually, often with multiple products per box. According to estimates, recording date/shift codes for all display fireworks involved in each transaction costs the industry over \$6 million per year.

In addition, ATF's new import marking requirements dictate that foreign manufacturers must mark fireworks with the manufacturer's name, location and date of production, and the name of the importer. Unmarked imports must be marked within 15 days of products clearing U.S. Customs.

These regulations threaten the industry's ability to maintain shipping schedules and present a public safety risk, as repeated handling of fireworks exposes workers to unnecessary risks. Artificial deadlines and handling restrictions imposed by the regulations exacerbate the safety concerns.

2) Temporary on-site storage

Many displays require more than a single day to install, so fireworks are sometimes delivered at least a day in advance. An approved magazine (storage facility) is rarely available at final destinations (i.e., stadiums, community parks and the National Mall). For every such show, companies must seek an ATF variance for temporary storage of display fireworks during set up, which can take several days for large events.

In the case of over-water displays, producers must load and set up products on a floating platform or barge, which can take up to seven days. While distance requirements to "inhabited buildings" do not apply during loading (when the products are "in use"), they do prohibit parking a vehicle with the product overnight.

ATF often refuses to grant temporary on-site storage at display installation sites, unless they meet the distance requirements intended for permanent high explosive bulk storage. This is unreasonable and problematic in that, by their very nature, displays are in public places where such distances cannot be met, rather than in remote locations like those for storing and using high explosives.

3) Tables of Distances

Distance Table 555.218 is specifically designed to provide the quantity-distance requirements for the storage of “high explosives” but is used for the storage of larger quantities of display fireworks, which are “low explosives”.

Due to this disconnect between the ATF high and low explosives tables, many display fireworks companies must operate under variances that allow them to meet a fireworks-specific table of distance, which the APA proposed to the ATF for formal adoption over a decade ago.

4) Overnight Storage

ATF regulations require fireworks manufacturers to remove and place in approved magazines all dry explosive powders and mixtures, partially assembled products, and finished display fireworks from process buildings at the end of each day.

Although manufacturers should remove and store unfinished powders and mixtures, finished fireworks do not present the same level of hazard. In fact, allowing finished display fireworks to remain in appropriate work buildings would *improve* safety and security by reducing unnecessary movement and transfer inventory requirements.

5) Display Fireworks Shipping Buildings

Every display fireworks company in the United States requires a minimum of one building on its premises for packing aerial shells and other articles into shipping cartons when assembling fireworks displays. Current ATF fireworks regulations do not expressly address shipping buildings. Since they cannot be categorized purely as a magazine or a “process building,” each company must request a variance in order to operate such a facility.

6) Drying Operations at Manufacturing Plants

The 500-pound limit on in-process pyrotechnic composition poses a problem for drying operations. It is necessary to dry some materials completely before use in further manufacturing or movement to an appropriate storage area. A limit of 500 pounds restricts the ability of manufacturers to use designated storage areas, forcing them to place drying material at numerous locations around their plant.