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KE KIA'ĀINA



JORDAN LOWE
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STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LAW ENFORCEMENT
Ka 'Oihana Ho'okō Kānāwai
715 South King Street
Honolulu, Hawai'i 96813

JARED K. REDULLA
Deputy Director
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No. 2025-0003

January 3, 2025

The Honorable Ronald D. Kouchi
President and Members of the Senate
Thirty-Third Legislature
State Capitol, Room 409

The Honorable Nadine K. Nakamura
Speaker and Members of the House of
Thirty-Third Legislature
State Capitol, Room 431

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Department of Law Enforcement (DLE)'s Annual Report on the activities of the statewide Illegal Fireworks Task Force to the 2025 Legislature. In accordance with Section 93-16, Hawaii Revised Statutes, this report will be posted on DLE's website for ease of public viewing once the DLE's website's design is completed and activated on the internet.

Sincerely,

A handwritten signature in blue ink that reads "Jordan Lowe".

Jordan Lowe
Director



DEPARTMENT OF LAW ENFORCEMENT
REPORT TO THE 2025 LEGISLATURE

ILLEGAL FIREWORKS TASK FORCE

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REPORT TO THE 2025 LEGISLATURE

ILLEGAL FIREWORKS TASK FORCE

INTRODUCTION

On June 7, 2023, Governor Green signed Act 67, Relating to Fireworks into law. Act 67 has many purposes including:

- a. The establishment of an illegal fireworks task force to plan, coordinate, and engage in law enforcement operations to interdict illegal fireworks;
- b. Develop a comprehensive strategic plan to stop the importation of illegal fireworks and explosives into Hawaii;
- c. Promote compliance with the state fireworks control laws; and
- d. Ensure the safety and security of the airports, harbors, and other facilities and institutions in the State against the discharge of illegal fireworks and explosives.

This report hereafter outlines the activities of the Statewide Fireworks Task Force (hereinafter referred to as the "IFTF") during calendar year 2024.

LEGISLATIVE

On July 5, 2024, Governor Green signed Act 208 of the 2024 Legislative Session into law. Act 208 significantly strengthened the state's fireworks control law by:

- a. Authorizing law enforcement and fire officers to enter and inspect any licensee's or permittee's premises, under certain conditions, to verify compliance with the State's Fireworks Control Law.
- b. Establishing procedures for the Department of Law Enforcement to conduct administrative inspections of controlled premises.
- c. Requiring certain licensees and permittees to keep records and maintain inventories.
- d. Requiring licensees and permittees to report any stolen fireworks or articles pyrotechnic.
- e. Authorizing a law enforcement agency or county fire department to safely dispose of confiscated fireworks and articles pyrotechnic.

- f. Requiring violators to be held liable for storage and disposal costs. Specifying that each type of prohibited firework constitutes a separate violation.
- g. Authorizing the Department of Law Enforcement, in addition to the counties, to enforce the Fireworks Control Law

Significant Uses of IFTF Funding:

In 2024, the IFTF used task force funding to support training, investigative operations, logistics, and transportation for task force personnel.

In the Spring of 2024, IFTF personnel traveled to Missouri for fireworks manufacturing training through a recognized university expert. The training was designed to provide personnel with knowledge of fireworks safety, fireworks components, fireworks ingredients, and fireworks manufacturing processes. The training was necessary to ensure that task force personnel understood industry safety practices and could competently testify in court on fireworks matters.

INVESTIGATIVE AND ENFORCEMENT ACTIVITIES

In the later half of calendar year 2023, the IFTF began conducting intensive criminal investigative operations including:

- a. Intelligence collection and analysis.
- b. Criminal surveillance.
- c. Interdiction; and
- d. Covert operations.

The IFTF has been concentrating its enforcement efforts in three areas:

- 1. Interrupting the Supply Chain and Interdicting Shipments
- 2. Disruption of Distribution Networks, and
- 3. Reducing Ultimate-User Demand

Interrupting the Supply Chain and Interdicting Shipments:

From early December 2023 through early January 2024, the IFTF seized approximately 187,000 pounds of illegal fireworks, including mostly aerial fireworks, that were contained in intermodal shipping containers at Honolulu Harbor. Those containers were discovered during routine tariff inspections.

The discovery of those containers has resulted in criminal investigations that are currently ongoing and no further information may be released at this time.

Additionally, during 2024, IFTF personnel seized an additional 40,000 pounds of illegal fireworks from the community during ongoing interdiction efforts. The ongoing interdiction efforts continue with efforts focusing on ports of entry and both the United States and private mail distribution systems.

Disruption of Distribution Networks:

In addition, to the investigation of the shipping containers, the IFTF also worked with Honolulu Police to conduct undercover investigations aimed at the illegal fireworks distribution networks. As a result of those joint investigations with Honolulu Police, two Oahu men were indicted by an Oahu grand jury and formally charged with felony illegal distribution of aerial fireworks to undercover officers posing as buyers. In late 2024, both individuals pled "No Contest" and their sentencing will be in the Spring of 2025.

Reducing Ultimate-User Demand:

In addition to supply chain interruption and disruption of distribution networks, the IFTF also targeted the ultimate users of the illegal fireworks (i.e., the consumers). From July 4, 2024, IFTF personnel conducted covert operations on Oahu that resulted in issuance of twenty (20) criminal citations to ultimate users (six on Independence Day and fourteen during the 2024 holiday season). As of this writing, two (2) individuals cited during the Independence Day holiday have taken pleas to resolve their cases in the District Court.

WHAT WE KNOW ABOUT ILLEGAL FIREWORKS THUS FAR

There are several things known to the IFTF thus far that pertain to the illegal fireworks problem in Hawaii. First, illegal fireworks are being smuggled into Hawaii year-round and like other forms of contraband, fireworks are likely being smuggled into Hawaii daily. This is evident by the frequency which the IFTF continues to seize illegal fireworks, the sheer amounts that have been seized, and the wide use of shipping, air transport and mail channels used to distribute goods in Hawaii. Consequently, if law enforcement is to make any progress toward confronting the illegal fireworks problem, there must be a well-funded, well-staffed, and sustained effort to address illegal fireworks by interdiction at points of entry in Hawaii.

Second, the IFTF knows that the flourishing fireworks black market in Hawaii is founded upon well-established networks and organizations in the Hawaii underground. Thus, any law enforcement efforts to confront fireworks in earnest must be designed to disrupt and dismantle these underground trafficking networks and organizations. Moreover, street sources have advised that the return on investment for those who smuggle illegal fireworks into Hawaii is a rate of five to one (5 to 1). Thus, the typical smuggling organization must purchase a shipping container of fireworks for approximately two-hundred thousand dollars (\$200,000) at wholesale. After that same container arrives in Hawaii, the container's street value is about one million dollars (\$1,000,000). Consequently, the illicit fireworks marketplace is an alluring

attraction for those looking to make money illegally. As well, during the 2023 holiday season, the IFTF noted that street prices for illegal fireworks were already astronomically high. Now, the DLE has learned that street prices are aimed to be even higher during the 2024 holiday season because there is “heat” from law enforcement in the marketplace, and risk of loss of investment; especially considering the previous bulk seizures of shipping containers where local investors lost their investments entirely. To this point, the IFTF hopes to price offenders out of the marketplace.

Third, the DLE knows that the black market for fireworks consists not only of those looking to use fireworks during the holidays, but rather, the black market consists of a well-established underground of people who regularly use illegal fireworks for general mayhem, wedding events, and other celebrations. As well, there are also underground groups in Hawaii who detonate illegal fireworks as part of counterculture or counter-establishment ideals and their exploits are well documented on social media. Thus, the IFTF’s strong belief that fireworks smuggling is a year-round phenomenon.

Fourth, to counter the allure of the illicit market in Hawaii, long-term and comprehensive investigations must be completed. Those investigations must aim to not only interdict illegal fireworks, but also identify, investigate, and prosecute kingpins, conspirators, and their associated criminal finances and assets. Most importantly, the IFTF knows that any earnest effort to counter illegal fireworks can only be done with a dedicated criminal investigative unit with sustained staffing and funding. The regularity with which illegal fireworks have already been seized indicates that fireworks traffickers are frequently distributing fireworks into Hawaii; and with little thought of being caught. Consequently, the DLE and the IFTF urge the Legislature to consider the creation of a full-time criminal investigation unit within the DLE with funding, staffing, and equipment to confront the fireworks problem on a year-round, daily, and permanent basis. While the task force concept mandated in Act 67 has been highly successful thus far, participation in the task force is part-time and members have a primary job they must do in addition to task force work. Currently, the DLE is using state narcotics investigators to do much of the task force’s daily work. Narcotics investigators are being used because the same techniques to interdict illegal drugs are being used to interdict illegal fireworks. DLE believes that while successful in the short term, the task force concept in the long term is not sustainable. Those narcotics investigators and other task force members have daily narcotics investigations as well and long-term fireworks investigations are a distraction from that work. Only a full-time approach can bring the necessary cultural changes necessary to confront the fireworks problem at-large in Hawaii. The IFTF notes that cultural change takes a long time and the effort to strengthen fireworks enforcement must be sustained over that time to be meaningful. Thus, the DLE urges the legislature to consider the creation of a full-time fireworks control unit comprised of criminal investigators within the DLE.

EVALUATION:

The DLE has reviewed and evaluated the IFTF's activities based on the goals set out in Act 67 (2023). Based on those goals, the DLE's evaluation is as follows:

- a. The establishment of an illegal fireworks task force to plan, coordinate, and engage in law enforcement operations to interdict illegal fireworks;

Since the Fall of 2023, DLE established an operating interagency task force that has been interdicting illegal fireworks. The IFTF has already interdicted large quantities of illegal fireworks. Two (2) individuals have pled "No Contest" to felony indictments and (20) twenty others were issued misdemeanor citations for district court.

- b. Develop a comprehensive strategic plan to stop the importation of illegal fireworks and explosives into Hawaii;

The DLE needs to begin work on a comprehensive plan in earnest. The significant work of building and then operating the IFTF has taken significant time. The IFTF will continue to make significant progress in this area in 2025.

- c. Promote compliance with the state fireworks control laws;

DLE is optimistic that based on the significant publicity surrounding the large seizures of illegal fireworks and the charging of individuals for illegal distribution and use, the community will begin to understand the dangers of fireworks and begin to comply with the illegal fireworks laws. Street talk indicates that the criminal element is aware of the potential risks of loss of investment and being arrested. Therefore, the DLE believes that a sustained effort, like the work of the IFTF, might begin to reduce demand for illegal fireworks.

- d. Ensure the safety and security of the airports, harbors, and other facilities and institutions in the State against the discharge of illegal fireworks and explosives.

The IFTF's efforts has created systems that have increased awareness and surveillance amongst Hawaii's ports of entry and mail distribution systems. However, a sustained full-time effort is needed to continue to strengthen those systems and to avoid loss of the positive traction that is being built.

THE FUTURE

In the future, the DLE will be working with the county fire departments to create a unified electronic fireworks permitting system. Currently, each county fire department has their own internal system for tracking lawful fireworks permitting for those in industry and for ultimate users. Through discussion with the State Fire Council, the DLE learned that there was unanimous support for a unified electronic permitting system for all the counties to use. Consequently, the DLE will be taking on the project with the goal of supporting greater efficiency and information sharing using a single system. Moreover, the foundation of the

IFTF's illegal fireworks investigations is that the criminals involved are not lawfully permitted to conduct their activities. Thus, a unified electronic permitting system would strongly support IFTF criminal investigations.

Additionally, the DLE is also looking to create a statewide explosives and fireworks laboratory to complement its existing forensic drug testing laboratory. Like illegal drugs, every criminal prosecution of illegal fireworks currently requires forensic evidence testing to confirm fireworks and explosive composition. However, in Hawaii, there is only one forensic laboratory that can test fireworks composition (i.e., the HPD Lab). Consequently, while HPD has generously assisted the IFTF, for efficiency, having a state lab makes good sense. Estimates are that it would cost about 2 million dollars (\$2,000,000) to create and staff a new firearms and explosives laboratory within the DLE. This lab is necessary to alleviate the considerable workload of the HPD laboratory if additional criminal fireworks cases are made.

The DLE is also requesting that the Legislature fund an Explosives Enforcement Section within DLE consisting of six investigators and some support staff. This request is necessary because a full-time enforcement unit, not a task force with collateral duties, is necessary to confront the regularity of illegal fireworks smuggling in Hawaii.

CONCLUSION

In 2024, IFTF investigations have produced two felony convictions, two misdemeanor resolutions in district court, and other citations issued. Additionally, as of this writing, including the 2024 holiday season, over 40,000 pounds of illegal fireworks have been seized in 2024, and task force officers issued (20) twenty citations (six on Independence Day and fourteen during the 2024 holiday season). Moreover, there are ongoing criminal investigations. As investigations are ongoing, specific details on those investigations, as well as discussions over tactics, techniques, and procedures would frustrate legitimate government interests. Members of the Legislature who have questions are respectfully requested to contact the DLE Director's Office.