

Testimony Of Tom Swenson
Northstar Fireworks
H. 614

January 24, 2018

Madam Chair and Members of the Committee:

Good afternoon.

My name is Tom Swenson and I work for Northstar Fireworks, which is owned and operated by my father, Dave Swenson. My father could not be here today, so I will do my best to pinch hit for him.

I am here today to offer testimony in connection with H. 614, which has been introduced by Rep. Butch Shaw and others from Rutland County. Although we understand the intent behind the bill, we believe that the bill should not pass as introduced. Rather, we would request that interested parties get together over the summer and report back to you in January with some recommendations to address the underlying problem, and perhaps update the law regarding the purchase and use of fireworks.

I would like to take a moment to tell you a little bit about myself and then about NorthStar Fireworks.

My Background

After I graduated from high school, I left Vermont to spread my wings out West, to build a life outside of Vermont. I came back home about ten years ago when my father encouraged me to come back to Vermont and work for his small business. I now live here in Vermont and have started my family here with kids in our public school system.

Northstar is my livelihood and I have developed a great deal of expertise in the fireworks business. Without Northstar, my wife and I would be required to look elsewhere for work.

The Business Background

Although we are a small company, Northstar Fireworks has been doing business around Vermont for over 30 years. In 1985, my father purchased a small firework display business and over the years, he has grown it into a well-regarded fireworks display business in New England and New York. The business is located in East Montpelier in Washington County, with additional retail locations in Fairlee and St. Johnsbury in Caledonia County.

During the peak season in the summer, we employ up to 300 employees all around Vermont. This is in addition to the full-time, year around employees at our retail and main display offices in East Montpelier, Fairlee and St. Johnsbury. We contract trucks, supplies and materials from local vendors around Vermont.

Over more than 30 years, my father has worked with organizations that helped build the American fireworks industry into what it is today, at the local, state, federal and international level.

The Vermont Vacation Experience

We help Vermonters, and visitors to our state, enjoy the Vermont experience by displaying fireworks at private events, concerts, for trade associations, and ski resorts. These events are scheduled year around, although the heaviest schedule is over the several days during which Independence Day is celebrated.

We work with wedding planners to make a Vermont wedding truly memorable.

We Work For Many Towns, Cities And Businesses Around Vermont

As I look at the districts of the cosponsors of the bill, and the districts of the members of this committee, I can say that we proudly work in many of communities that they and you represent, year after year. We listen to our customers' needs, work within their budgets and build relationships.

Northstar has performed many professional shows around Vermont, including but not limited to, the City of South Burlington, City of Burlington, Waterbury, Rutland Town, Rutland City, Pittsford, Stowe, Hartford, Brandon, Devil's Bowl in West Haven, and the Mountain Top Resort and Barstow School in Chittenden. We have shows at most of the ski areas up and down the Green Mountain range, ski resorts in Stowe, Waitsfield, Killington, Jay Peak, and at many other city and towns throughout Vermont.

We also do many private events for colleges, sporting events, race tracks, and corporate events. Our safety and driving records are spotless -- one of the best in the industry.

In addition to working with many town and cities, Northstar is also members of many Great Vermont association, including Vermont ski Area association, Vermont League of Cities and Towns, Vermont State park and Recreation, which Northstar is proud to say we are the only company who has a life long member ship with. We are members of the Vermont wedding associations. As members we attend and support all these organizations and have for many years.

We Comply With All Federal, State And Local Laws And We Are Licensed

Northstar Fireworks is not an itinerant vendor working out of the back of a U-Haul trailer or a storage trailer, which we understand is one of the issues that the bill as introduced attempts to address.

We comply with all local, state, federal and international regulations concerning fireworks, and we have also helped shape these regulations with the close relationships we have developed with the U. S. Bureau of Alcohol, Tobacco, Firearms and Explosives, the United States Department of Transportation, the National Fire Prevention Association, and with the state fire marshal's office. We carry substantial liability insurance. Our buildings meet all applicable fire prevention codes. Northstar has a license-issued by the ATF and is in great standings with them and all our drivers have commercial driver licenses and are certified to carry hazardous material loads.

The Bill As Introduced

We support the intent and spirit of the bill, as introduced, but we cannot support it in its present form.

We agree that legislation should address issues that develop from time to time. We also appreciate that the law needs to be updated from time to time to respond to the needs of the communities.

But we request that the committee not advance legislation which will effectively put us out of business.

Our goal is to work with you, answer your questions about fireworks, and propose changes to the bill that will address the goal, but not result in unintended consequences.

If this bill passes as introduced, Northstar will be closing its doors after 30 plus years, destroying a business my father and his team have built over 30 years, and which I hope to purchase and operate someday so that we can stay in Vermont.

Differences Between Fireworks Used In Professional Displays And By Homeowners

There are two types of fireworks.

Class B

Class B fireworks are the professional grade and they are heavily regulated by ATF. A license is needed to use them. We have frequent surprise inspection of our offices and storage facility to confirm we are in compliance of all federal laws. These are used in professional displays, which are set up and discharged by pyrotechnicians.

Class C

Class C fireworks are the consumer grade and they are the types of fireworks sold in retail stores.

Suggested Amendments To The Bill

This bill as introduced does not distinguish between the two classes of fireworks. Without that distinction, the law would add more regulation to fireworks already heavily regulated.

In our opinion, the bill should focus solely on Class C fireworks, as Class B already are regulated by ATF and used by trained and experienced pyrotechnicians.

Page Two, lines 3 – 7

Requiring A Permit Before Class C Fireworks May Be Sold

We respectfully suggest that the amended language on lines 3 through 7 on page two be struck from the bill.

The permit system for fireworks is not well developed. Many towns have volunteer fire chiefs who work out of town and many towns do not have police departments.

The permit process is non-existent in some towns because the towns simply don't have the time or interest to issue permits. The process could become cumbersome as an applicant tries to find the fire chief at work or at home, and it would be untimely most of the time.

Some towns have enacted ordinances. It's a hodgepodge of regulation among the towns that have developed a permit process.

Before a select board can issue a permit, the proposed action must be warned, and some select boards don't meet every week.

Today, permits are effectively unavailable on nights and weekends and holidays when they are mostly needed, when most of our retail sales take place.

And permits are effectively unavailable to non-residents, who make up 25% to 35% of our customer base. Non-residents don't know who is the fire chief or police chief, and they won't make application to a select board.

In past 30 years of business, Northstar will see approximately 6 to 10 permits a year. This is not saying other people are not acquiring them. My worry is if this bill is to pass as is, our customer base may be that, 6 to 10 customers a year

If towns are required to beef up their permitting process, I expect they will want to charge a fee, and there will need to be an expedited permit process available nights and weekends.

Then there is the enforcement piece. Who will enforce the permit requirements? I don't think Vermont can afford Fireworks Police and law enforcement officers are already overworked with existing duties.

An analogy is that someone building or remodeling a home often needs to buy lumber and other building supplies. It would be unthinkable to outlaw the sale of building materials and other building supplies to someone unless they have a building permit in hand at the time the materials are purchased.

At present, we inform all of our customers about the permit requirement, and we have them sign a release that they understand the laws in Vermont and they must also check with their local cities and town to see if there are any additional ordinances.

The bill as introduced, in our opinion, will drive more business to New Hampshire and the surrounding states, where there is no such permit requirement upon purchasing fireworks.

This bill if enacted into law would give Vermonters more of an incentive to drive to New Hampshire, and non-residents travelling to Vermont to simply stop at a retail store in another state and purchase fireworks on the way to Vermont. Those fireworks would be used in Vermont.

We already struggle to compete with New Hampshire over the sales tax issue. We reduce our profit margin to remain competitive with New Hampshire. But no amount of marketing will enable us to maintain our sales volume if customers must present a signed permit at the time of sale.

The unintended consequences will simply shift fireworks purchases and sales to other states, and our business will close.

If this bill is enacted, I believe that many Vermonters will purchase their fireworks in New Hampshire and bring them right back to Vermont and shoot them without a permit, defeating the whole purpose of this bill.

Summer Study

We recommend that the issues raised by this bill be addressed by a summer study. Perhaps the Fire Prevention Division can be asked to work with Northstar and someone from the Vermont League of Cities and Towns to make some recommendations to the 2019 legislative session.

Developing a permit process, enforcement of permit conditions, and determining the fees associated with issuance of permits should be given due consideration.

The study could also address itinerant vendors. We understand some individuals sell fireworks from tents, U-Haul trailers and storage trailers.

- Are they registered with the Tax Department and do they collect the sales tax?
- Are they registered as a business in Vermont?
- Are they in compliance with local zoning?
- Do they carry liability insurance?
- Do they properly protect against fires or explosions?
- Do they meet applicable fire codes?
- What quantity of product is stored in those locations?
- Do they have an ATF license?

All of these issues should be considered in an orderly fashion by those who have an interest in fireworks. We would be pleased to help find some answers to these questions.

We would like to thank the cosponsors for bringing this bill forward, and look forward to working on the several issues it raises.

Thank you for the opportunity to address the committee.
