

Testimony of Ku'uhaku Park
On Behalf of Matson Navigation Company, Inc.
Comments on HB35
Before the Committee on Transportation
February 5, 2021

Dear Chair Aquino, Vice Chair Ilagan, and Members of the Committee:

Matson Navigation Company, Inc. ("Matson") respectfully submits comments on HB35, Relating to Fireworks, and respectfully offers amendments. This measure, among other things, requires the Department of Public Safety to establish a shipping container inspection program to search for legal and illegal fireworks.

As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent Hawaii's imported goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling to service our residents and businesses.

Matson respectfully requests this measure be amended to require all container inspections conducted pursuant to this measure to occur at a secure facility away from the ports to allow timely removal of shipping containers and avoid off-loading delays. Matson's operations run twenty-four hours a day, seven days a week and our terminal is at full capacity. Any additional inspection that takes place at our terminal could cause significant delays in offloading and out-gating our cargo. Additional screening must take place outside of our terminals to avoid interference with operations. We also respectfully request that this measure be amended to require inspections be balanced with adverse impacts to the flow of commerce into our State.

This measure does not address the labor issues that arise from conducting cargo inspections occur on our terminals or in the commercial ports. We urge your Committees to ensure it has carefully considered the jurisdictional issues that may arise with private-sector organized labor.

This measure fails to address fireworks that enter the State through other methods beyond commercial shipping containers. All entities involved in moving cargo should be included in the inspection mandate. This could include the United States Postal Service, other mail carriers, airlines, air cargo carriers, recreational boat owners, and the related industry groups.

If your Committee intends to pass this measure, we request the following amendments:

Page 3, line 8 to page 4, line 2 to read: "(b) The shipping container inspection program shall:

- (1) Include the use of explosive-sniffing dogs to inspect incoming shipping containers to the greatest extent reasonable; provided that the explosive-sniffing dogs conduct inspections at a secure site located away from a commercial harbor;
- (2) Prioritize resources toward high risk containers over low risk containers. For purposes of this paragraph; "low risk container" includes shipping containers containing goods to be delivered to the military, state or county agencies, and businesses registered to do business in the State that are in good standing;

- (3) Inspect all shipping containers containing legal fireworks using personnel who are able to distinguish legal fireworks from illegal fireworks; provided that these inspections are conducted at a secure site located away from a commercial harbor;
- (4) Conduct all inspections under this chapter at a secure site located away from a commercial harbor."

Thank you for considering the suggested amendment.

HB-35

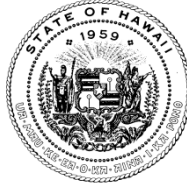
Submitted on: 2/2/2021 9:06:51 PM

Testimony for TRN on 2/5/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Darcey Iwashita	Individual	Support	No

Comments:

I support this bill. Thank you for addressing the persavive problem of illegal fireworks here.



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

Friday, February 5, 2021
10:00 a.m.
State Capitol (Via Videoconference)
Conference Room 423
H.B. 35
RELATING TO FIREWORKS

House Committee on Transportation

The Department of Transportation (DOT) provides **comments** on H.B. 35 that proposes to establish a shipping container inspection program and shipping container inspection program special fund and increases the maximum fine for each violation of the fireworks law.

H.B. 35 establishes a shipping container inspection program to randomly inspect shipping containers arriving in the State for illegal fireworks and explosives, including the use of explosive-sniffing dogs to inspect the containers; create a shipping container inspection program special fund to collect shipping container import; appropriates funds for the shipping container inspection program. It also increases the maximum fine for certain violations of the fireworks law.

The DOT may not have: a) lawful authority to access cargo manifests without probable cause to detain containers involved in inter-state commerce; and b) special funds. In addition, the Counties do not outlaw all fireworks and, therefore, the State is burdened with determining what is legal and illegal fireworks in a container - a canine may not be able to distinguish what is legal and illegal fireworks. This inability to inspect or detect and distinguish legal and illegal fireworks may not be a significant local interest to invoke the State having a significant state interest to overcome the Commerce Clause. Regarding having legal authority regarding this matter, the DOT defers to the Attorney General's Office.

Thank you for the opportunity to provide testimony.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Transportation
Friday, February 5, 2021 at 10:00 A.M.
Via Videoconference**

RE: HB 35, RELATING TO FIREWORKS

Chair Aquino, Vice Chair Ilagan, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **offers comments on HB 35**, which establishes the shipping container inspection program and shipping container inspection program special fund and increases the maximum fine for each violation of the fireworks law. This measure also requires PSD to submit reports to the legislature on implementation of the shipping container inspection program.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Hawaii is heavily reliant on commercial harbors for the importation of good to business and residents. As such, the reliable and timely receipt of goods and transportation of their materials and products across the state is essential to business operation.

The Chamber appreciates the intent of this measure but notes that additional screenings could result in delays of these good and products to their final destinations from commercial harbors, and potential loss of perishable shipments. We need to ensure that any additional inspections are properly implemented to avoid these types of delays and work with our cargo, harbor and inspection partners.

If the Committee intends to pass the measure, we respectfully ask that the consideration be given to encourage inspections away from commercial harbors to allow for timely removal of shipments and avoid off-loading delays. Having additional screenings away from the port would help to avoid any interference with the companies that utilize the ports for their operations.

Thank you for this opportunity to provide testimony.



INTERNATIONAL LONGSHORE & WAREHOUSE UNION
LOCAL OFFICE • 451 ATKINSON DRIVE • HONOLULU, HAWAII 96814 • PHONE 949-4161

HAWAII DIVISION: 100 West Lanikaula Street, Hilo, Hawaii 96720 • **OAHU DIVISION:** 451 Atkinson Drive, Honolulu, Hawaii 96814
MAUI COUNTY DIVISION: 896 Lower Main Street, Wailuku, Hawaii 96793 • **KAUAI DIVISION:** 4154 Hardy Street, Lihue, Hawaii 96766
HAWAII LONGSHORE DIVISION: 451 Atkinson Drive, Honolulu, Hawaii 96814

LOCAL 142

The Thirty-First Legislature
Regular Session of 2021

THE HOUSE

Committee on Transportation

Rep. Henry J.C. Aquino, Chair

Rep. Greggor Ilagan, Vice Chair

State Capitol, Videoconference

Friday, February 5, 2021; 10:00 a.m.

STATEMENT OF THE ILWU LOCAL 142 ON H.B. 35 RELATING TO FIREWORKS.

The ILWU Local 142 **strongly opposes** H.B. 35, which establishes the shipping container inspection program and shipping container inspection program special fund, increases the maximum fine for each violation of the fireworks law, and requires PSD to submit reports to the legislature on implementation of the shipping container inspection program.

The ILWU Local 142 understands the concerns some residents may have with illegal fireworks in their neighborhoods, however, H.B. 35 is not the proper way to address these concerns.

First, we are concerned that the fee added to each container for inspection will be passed on to the consumer resulting in higher prices for residents that are already struggling with a high cost of living. In Hawaii, we have record unemployment and many that are working have seen wage or hour reductions. This is not the time to be raising prices when workers are barely getting by. Grocery costs are already high, and this will only make it worse.

Second, we do not believe the National Guard should be the entity that inspects containers arriving in Hawaii. The jurisdiction on the docks belong to the longshore workers, who unload and load the cargo entering and exiting the state. Longshore workers seem to be vilified for illegal fireworks entering the state, but it needs to be made clear that we do not review the manifests and have no control over what enters the state. Our job is to ensure cargo is safely and efficiently unloaded so businesses can receive their necessary goods in a timely manner.

Our economy relies on the docks operating efficiently and effectively and this will almost certainly cause delays and higher costs for consumers. There needs to be a greater emphasis on the ports where the cargo arrives from rather than our ports.

We recommend deferral of H.B. 35. Thank you for the opportunity to testify.



HB-35

Submitted on: 2/3/2021 11:22:43 AM

Testimony for TRN on 2/5/2021 10:00:00 AM

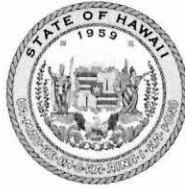
Submitted By	Organization	Testifier Position	Present at Hearing
Charles Prentiss	Individual	Support	No

Comments:

The container inspections are essential to solving the fireworks problem. this action is way overdue.

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

JOANN A. VIDINHAR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
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February 3, 2021

The Honorable Henry Aquino, Chair
Committee on Transportation
House of Representatives
State Capitol, Room 419
Honolulu, Hawaii 96813

Dear Chair Aquino:

Subject: House Bill (HB) 35 Relating to Fireworks

I am Manuel P. Neves, Chair of the Hawaii State Fire Council (SFC) and Fire Chief of the Honolulu Fire Department (HFD). The SFC and the HFD support HB 35, which proposes to establish a shipping container inspection program; create a shipping container inspection program special fund; and increase the maximum fine for certain violations of the fireworks law.

Since the City and County of Honolulu's ban on aerial fireworks, there has been a steady increase in the use of illegal fireworks. The proliferation of illegal aerial fireworks use is evident by viewing numerous video recordings on YouTube of the Oahu skyline on New Year's Eve. It is highly probable that fireworks are making its way into the state via shipping containers. Thus, it is envisioned the establishment of a shipping container inspection program will decrease the amount of illegal fireworks being shipped into the state.

While fireworks injuries occur primarily to children, an adult male who lived on Kauai succumbed to fatal injuries sustained from a fireworks explosion on December 31, 2020. Hawaii news media reports at least seven others, including juveniles, were injured from fireworks misuse on New Year's Eve 2020. The elimination or reduction of illegal fireworks would reduce the number of emergency response calls due to fires and injuries, thereby allowing fire, police, and emergency medical services to be available for other important emergency

The Honorable Henry Aquino, Chair
Page 2
February 3, 2021

incidents. We also believe the inspection of shipping containers will help reduce the number of fires and injuries related to their usage.

The report of the illegal fireworks task force to the legislature for the 2011 Regular Session, which was prepared in accordance with Act 170, Session Laws of Hawaii 2010, recommended giving county and state agencies the authority to inspect cargo containers at the harbors and other areas where cargo is unloaded. The SFC believes that HB 35 will have a substantial positive impact to address the illegal importation of fireworks.

The SFC and the HFD urge your committee's support on the passage of HB 35.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at 723-7176 or lrogers@honolulu.gov.

Sincerely,



MANUEL P. NEVES
Chair

MPN/GL:cs



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiiifood.com

Executive Officers

Joe Carter, Coca-Cola Bottling of Hawaii, *Chair*
Charlie Gustafson, Tamura Super Market, *Vice Chair*
Eddie Asato, The Pint Size Corp., *Secretary/Treas.*
Lauren Zirbel, HFIA, *Executive Director*
John Schlif, Rainbow Sales and Marketing, *Advisor*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Beau Oshiro, C&S Wholesale Grocers, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*

TO:

Committee on Transportation
Rep. Henry J.C. Aquino, Chair
Rep. Greggor Ilagan, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 5, 2021
TIME: 10am
PLACE: Via Videoconference

RE: HB35 Relating to Fireworks

Position: Comments with Requested Amendments

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

The vast majority of the food we eat, and other essential items and consumers goods pass through our harbors. As written this measure could have the unintended consequence of impeding the movement of goods into the state. Mandating inspections at the harbor will interrupt the movement and flow of goods through the harbors and make it harder for shipping companies to get them to customers in a timely fashion.

In order to avoid this problem we ask that this measure be amended to require all container inspections conducted pursuant to this measure to occur at a secure facility away from the ports to allow timely removal of shipping containers and avoid off-loading delays. The shipping companies that serve our state operate twenty-four hours a day, seven days a week, frequently with terminals at full capacity. Any additional inspection that takes place at the terminals could cause significant delays in offloading and out-gating cargo. Additional screening should take place outside of our terminals to avoid interference with operations.

Specifically, we ask that the measure be amended as follows:

- Page 3, line 8 to page 4, line 2 to read: “(b) The shipping container inspection program shall:
- (1) Include the use of explosive-sniffing dogs to inspect incoming shipping containers to the greatest extent reasonable; **provided that the explosive-sniffing dogs conduct inspections at a secure site located away from a commercial harbor;**
 - (2) Prioritize resources toward high risk containers over low risk containers. For purposes of this paragraph: “low risk container” includes shipping containers containing goods to be delivered to the military, state or county agencies, and businesses registered to do business in the State that are in good standing;
 - (3) Inspect all shipping containers containing legal fireworks using personnel who are able to distinguish legal fireworks from illegal fireworks; **provided that these inspections are conducted at a secure site located away from a commercial harbor;**
 - (4) **Conduct all inspections under this chapter at a secure site located away from a commercial harbor.”**

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON TRANSPORTATION
ON
HOUSE BILL NO. 35

February 5, 2021
10:00 a.m.
Via Videoconference

RELATING TO FIREWORKS

The Department of Budget and Finance (B&F) offers comments on House Bill (H.B.) No. 35.

H.B. No. 35 amends Chapter 266, HRS, by: establishing the Shipping Container Inspection Program (SCIP) to address the illegal importation and use of fireworks in the State; creating the SCIP Special Fund (SCIPSF) within the State Treasury to collect shipping container import fees assessed by the Department of Transportation (DOT) and appropriating funds for the SCIP; increasing the maximum fine for each violation of the fireworks law; and requiring the Department of Public Safety (PSD) to submit reports to the Legislature on implementation of the SCIP. This bill also appropriates an unspecified amount out of the SCIPSF to PSD for FY 22 and FY 23 to establish and administer the SCIP, including the purchase, care, and handling of at least two explosive-sniffing dogs.

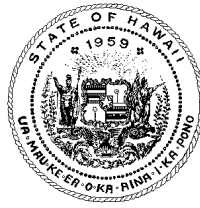
As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an

explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

Regarding H.B. No. 35, it is difficult to determine whether the SCIPSF would be self-sustaining and able to generate sufficient revenues to satisfy the program costs. It is also unclear if the program is intended for implementation statewide or only on O'ahu. Section 2 of the bill references the development and implementation of a program to randomly inspect shipping containers arriving in "Honolulu"; however, Section 2(c) references that DOT shall assess fees for shipping containers arriving in the "State." PSD and DOT may also have limited expertise and training on identifying and distinguishing containers of concern from containers carrying illegal fireworks. Further, there are concerns on how PSD will conduct its inspections on shipping containers considering that DOT has jurisdictional authority on harbors and ports.

Thank you for your consideration of our comments.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY

919 Ala Moana Boulevard, 4th Floor
Honolulu, Hawaii 96814

MAX N. OTANI
DIRECTOR

Maria C. Cook
Deputy Director
Administration

Tommy Johnson
Deputy Director
Corrections

Jordan Lowe
Deputy Director
Law Enforcement

No. _____

**TESTIMONY ON HOUSE BILL 35
RELATING TO FIREWORKS.**

By
Max N. Otani, Director

House Committee on Transportation
Representative Henry J.C. Aquino, Chair
Representative Greggor Ilagan, Vice Chair

Friday, February 5, 2021; 10:00 a.m.
Via Video Conference

Chair Aquino, Vice Chair Ilagan, and Members of the Committees:

The Department of Public Safety (PSD) offers comments on House Bill (HB) 35, which would establish a shipping container inspection program and a related special fund to receive Legislative appropriations; gifts, donations, and grants from public agencies and private individuals; and all proceeds collected by the Department of Transportation (DOT) from shipping container import fees; for the purposes of supporting and administering the shipping container inspection program. The bill would also increase the upper limit of the penalty for violations of section 132D-14, HRS from \$2,000 to \$5,000 and authorize PSD to request funding from the federal government for homeland security and port security measures and work with the military to secure other funding sources for program purposes.

PSD supports the implementation of a shipping container program to disrupt the flow of illegal fireworks into the State of Hawaii, but has two major concerns:

- 1) To establish a viable inspection program, PSD will require authorization to hire and train five law enforcement officers (LEO) in the detection,

safe handling, and disposal of explosive materials. These LEOs must also receive training in the recognition and classification of consumer fireworks (Department of Transportation [DOT] Classification 1.4) and display fireworks (DOT classification 1.3).

- 2) PSD must be given authorization to review domestic and foreign shipping manifests to narrow the scope of shipping containers to be inspected. In addition to National Guard assets, PSD would coordinate with the U.S. Coast Guard Service, the federal Consumer Product Safety Commission, and the DOT Harbors Division.

Finally, the Department estimates that appropriations of approximately \$750,000 per year must be allocated to PSD for the effective detection, safe storage and disposal of illegal fireworks and respectfully requests that these sums be inserted into this measure.

Thank you for the opportunity to provide this testimony.



**WRITTEN TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2021**

ON THE FOLLOWING MEASURE:

H.B. NO. 35, RELATING TO FIREWORKS.

BEFORE THE:

HOUSE COMMITTEE ON TRANSPORTATION

DATE: Friday, February 5, 2021

TIME: 10:00 a.m.

LOCATION: State Capitol, Via Videoconference

TESTIFIER(S): **WRITTEN TESTIMONY ONLY.**

(For more information, contact Laura Maeshiro,
Deputy Attorney General, at 586-3947)

Chair Aquino and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill.

The bill proposes to address the problem of illegal importation and use of fireworks by creating a shipping container inspection program to randomly inspect shipping containers arriving in the State for illegal fireworks and explosives, including the use of explosive-sniffing dogs to inspect the containers. The program would require the Department of Public Safety to develop the program in collaboration with agencies involved with shipping cargo into the State, adopt rules in accordance with chapter 91, Hawaii Revised Statutes, and to implement the program no later than October 1, 2021. The bill also would create a shipping container inspection program special fund, make an appropriation from that fund for fiscal year 2022-2023, and increase the maximum fine for certain fireworks violations.

Page 4, lines 1-2, of the bill proposes to require the program to “[b]alance safety concerns with commercial interests to avoid increases in consumer costs.” The provision appears to be too vague to be implemented or enforced. We recommend clarifying this requirement by specifying which safety concerns and commercial interests should be balanced in administering the program.

Thank you for the opportunity to provide these comments.

LATE

HB-35

Submitted on: 2/4/2021 10:04:08 AM

Testimony for TRN on 2/5/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kai Lucas	Individual	Support	No

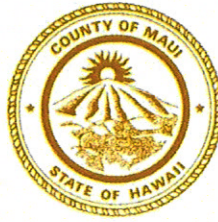
Comments:

Additional enforcement of existing laws controlling fireworks through HB35 will help restore public confidence in the legislative process and the policing authorities AS WELL as improving public safety and welfare.

MICHAEL P. VICTORINO
Mayor

DAVID C. THYNE
Fire Chief

BRADFORD K. VENTURA
Deputy Fire Chief



DEPARTMENT OF FIRE & PUBLIC SAFETY
COUNTY OF MAUI
200 DAIRY ROAD
KAHULUI, HI 96732

February 3, 2021

The Honorable Henry Aquino, Chair
Committee on Transportation
House of Representatives
State Capitol, Room 419
Honolulu, Hawaii 96813

Dear Chair Aquino:

Subject: House Bill (HB) 35 Relating to Fireworks

I am David C. Thyne, member of the Hawaii State Fire Council (SFC) and Fire Chief of the Maui Fire Department (MFD). The SFC and the MFD support HB 35, which proposes to establish a shipping container inspection program; creates a shipping container inspection program special fund; and increases the maximum fine for certain violations of the fireworks law.

Since the City and County of Honolulu ban on aerial fireworks, there has been a steady increase in the use of illegal fireworks. The proliferation of illegal aerial fireworks use is evident by viewing numerous video recordings on YouTube of the Oahu skyline on New Year's Eve. It is highly probable that fireworks are making its way into the state via shipping containers. Thus, it is envisioned establishment of a shipping container inspection program will decrease the amount of illegal fireworks being shipped into the state.

While fireworks injuries occur primarily to children, an adult male who lived on Kauai succumbed to fatal injuries sustained from a fireworks explosion on December 31, 2020. Hawaii news media reports at least seven others, including juveniles, were injured from fireworks misuse on New Year's Eve 2020. The elimination or reduction of illegal fireworks would reduce the number of emergency response calls due to fires and injuries, thereby allowing fire, police, and emergency medical services to be available for other important emergency incidents. We also believe the inspection of shipping containers will help reduce the number of fires and injuries related to their usage.

The Honorable Henry Aquino, Chair

Page 2

February 3, 2021

The report of the illegal fireworks task force to the legislature for the 2011 Regular Session, which was prepared in accordance with Act 170, Session Laws of Hawaii 2010, recommended giving county and state agencies the authority to inspect cargo containers at the harbors and other areas where cargo is unloaded. The SFC believes that HB 35 will have a substantial positive impact to address the illegal importation of fireworks.

The SFC and the MFD urge your committee's support on the passage of HB 35.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at (808) 723-7176 or lrogers@honolulu.gov.

Sincerely,



DAVID C. THYNE
Fire Chief



LATE

TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 5, 2021

Re: HB 35 Relating to Fireworks
HB 528 Relating to Fireworks

Good morning Chair Aquino and members of the House Committee on Transportation. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains and everyone in between.

While we recognize the intent of the bill to curtail illegal fireworks coming into our State, RMH is **OPPOSED to HB 35 Relating to Fireworks and HB 528 Relating to Fireworks**. HB 35 establishes the shipping container inspection program and shipping container inspection program special fund; increases the maximum fine for each violation of the fireworks law; and requires PSD to submit reports to the legislature on implementation of the shipping container inspection program. HB 528 authorizes counties to use fireworks license fee revenue to offset costs related to inspecting shipped containers of aerial devices when they are opened.

RMH is concerned about the timing of receiving goods from the docks if every single shipping container has to be inspected that is not being delivered to the military, state or county agencies, and businesses registered to do business in the State. Instead of waiting a few days, would we have to wait weeks or months for ALL the containers to be inspected. This would prolong retailers from receiving their merchandise. Currently retailers are already struggling to get their merchandise. Manufacturers were also closed down due to the pandemic and thus slowing production of goods. Shipping schedules have been reduced. And let's not forget some foods and beverage items shipped have an expiration date and cannot be sitting on a dock waiting for inspection for too long.

We also wonder how the state will be paying to set up and maintain this new program, especially when the state deficit is in the billions of dollars. Are the inspector trained to determine the legal fireworks from the illegal variety? Will the containers be inspected in a secure site. We want to be sure that our goods are not compromised.

This process needs to be fully vetted as there are a lot of moving parts that affect more than just opening a container up and inspecting the contents.

Mahalo again for this opportunity to testify.

LATE

HB-35

Submitted on: 2/4/2021 11:50:43 PM
Testimony for TRN on 2/5/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Tangonan	International Longshore and Warehouse Union Local 142, Unit 4201-1	Oppose	No

Comments:

Aloha Chair Aquino, Vice Chair Ilagan and Members of the Transportation Committee,

The International Longshore and Warehouse Union Local 142, Unit 4201-1 (ILWU Unit 4201-1) is testifying in strong OPPOSITION to HB 35, Relating to Fireworks.

The ILWU Unit 4201-1 is a union consisting of hard working men and women who work on Oahu's container terminals and ports.

This measure would be severely detrimental to commerce, for our State economy, and for our businesses and residents alike. With approximately 1500-2000 containers moving through Honolulu terminals daily, this proposed inspection program, consisting of state, federal and private agencies would delay transportation of products from the port to the shelves, and coupled with additional container fees, will inevitably increase costs for all products across the board. There is absolutely no way every container that comes into the islands can be inspected without drastically affecting our local economy.

Container inspection programs have been established in Hawaii's homeland security program for over two decades, continuing to present day. The United States Customs and Border Protection agency (Customs) already inspects over 300 containers weekly at Honolulu's container terminals for fireworks, illegal drugs and other various contraband. Currently, containers are chosen for inspection randomly by Customs inspectors through manifests provided by the container shipping companies. Customs determines which containers will be inspected from the provided list.

Hawaii residents are already struggling with the high cost of living in Hawaii and the

financial
impacts and hardships due to covid-19. The state and our residents simply cannot
afford the
unintended consequences of an additional container inspection program.
The ILWU Unit 4201-1 OPPOSE the passage of HB 35 and would like to thank your
committee for the opportunity to testify.