

STAND. COM. REP. NO. 1207

Honolulu, Hawaii

MAR 20 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 Hawai'i 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,


HENRY J. C. AQUINO, Chair


DONNA MERCADO KIM, Chair



