STAND. COM. REP. NO. **9-10** -24

Honolulu, Hawaii

FEB 16

, 2024

RE: H.B. No. 2176 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2176, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ARTIFICIAL INTELLIGENCE,"

begs leave to report as follows:

The purpose of this measure is to establish an Artificial Intelligence Working Group to develop acceptable use policies and guidelines for the regulation, development, deployment, and use of artificial technologies in the State.

Your Committee received testimony in support of this measure from the Office of Enterprise Technology Services. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Human Services; and Maui Chamber of Commerce.

Your Committee finds that artificial intelligence holds extraordinary potential for promise as well as peril. Responsible artificial intelligence use has the potential to help solve urgent challenges while making the State more prosperous, productive, innovative, and secure. At the same time, irresponsible use could exacerbate societal harms, such as fraud, discrimination, bias, and disinformation; displace and disempower workers; stifle competition; and pose risks to security. This measure convenes a working group to examine this emerging technology to develop

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acceptable use policies and guidelines for the regulation, development, deployment, and use of artificial intelligence in the State.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2176, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

MRV M. NAKASHIMA, Chair

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Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HBZIF6 HDI	Committee Referral: HET, CPC, FIN	Date: 02-13-24		
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)				
1				
2. SAYAMA, Jackson D. (VC)				
3. AMATO, Terez				
4. BELATTI, Della Au				
5. HASHEM, Mark J.			ir - Earn	
J. HASHEN, Walk J.			12487411	
6. HUSSEY-BURDICK, Natalia				ALL THE PROPERTY OF THE PROPER
		W. C. Barrie		
7. GATES, Cedric Asuega				
TO THE SECOND	Complete of the second			
8. LOWEN, Nicole E.				
				AND THE RESERVE OF THE PERSON
9. ONISHI, Richard H.K.				
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10. TAM, Adrian K.			73	
11. PIERICK, Elijah		10 17 No. 18 11 11 11 11 11 11 11 11 11 11 11 11		
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TOTAL (11)	8			3
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				