Honolulu, Hawaii

FEB 0 5 , 2024

RE: H.B. No. 2176 H.D. 1

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

Sir:

Your Committee on Higher Education & Technology, to which was referred H.B. No. 2176 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish the Office of Artificial Intelligence Safety and Regulation to regulate the development, deployment, and use of artificial intelligence technologies in the State.

Your Committee received testimony in support of this measure from three individuals. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs; Office of Enterprise Technology Services; State Farm Mutual Automobile Insurance Company; and Chamber of Progress. Your Committee received comments on this measure from the Department of Human Services; Department of the Attorney General; TechNet; and one individual.

Your Committee finds that the rapid evolution and technical intricacies of artificial intelligence technologies makes regulation and oversight difficult to project and accomplish. Your Committee further finds that establishing an Office of Artificial Intelligence Safety and Regulation may be premature at this time, but that the issue should be further examined.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have established an Office of Artificial Intelligence Safety and Regulation;
- (2) Establishing 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;
- (3) Changing the purpose of the appropriation to be for the Artificial Intelligence Working Group;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$100,000 for fiscal year 2024-2025.

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

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Respectfully submitted on behalf of the members of the Committee on Higher Education & Technology,

AMY A. PERRISO, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 29-24

Record of Votes of the Committee on Higher Education & Technology

Bill/Resolution No.:	Committee Referral:		Date:		
HB 2176	HET, CPC, FIN		1/3/124		
☐ 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)					
HET Members		Ayes	Ayes (WR)	Nays	Excused
1. PERRUSO, Amy A. (C	C)				
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2. KAPELA, Jeanne (VC).	V			
3. LA CHICA, Trish	The second secon	1		10.210.00 (10.21	CHICAGO A CANADA CANADA
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4. MARTEN, Lisa		V		,	
5. MARTINEZ, Rose					
6. MATAYOSHI, Scot Z.					MOONPHON AK
7. MIZUNO, May Besario		<u> </u>	Second on the second of the se		
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8. QUINLAN, Sean	100 Maria 1		Section (Section (Sec		
9. TODD, Chris		14.2	ZZNODOWANIO CO PERSONAL PROPERTY.		
10 WOODGON K 41 H					
10. WOODSON, Justin H.	Transference				
11 CARCIA Diamond	eller Sand Fjar in				
11. GARCIA, Diamond					
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TOTAL (1	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					