STAND. COM. REP. NO. 1207

Honolulu, Hawaii

MAR 2 0 2025

RE: H.B. No. 546

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committees on Higher Education and Labor and Technology, to which was referred H.B. No. 546, H.D. 1, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to establish and appropriate funds for the Aloha Intelligence Institute within the University of Hawaii to develop, support, and advance artificial intelligence initiatives statewide.

Your Committees received testimony in support of this measure from the University of Hawaii System, University of Hawaii Professional Assembly, Ohana Unity Parity, and three individuals.

Your Committees find that the unprecedented evolution of artificial intelligence (AI) is rapidly revolutionizing most technologies and their impacts on daily life. Economies, societies, and regulations must develop parallel to this technology to capitalize on its advantages and minimize negative consequences. An institute dedicated to cultivating a unified approach for AI insertion will serve the State's interests by utilizing existing capacity to develop best practices and policy guidelines. This measure formalizes and integrates the efforts, expertise, activities, and approaches across the University of

Hawaii's ten campuses to create one resource for the State to encourage economic development through AI use.

Your Committees have amended this measure by:

- (1) Specifying that aside from any general funding from the Legislature, the Aloha Intelligence Institute may seek additional funding through federal research grants, partnerships with private sector organizations, and philanthropic contributions;
- (2) Deleting language that would have appropriated funds for the establishment of faculty of practice and administrative professional technical positions within the Aloha Intelligence Institute and for the development, support, and advancement of artificial intelligence initiatives statewide; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Labor and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 546, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 546, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Higher Education and Labor and Technology,

Sman Mercalo Ki_

HENRY J.C. AQU'NO, Chair

DONNA MERCADO KIM, Chair

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The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*	Committee Referral:			Date:					
HB 546 HD1	HRE/LBT, WAM			3/18/2025					
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:									
The Recommendation is: Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (W	R)	Nay	Excused			
KIM, Donna Mercado (C)									
KIDANI, Michelle N. (VC)		V							
FUKUNAGA, Carol						V			
HASHIMOTO, Troy N.		V							
FEVELLA, Kurt									
	. 								
TOTAL		4							
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature: Shuible A. Ludeni									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

*Only one measure per Record of Votes

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Labor and Technology LBT

Bill / Resolution No.:*	Committee Referral:			Date:					
HB646, HD1	HRE/LBT, WAM 3/10/25								
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR	R) Nay	Excused				
AQUINO, Henry J.C. (C)		×							
LEE, Chris (VC)		× × ×							
IHARA, Jr., Les		K			1111				
MORIWAKI, Sharon Y.		×							
FEVELLA, Kurt		κ_							
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TOTAL		5							
Recommendation: Adopted			Not Adopted						
Chair's or Designee's Signature:									
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*Only one measure per Record of Votes