

LEGISLATIVE FISCAL ESTIMATE:

Yes [7-9-07](#)
[1-14-08](#)

VETO MESSAGE:

No

GOVERNOR'S PRESS RELEASE ON SIGNING:

No

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HEARINGS:

No

NEWSPAPER ARTICLES:

No

P.L. 2007, CHAPTER 274, *approved January 13, 2008*
Senate, No. 2055 (*Second Reprint*)

1 AN ACT increasing fees and penalties with respect to the handling
2 of explosives and amending P.L.1960, c.55.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 7 of P.L.1960, c.55 (C.21:1A-134) is amended to read
8 as follows:

9 7. Upon receipt of an application for a permit to manufacture,
10 store, sell, transport or use explosives, and before the permit is
11 issued, the commissioner shall make or cause to be made an
12 investigation for the purpose of ascertaining if all applicable
13 requirements of this act have been met. The commissioner shall not
14 issue a permit to manufacture, sell, store, transport or use
15 explosives unless all the requirements of this act have been met.
16 All permits issued in accordance with the provisions of this act shall
17 be subject to any amendments hereafter made to this act.

18 A. An applicant for a permit shall, at his own expense, furnish
19 whatever pertinent information the commissioner may require in
20 addition to that specified herein. Application forms shall be
21 furnished by the Department of Labor and Workforce Development.

22 B. An applicant for a permit to manufacture, sell, transport,
23 store or use explosives must:

- 24 (a) be at least 21 years of age;
25 (b) have a reasonable understanding of the English language;
26 (c) present satisfactory evidence of experience in the
27 manufacture, sale, transportation, storage or use of explosives;
28 (d) demonstrate by written, oral or field examination, as the
29 commissioner may direct, adequate knowledge of the safe
30 manufacture, sale, transportation, storage or use of explosives and
31 of the provisions of this act; and

32 (e) be of good moral character and must never have been disloyal
33 to the United States; and

34 it shall be within the sole discretion of the commissioner to
35 determine whether an applicant who has been convicted of a crime
36 involving moral turpitude has the good moral character necessary
37 for a permit. It shall also be within the reasonable discretion of the
38 commissioner to deny the issuance of a permit where he concludes,
39 after a full examination of the qualifications of an applicant, that to
40 grant a permit would be dangerous to the health, safety and welfare
41 of the people of the State of New Jersey. The failure of a holder of a
42 permit to maintain the qualifications stated herein shall be good
43 cause for the revocation of the permit.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted December 11, 2006.

²Assembly floor amendments adopted December 13, 2007.

1 C. When the applicant for a permit to manufacture, sell,
2 transport, store or use explosives is a firm, association or
3 corporation, the applicant must demonstrate that such activities with
4 regard to explosives will be under the direct supervision of a person
5 who meets the qualifications stated above.

6 D. Permits shall be valid for one year unless sooner revoked.
7 Permits which expire on July 1, 1960 may be renewed by the
8 commissioner at his discretion for a period of not less than three
9 months nor more than 15 months, and permits renewed after such a
10 period shall thereafter be valid for one year unless sooner revoked.
11 The fee for all permits shall be fixed by the commissioner on a
12 yearly basis or, for periods of less than a year, in amounts
13 proportionately less than the annual fee.

14 E. The application for any permit must be accompanied by a fee
15 established by regulation in accordance with the following
16 schedule:

17 (a) To manufacture--not less than \$200 nor more than ~~[\$1,000]~~
18 \$2,000;

19 (b) To sell--not less than ~~[\$25.00]~~ \$25 nor more ~~[that \$300]~~
20 than \$600;

21 (c) (Deleted by amendment, P.L.1991, c.205).

22 (d) To store--not less than ~~[\$25.00]~~ \$25 nor more than
23 ~~[\$150.00]~~ \$300; but if the explosives are in excess of 30,000
24 pounds, then the fee shall be not less than ~~[\$150.00]~~ \$150 nor more
25 than ~~[\$750]~~ \$1,500;

26 (e) To use--not more than ~~[\$200]~~ \$400;

27 (f) For storage, transportation, and use of smokeless powder in
28 amounts in excess of 36 pounds, but not in excess of 100 pounds
29 and black powder in amounts in excess of 5 pounds but not in
30 excess of 100 pounds which is used by private persons for the hand
31 loading of small arms ammunition and which is not for resale--not
32 less than ~~[\$2.00]~~ \$2 nor more than ~~[\$10.00]~~ \$20; where any such
33 smokeless and black powder is in excess of 100 pounds, the fee
34 shall be increased ~~[\$10.00]~~ \$20 for each additional 100 pounds, or
35 fraction thereof.

36 ²[The above schedule of fees]² ¹[shall be in effect for State
37 fiscal year 2006-07, after which this schedule]¹ ²[may be adjusted
38 by the commissioner by regulation ¹commencing with the second
39 fiscal year next following enactment of P.L. _____, c. _____ (pending
40 before the Legislature as this bill)]¹²

41 All fees derived from the operation of this act shall be applied
42 toward enforcement and administration costs of the Division of
43 Workplace Standards in the Department of Labor and Workforce
44 Development.

45 (cf: P.L.1991, c.205, s.16)

1 2. Section 13 of P.L.1960, c.55 (C.21:1A-140) is amended to
2 read as follows:

3 13. It shall be unlawful for any person, partnership, firm,
4 association or corporation, and any officer, agent or employee
5 thereof, to violate or proximately contribute to the violation of any
6 of the provisions of this act or of the regulations made hereunder.
7 The violation of this act by an employee, acting within the scope of
8 his authority, of any person, partnership, firm, association, or
9 corporation shall be deemed also to be the violation of such person,
10 partnership, firm, association or corporation. Violations of the
11 provisions of this act or rules and regulations made hereunder shall
12 be punishable for the first offense by a penalty of not less than \$100
13 nor more than ~~[\$5,000]~~ ²~~[\$25,000]~~ \$5,000², for the second offense
14 by a penalty of not less than \$300 nor more than ~~[\$5,000]~~
15 ²~~[\$50,000]~~ \$10,000² and for the third and each succeeding offense
16 by a penalty of not less than \$500 nor more than ~~[\$10,000]~~
17 ²~~[\$100,000]~~ \$20,000². The penalties shall be collected by a ~~[civil~~
18 ~~action in the name of the commissioner, to be instituted in the~~
19 ~~Special Civil Part, Law Division, of the Superior Court of the~~
20 ~~county, or in municipal court of the municipality where the offense~~
21 ~~was committed]~~ summary proceeding pursuant to the “Penalty
22 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).
23 Where the violation consists of a refusal to obey an order of the
24 commissioner made under this act, each day during which the
25 violation continues shall constitute a separate and distinct offense
26 except during the time an appeal from said order may be taken or is
27 pending.

28 Any sum collected as a penalty pursuant to this section shall be
29 applied toward enforcement and administration costs of the
30 Division of Workplace Standards in the Department of Labor and
31 Workforce Development.

32 A. The Commissioner of Labor and Workforce Development, in
33 his discretion, is hereby authorized and empowered to compromise
34 and settle any claim for a penalty under this section for an amount
35 that appears appropriate and equitable under all of the
36 circumstances.

37 B. Permits to sell, transport, store or use explosives are
38 revocable for cause by the commissioner. In any case where the
39 commissioner revokes a permit, he shall notify the permittee of the
40 revocation and shall provide, upon written request, for a hearing
41 within 10 days of the date of the revocation. Within 30 days from
42 the termination of the hearing, the commissioner shall issue an
43 order approving, disapproving or modifying the revocation. Permits
44 to manufacture are exempt from revocation, but the holders of such
45 permits shall be subject in every other respect to the provisions of
46 this act and the rules and regulations promulgated hereunder.

1 C. The requirements of this act concerning the distances of
2 explosives manufacturing buildings and magazines from each other
3 shall not be construed to apply to permanent buildings or magazines
4 that exist at the time that this act becomes effective and which
5 buildings and magazines have been used under authority of the laws
6 formerly governing the manufacture and storage of explosives.
7 This provision designating such explosives manufacturing buildings
8 and magazines already existing at the effective date of this act as
9 nonconforming uses shall not apply to any explosives
10 manufacturing buildings or magazines constructed subsequent to
11 the passage of this act nor to extensions or additions to such
12 buildings and magazines that are made subsequent to the passage of
13 this act.

14 (cf: P.L.1991, c.205, s.17)

15

16 3. This act shall take effect immediately.

17

18

19

20

21 _____
Increases fees and penalties under the "Explosives Act."

SENATE, No. 2055

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JUNE 22, 2006

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Salem, Cumberland and Gloucester)

Senator WALTER J. KAVANAUGH

District 16 (Morris and Somerset)

Co-Sponsored by:

Senator Coniglio

SYNOPSIS

Increases fees and penalties under the “Explosives Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/12/2006)

1 AN ACT increasing fees and penalties with respect to the handling
2 of explosives and amending P.L.1960, c.55.

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13 requirements of this act have been met. The commissioner shall not
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15 explosives unless all the requirements of this act have been met.
16 All permits issued in accordance with the provisions of this act shall
17 be subject to any amendments hereafter made to this act.

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23 store or use explosives must:

- 24 (a) be at least 21 years of age;
25 (b) have a reasonable understanding of the English language;
26 (c) present satisfactory evidence of experience in the
27 manufacture, sale, transportation, storage or use of explosives;
28 (d) demonstrate by written, oral or field examination, as the
29 commissioner may direct, adequate knowledge of the safe
30 manufacture, sale, transportation, storage or use of explosives and
31 of the provisions of this act; and

32 (e) be of good moral character and must never have been disloyal
33 to the United States; and

34 it shall be within the sole discretion of the commissioner to
35 determine whether an applicant who has been convicted of a crime
36 involving moral turpitude has the good moral character necessary
37 for a permit. It shall also be within the reasonable discretion of the
38 commissioner to deny the issuance of a permit where he concludes,
39 after a full examination of the qualifications of an applicant, that to
40 grant a permit would be dangerous to the health, safety and welfare
41 of the people of the State of New Jersey. The failure of a holder of a
42 permit to maintain the qualifications stated herein shall be good
43 cause for the revocation of the permit.

44 C. When the applicant for a permit to manufacture, sell,
45 transport, store or use explosives is a firm, association or

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Matter underlined thus is new matter.

1 corporation, the applicant must demonstrate that such activities with
2 regard to explosives will be under the direct supervision of a person
3 who meets the qualifications stated above.

4 D. Permits shall be valid for one year unless sooner revoked.
5 Permits which expire on July 1, 1960 may be renewed by the
6 commissioner at his discretion for a period of not less than three
7 months nor more than 15 months, and permits renewed after such a
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11 proportionately less than the annual fee.

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16 ~~\$2,000~~;

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18 ~~than \$600~~;

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21 ~~[\$150.00]~~ ~~\$300~~; but if the explosives are in excess of 30,000
22 pounds, then the fee shall be not less than ~~[\$150.00]~~ ~~\$150~~ nor more
23 than ~~[\$750]~~ ~~\$1,500~~;

24 (e) To use--not more than ~~[\$200]~~ ~~\$400~~;

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26 amounts in excess of 36 pounds, but not in excess of 100 pounds
27 and black powder in amounts in excess of 5 pounds but not in
28 excess of 100 pounds which is used by private persons for the hand
29 loading of small arms ammunition and which is not for resale--not
30 less than ~~[\$2.00]~~ ~~\$2~~ nor more than ~~[\$10.00]~~ ~~\$20~~; where any such
31 smokeless and black powder is in excess of 100 pounds, the fee
32 shall be increased ~~[\$10.00]~~ ~~\$20~~ for each additional 100 pounds, or
33 fraction thereof.

34 The above schedule of fees shall be in effect for State fiscal year
35 2006-07, after which this schedule may be adjusted by the
36 commissioner by regulation.

37 All fees derived from the operation of this act shall be applied
38 toward enforcement and administration costs of the Division of
39 Workplace Standards in the Department of Labor and Workforce
40 Development.

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45 13. It shall be unlawful for any person, partnership, firm,
46 association or corporation, and any officer, agent or employee
47 thereof, to violate or proximately contribute to the violation of any

1 of the provisions of this act or of the regulations made hereunder.
2 The violation of this act by an employee, acting within the scope of
3 his authority, of any person, partnership, firm, association, or
4 corporation shall be deemed also to be the violation of such person,
5 partnership, firm, association or corporation. Violations of the
6 provisions of this act or rules and regulations made hereunder shall
7 be punishable for the first offense by a penalty of not less than \$100
8 nor more than ~~[\$5,000]~~ \$25,000, for the second offense by a
9 penalty of not less than \$300 nor more than ~~[\$5,000]~~ \$50,000 and
10 for the third and each succeeding offense by a penalty of not less
11 than \$500 nor more than ~~[\$10,000]~~ \$100,000. The penalties shall
12 be collected by a ~~[civil action in the name of the commissioner, to~~
13 ~~be instituted in the Special Civil Part, Law Division, of the Superior~~
14 ~~Court of the county, or in municipal court of the municipality where~~
15 ~~the offense was committed]~~ summary proceeding pursuant to the
16 “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10
17 et seq.). Where the violation consists of a refusal to obey an order
18 of the commissioner made under this act, each day during which the
19 violation continues shall constitute a separate and distinct offense
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21 pending.

22 Any sum collected as a penalty pursuant to this section shall be
23 applied toward enforcement and administration costs of the
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26 A. The Commissioner of Labor and Workforce Development, in
27 his discretion, is hereby authorized and empowered to compromise
28 and settle any claim for a penalty under this section for an amount
29 that appears appropriate and equitable under all of the
30 circumstances.

31 B. Permits to sell, transport, store or use explosives are
32 revocable for cause by the commissioner. In any case where the
33 commissioner revokes a permit, he shall notify the permittee of the
34 revocation and shall provide, upon written request, for a hearing
35 within 10 days of the date of the revocation. Within 30 days from
36 the termination of the hearing, the commissioner shall issue an
37 order approving, disapproving or modifying the revocation. Permits
38 to manufacture are exempt from revocation, but the holders of such
39 permits shall be subject in every other respect to the provisions of
40 this act and the rules and regulations promulgated hereunder.

41 C. The requirements of this act concerning the distances of
42 explosives manufacturing buildings and magazines from each other
43 shall not be construed to apply to permanent buildings or magazines
44 that exist at the time that this act becomes effective and which
45 buildings and magazines have been used under authority of the laws
46 formerly governing the manufacture and storage of explosives.
47 This provision designating such explosives manufacturing buildings

1 and magazines already existing at the effective date of this act as
2 nonconforming uses shall not apply to any explosives
3 manufacturing buildings or magazines constructed subsequent to
4 the passage of this act nor to extensions or additions to such
5 buildings and magazines that are made subsequent to the passage of
6 this act.

7 (cf: P.L.1991, c.205, s.17)

8

9 3. This act shall take effect immediately.

10

11

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STATEMENT

13

14 This bill increases the fees and penalties for permits under the
15 “Explosives Act” for FY 2007 and authorizes the Commissioner of
16 Labor and Workforce Development to implement future increases
17 by regulation. In most cases, the maximum fee amount for each
18 type of permit is doubled. For example, the maximum fee for a
19 permit to manufacture explosives is increased from \$1,000 to
20 \$2,000. The current fee structure has not been revised since 1991,
21 and the current maximum amounts have been charged since 1998.

22 Additionally, the bill increases the maximum penalty amounts
23 for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a
24 first offense, from \$5,000 to \$50,000 for a second offense, and from
25 \$10,000 to \$100,000 for any succeeding offenses.

26 According to the Department of Labor and Workforce
27 Development, the fee increases are necessary to partially support
28 public safety and occupational safety and health program costs.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2055

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 2007

The Assembly Labor Committee reports favorably Assembly Bill No. 2055(1R).

This bill increases the fees and penalties for permits under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

As reported, the bill is identical to A3943.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2055

STATE OF NEW JERSEY

DATED: JUNE 14, 2007

The Assembly Appropriations Committee reports favorably Senate Bill No. 2055 (1R).

The bill increases the fees and penalties for permits under the “Explosives Act” and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation commencing with the second fiscal year following enactment. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

As reported, this bill is identical to Assembly Bill No. 3943, as also reported by the committee.

FISCAL IMPACT:

The OLS notes that the additional revenue resulting from the penalty and fee increases provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. However, the OLS cannot estimate the amount of revenue that would result from the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act,” and of those, the resulting penalty amounts. The amount by which the commissioner may increase the fees for permits to meet program costs in future fiscal years is also unclear. According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 2055

STATE OF NEW JERSEY

DATED: OCTOBER 16, 2006

The Senate Labor Committee reports favorably Senate Bill No. 2055.

This bill increases the fees and penalties for permits under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2055

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2006

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2055, with committee amendments.

This bill increases the fees and penalties for permits under the “Explosives Act” and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation commencing with the second fiscal year following enactment. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

COMMITTEE AMENDMENTS:

The committee amendments clarify and update¹ the effective date of both proposed and future fee increases by removing a reference to FY2007, the current fiscal year, in relation to the effective date of the immediate increases indicated in the bill, and by specifying that the provision allowing the commissioner to adjust the fee schedule by regulation commence with the second fiscal year next following enactment.

Since the provisions of this bill become effective immediately in accordance with the effective date of the bill, the reference to the current fiscal year is unnecessary.

FISCAL IMPACT:

The OLS notes that the additional revenue resulting from the penalty and fee increases provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. However, the OLS cannot estimate the amount of revenue that would result from the bill's provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the "Explosives Act," and of those, the resulting penalty amounts. The amount by which the commissioner may increase the fees for permits to meet program costs in future fiscal years is also unclear. According to the department, "Explosives Act" permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. "Explosives Act" penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

STATEMENT TO
[First Reprint]
SENATE, No. 2055

with Assembly Floor Amendments
(Proposed By Assemblyman BURZICHELLI)

ADOPTED: DECEMBER 13, 2007

These amendments leave the maximum penalty for a first violation of the explosive act at its current level of \$5,000, instead of increasing it to \$25,000, as in the unamended bill. The amendments increase the penalties for a second offense from \$5,000 to \$10,000, instead of the \$25,000 penalty in the unamended bill. The amendments increase the penalty for a third and succeeding offense from \$10,000 to \$20,000 instead of the \$100,000 penalty in the unamended bill.

The amendments also delete the provision of the bill which would have authorized the Commissioner of Labor and Workforce Development to make adjustments to the fee schedule in future years without legislative approval.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2055
STATE OF NEW JERSEY
212th LEGISLATURE

DATED: DECEMBER 27, 2006

SUMMARY

Synopsis: Increases fees and penalties under the "Explosives Act."
Type of Impact: Revenue gain – Division of Workplace Standards
Agencies Affected: Department of Labor and Workforce Development

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Division of Workplace Standards	Indeterminate Increase - See Comments Below		

- This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation.
- The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs. The Office of Legislative Services (OLS) notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards.
- The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosive Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear.
- According to the department, “Explosive Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosive Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

BILL DESCRIPTION

Senate Bill No. 2055 of 2006 increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for obtaining a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs. The OLS notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosive Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear. According to the department, “Explosive Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosive Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

Section: Commerce, Labor and Industry

Analyst: Sonya S. Davis
Senior Fiscal Analyst

Approved: David J. Rosen
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2055 STATE OF NEW JERSEY 212th LEGISLATURE

DATED: JANUARY 18, 2007

SUMMARY

Synopsis: Increases fees and penalties under the "Explosives Act."
Type of Impact: Revenue gain – Division of Workplace Standards
Agencies Affected: Department of Labor and Workforce Development

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Division of Workplace Standards	Indeterminate Increase - See Comments Below		

- This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation.
- The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs. The Office of Legislative Services (OLS) notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards.
- The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosive Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear.
- According to the department, “Explosive Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosive Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

BILL DESCRIPTION

Senate Bill No. 2055 (1R) of 2006 increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for obtaining a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs. The OLS notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosive Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear. According to the department, “Explosive Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosive Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

Section: Commerce, Labor and Industry

Analyst: Sonya S. Davis
Senior Fiscal Analyst

Approved: David J. Rosen
Legislative Budget and Finance Officer

S2055 [1R]

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 2055

STATE OF NEW JERSEY 212th LEGISLATURE

DATED: JANUARY 14, 2008

SUMMARY

Synopsis: Increases fees and penalties under the "Explosives Act."
Type of Impact: Revenue gain – Division of Workplace Standards
Agencies Affected: Department of Labor and Workforce Development

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Division of Workplace Standards		Indeterminate Increase - See Comments Below	

- This bill increases the fees and penalties under the “Explosives Act.”
- The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support its public safety and occupational safety and health program costs. The Office of Legislative Services (OLS) notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards.
- The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act” provisions, and of those, the penalty amounts resulting from the violations.
- According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

BILL DESCRIPTION

Senate Bill No. 2055 (2R) of 2006 increases the fees and penalties under the “Explosives Act.” In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for obtaining a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$10,000 for a second offense and from \$10,000 to \$20,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

This bill increases the fees and penalties under the “Explosives Act.” The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support its public safety and occupational safety and health program costs. The OLS notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act” provisions, and of those, the penalty amounts resulting from the violations. According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

Section: Commerce, Labor and Industry

Analyst: Robin C. Ford
Assistant Fiscal Analyst

Approved: David J. Rosen
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-1 et seq.).

ASSEMBLY, No. 3943

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JANUARY 25, 2007

Sponsored by:

Assemblyman JOHN J. BURZICHELLI
District 3 (Salem, Cumberland and Gloucester)
Assemblyman FREDERICK SCALERA
District 36 (Bergen, Essex and Passaic)

Co-Sponsored by:

Assemblyman P. Barnes, III

SYNOPSIS

Increases fees and penalties under the “Explosives Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/22/2007)

A3943 BURZICHELLI, SCALERA

2

1 AN ACT increasing fees and penalties with respect to the handling
2 of explosives and amending P.L.1960, c.55.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 7 of P.L.1960, c.55 (C.21:1A-134) is amended to read
8 as follows:

9 7. Upon receipt of an application for a permit to manufacture,
10 store, sell, transport or use explosives, and before the permit is
11 issued, the commissioner shall make or cause to be made an
12 investigation for the purpose of ascertaining if all applicable
13 requirements of this act have been met. The commissioner shall not
14 issue a permit to manufacture, sell, store, transport or use
15 explosives unless all the requirements of this act have been met.
16 All permits issued in accordance with the provisions of this act shall
17 be subject to any amendments hereafter made to this act.

18 A. An applicant for a permit shall, at his own expense, furnish
19 whatever pertinent information the commissioner may require in
20 addition to that specified herein. Application forms shall be
21 furnished by the Department of Labor and Workforce Development.

22 B. An applicant for a permit to manufacture, sell, transport,
23 store or use explosives must:

24 (a) be at least 21 years of age;

25 (b) have a reasonable understanding of the English language;

26 (c) present satisfactory evidence of experience in the
27 manufacture, sale, transportation, storage or use of explosives;

28 (d) demonstrate by written, oral or field examination, as the
29 commissioner may direct, adequate knowledge of the safe
30 manufacture, sale, transportation, storage or use of explosives and
31 of the provisions of this act; and

32 (e) be of good moral character and must never have been disloyal
33 to the United States; and

34 it shall be within the sole discretion of the commissioner to
35 determine whether an applicant who has been convicted of a crime
36 involving moral turpitude has the good moral character necessary
37 for a permit. It shall also be within the reasonable discretion of the
38 commissioner to deny the issuance of a permit where he concludes,
39 after a full examination of the qualifications of an applicant, that to
40 grant a permit would be dangerous to the health, safety and welfare
41 of the people of the State of New Jersey. The failure of a holder of a
42 permit to maintain the qualifications stated herein shall be good
43 cause for the revocation of the permit.

44 C. When the applicant for a permit to manufacture, sell,
45 transport, store or use explosives is a firm, association or

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 corporation, the applicant must demonstrate that such activities with
2 regard to explosives will be under the direct supervision of a person
3 who meets the qualifications stated above.

4 D. Permits shall be valid for one year unless sooner revoked.
5 Permits which expire on July 1, 1960 may be renewed by the
6 commissioner at his discretion for a period of not less than three
7 months nor more than 15 months, and permits renewed after such a
8 period shall thereafter be valid for one year unless sooner revoked.
9 The fee for all permits shall be fixed by the commissioner on a
10 yearly basis or, for periods of less than a year, in amounts
11 proportionately less than the annual fee.

12 E. The application for any permit must be accompanied by a fee
13 established by regulation in accordance with the following
14 schedule:

15 (a) To manufacture--not less than \$200 nor more than ~~[\$1,000]~~
16 ~~\$2,000~~;

17 (b) To sell--not less than ~~[\$25.00]~~ ~~\$25~~ nor more ~~[that \$300]~~
18 ~~than \$600~~;

19 (c) (Deleted by amendment, P.L.1991, c.205).

20 (d) To store--not less than ~~[\$25.00]~~ ~~\$25~~ nor more than
21 ~~[\$150.00]~~ ~~\$300~~; but if the explosives are in excess of 30,000
22 pounds, then the fee shall be not less than ~~[\$150.00]~~ ~~\$150~~ nor more
23 than ~~[\$750]~~ ~~\$1,500~~;

24 (e) To use--not more than ~~[\$200]~~ ~~\$400~~;

25 (f) For storage, transportation, and use of smokeless powder in
26 amounts in excess of 36 pounds, but not in excess of 100 pounds
27 and black powder in amounts in excess of 5 pounds but not in
28 excess of 100 pounds which is used by private persons for the hand
29 loading of small arms ammunition and which is not for resale--not
30 less than ~~[\$2.00]~~ ~~\$2~~ nor more than ~~[\$10.00]~~ ~~\$20~~; where any such
31 smokeless and black powder is in excess of 100 pounds, the fee
32 shall be increased ~~[\$10.00]~~ ~~\$20~~ for each additional 100 pounds, or
33 fraction thereof.

34 The above schedule of fees may be adjusted by the commissioner
35 by regulation commencing with the second fiscal year next
36 following enactment of P.L. _____, c. _____ (pending before the
37 Legislature as this bill).

38 All fees derived from the operation of this act shall be applied
39 toward enforcement and administration costs of the Division of
40 Workplace Standards in the Department of Labor and Workforce
41 Development.

42 (cf: P.L.1991, c.205, s.16)

43

44 2. Section 13 of P.L.1960, c.55 (C.21:1A-140) is amended to
45 read as follows:

46 13. It shall be unlawful for any person, partnership, firm,
47 association or corporation, and any officer, agent or employee

1 thereof, to violate or proximately contribute to the violation of any
2 of the provisions of this act or of the regulations made hereunder.
3 The violation of this act by an employee, acting within the scope of
4 his authority, of any person, partnership, firm, association, or
5 corporation shall be deemed also to be the violation of such person,
6 partnership, firm, association or corporation. Violations of the
7 provisions of this act or rules and regulations made hereunder shall
8 be punishable for the first offense by a penalty of not less than \$100
9 nor more than ~~[\$5,000]~~ \$25,000, for the second offense by a
10 penalty of not less than \$300 nor more than ~~[\$5,000]~~ \$50,000 and
11 for the third and each succeeding offense by a penalty of not less
12 than \$500 nor more than ~~[\$10,000]~~ \$100,000. The penalties shall
13 be collected by a ~~[civil action in the name of the commissioner, to~~
14 ~~be instituted in the Special Civil Part, Law Division, of the Superior~~
15 ~~Court of the county, or in municipal court of the municipality where~~
16 ~~the offense was committed]~~ summary proceeding pursuant to the
17 “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10
18 et seq.). Where the violation consists of a refusal to obey an order
19 of the commissioner made under this act, each day during which the
20 violation continues shall constitute a separate and distinct offense
21 except during the time an appeal from said order may be taken or is
22 pending.

23 Any sum collected as a penalty pursuant to this section shall be
24 applied toward enforcement and administration costs of the
25 Division of Workplace Standards in the Department of Labor and
26 Workforce Development.

27 A. The Commissioner of Labor and Workforce Development, in
28 his discretion, is hereby authorized and empowered to compromise
29 and settle any claim for a penalty under this section for an amount
30 that appears appropriate and equitable under all of the
31 circumstances.

32 B. Permits to sell, transport, store or use explosives are
33 revocable for cause by the commissioner. In any case where the
34 commissioner revokes a permit, he shall notify the permittee of the
35 revocation and shall provide, upon written request, for a hearing
36 within 10 days of the date of the revocation. Within 30 days from
37 the termination of the hearing, the commissioner shall issue an
38 order approving, disapproving or modifying the revocation. Permits
39 to manufacture are exempt from revocation, but the holders of such
40 permits shall be subject in every other respect to the provisions of
41 this act and the rules and regulations promulgated hereunder.

42 C. The requirements of this act concerning the distances of
43 explosives manufacturing buildings and magazines from each other
44 shall not be construed to apply to permanent buildings or magazines
45 that exist at the time that this act becomes effective and which
46 buildings and magazines have been used under authority of the laws
47 formerly governing the manufacture and storage of explosives.

1 This provision designating such explosives manufacturing buildings
2 and magazines already existing at the effective date of this act as
3 nonconforming uses shall not apply to any explosives
4 manufacturing buildings or magazines constructed subsequent to
5 the passage of this act nor to extensions or additions to such
6 buildings and magazines that are made subsequent to the passage of
7 this act.

8 (cf: P.L.1991, c.205, s.17)

9

10 3. This act shall take effect immediately.

11

12

13

STATEMENT

14

15 This bill increases the fees and penalties for permits under the
16 “Explosives Act” and authorizes the Commissioner of Labor and
17 Workforce Development to implement future increases by
18 regulation. In most cases, the maximum fee amount for each type
19 of permit is doubled. For example, the maximum fee for a permit to
20 manufacture explosives is increased from \$1,000 to \$2,000. The
21 current fee structure has not been revised since 1991, and the
22 current maximum amounts have been charged since 1998.

23 Additionally, the bill increases the maximum penalty amounts
24 for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a
25 first offense, from \$5,000 to \$50,000 for a second offense, and from
26 \$10,000 to \$100,000 for any succeeding offenses.

27 According to the Department of Labor and Workforce
28 Development, the fee increases are necessary to partially support
29 public safety and occupational safety and health program costs.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3943

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 2007

The Assembly Labor Committee reports favorably Assembly Bill No. 3943.

This bill increases the fees and penalties for permits under the “Explosives Act” and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

As reported, the bill is identical to S 2055(1R).

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3943

STATE OF NEW JERSEY

DATED: JUNE 14, 2007

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3943.

The bill increases the fees and penalties for permits under the “Explosives Act” and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation commencing with the second fiscal year following enactment. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

As reported, this bill is identical to Senate Bill No. 2055 (1R), as also reported by the committee.

FISCAL IMPACT:

The OLS notes that the additional revenue resulting from the penalty and fee increases provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. However, the OLS cannot estimate the amount of revenue that would result from the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act,” and of those, the resulting penalty amounts. The amount by which the commissioner may increase the fees for permits to meet program costs in future fiscal years is also unclear. According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

STATEMENT TO
ASSEMBLY, No. 3943

with Assembly Floor Amendments
(Proposed By Assemblyman BURZICHELLI)

ADOPTED: DECEMBER 13, 2007

These amendments leave the maximum penalty for a first violation of the explosive act at its current level of \$5,000, instead of increasing it to \$25,000, as in the unamended bill. The amendments increase the penalties for a second offense from \$5,000 to \$10,000, instead of the \$25,000 penalty in the unamended bill. The amendments increase the penalty for a third and succeeding offense from \$10,000 to \$20,000 instead of the \$100,000 penalty in the unamended bill.

The amendments also delete the provision of the bill which would have authorized the Commissioner of Labor and Workforce Development to make adjustments to the fee schedule in future years without legislative approval.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 3943
STATE OF NEW JERSEY
212th LEGISLATURE

DATED: JULY 9, 2007

SUMMARY

Synopsis: Increases fees and penalties under the "Explosives Act."
Type of Impact: Revenue gain – Division of Workplace Standards
Agencies Affected: Department of Labor and Workforce Development

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Division of Workplace Standards	Indeterminate Increase - See Comments Below		

- This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation.
- The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs of the department. The Office of Legislative Services (OLS) notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards.
- The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear.
- According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

BILL DESCRIPTION

Assembly Bill No. 3943 of 2007 increases the fees and penalties under the “Explosives Act” and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation, commencing with the second fiscal year after its enactment. In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for obtaining a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$25,000 for a first offense, from \$5,000 to \$50,000 for a second offense, and from \$10,000 to \$100,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

This bill increases the fees and penalties under the “Explosives Act” for FY 2007 and authorizes the Commissioner of Labor and Workforce Development to implement future increases by regulation. The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support the public safety and occupational safety and health program costs. The OLS notes that the additional revenue resulting from the increases as provided in the bill may offset future General Fund resources for the Division of Workplace Standards. The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act” provisions, and of those, the penalty amounts resulting from the violations. The amount by which the commissioner may increase the fees for permits to meet program costs after FY 2007 is also unclear. According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

Section: Commerce, Labor and Industry

Analyst: Gregory L. Williams
Lead Research Analyst

Approved: David J. Rosen
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3943

STATE OF NEW JERSEY 212th LEGISLATURE

DATED: JANUARY 14, 2008

SUMMARY

Synopsis: Increases fees and penalties under the "Explosives Act."
Type of Impact: Revenue gain – Division of Workplace Standards
Agencies Affected: Department of Labor and Workforce Development

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Division of Workplace Standards	Indeterminate Increase - See Comments Below		

- This bill increases the fees and penalties under the “Explosives Act” for FY 2007.
- The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support its public safety and occupational safety and health program costs. The Office of Legislative Services (OLS) notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards.
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BILL DESCRIPTION

Assembly Bill No. 3943 (1R) of 2007 increases the fees and penalties under the “Explosives Act.” In most cases, the maximum fee amount for each type of permit is doubled. For example, the maximum fee for obtaining a permit to manufacture explosives is increased from \$1,000 to \$2,000. The current fee structure has not been revised since 1991, and the current maximum amounts have been charged since 1998.

Additionally, the bill increases the maximum penalty amounts for violations of the “Explosives Act,” from \$5,000 to \$10,000 for a second offense and from \$10,000 to \$20,000 for any succeeding offenses.

According to the Department of Labor and Workforce Development, the fee increases are necessary to partially support public safety and occupational safety and health program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

This bill increases the fees and penalties under the “Explosives Act.” The bill increases revenue for the Division of Workplace Standards in the Department of Labor and Workforce Development (department). According to the department, the fee increases are necessary to partially support its public safety and occupational safety and health program costs. The OLS notes that the additional revenue resulting from the increases as provided in the bill *may* offset future General Fund resources for the Division of Workplace Standards. The OLS cannot estimate the amount of revenue resulting from increases in fees and penalties under the bill’s provisions. Specifically, the OLS cannot determine the volume or nature of future violations of the “Explosives Act” provisions, and of those, the penalty amounts resulting from the violations. According to the department, “Explosives Act” permits accounted for \$136,372 and \$137,210 in FY 2005 and FY 2006, respectively. “Explosives Act” penalties accounted for \$80,150 and \$26,650 in FY 2005 and FY 2006, respectively.

Section: Commerce, Labor and Industry

Analyst: Robin C. Ford
Assistant Fiscal Analyst

Approved: David J. Rosen
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C. 52:13B-1 et seq.).