

# A BILL FOR AN ACT

## RELATING TO ARTIFICIAL INTELLIGENCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. The Hawaii Revised Statutes is amended by  
2 adding a new chapter to be appropriately designated and to read  
3 as follows:

## "CHAPTER

## ARTIFICIAL INTELLIGENCE

6        § -1 **Definitions.** As used in this chapter:

7 "Algorithmic decision system" means any machine-based  
8 system or computational process that uses statistical modeling,  
9 data analytics, artificial intelligence, or machine learning to  
10 generate a simplified output, including scores, classifications,  
11 or recommendations, or is capable, for a given set of human-  
12 defined objectives, of making predictions or recommendations and  
13 is used to assist, inform, or replace human decision-making.

14 "Algorithmic decision system" does not include the following:

15 (1) Databases, spreadsheets, or other tools that merely  
16 organize data already in the possession of the human  
17 user of the system;



- 1 (2) Junk email filters;
- 2 (3) Firewalls;
- 3 (4) Anti-virus software;
- 4 (5) Calculators;
- 5 (6) Spell-checking;
- 6 (7) Anti-malware;
- 7 (8) Artificial-intelligence-enabled video games;
- 8 (9) Cybersecurity;
- 9 (10) Data storage;
- 10 (11) Internet domain registration;
- 11 (12) Internet website loading;
- 12 (13) Networking;
- 13 (14) Spam call and robocall filtering;
- 14 (15) Web caching;
- 15 (16) Web hosting or similar technology; or
- 16 (17) Technologies that are solely used to order office
- 17 supplies, schedule meetings, automate inventory
- 18 tracking, or perform, assist, or administer similar
- 19 ministerial administrative support functions.
- 20 "Biometric identifier" means data generated by the
- 21 technological processing, measurement, or analysis of an



1 individual's biological, physical, or behavioral  
2 characteristics, which data can be processed for the purpose of  
3 uniquely identifying the individual. "Biometric identifier"  
4 includes:

5 (1) A fingerprint;  
6 (2) A voiceprint;  
7 (3) A scan or record of an eye retina or iris;  
8 (4) A facial map, facial geometry, or facial template; or  
9 (5) Other unique biological, physical, or behavioral  
10 patterns or characteristics.

11 "Deploy" means to use an algorithmic decision system.

12 "Deployer" means a person doing business in the State that  
13 deploys an algorithmic decision system.

14 "Develop" means to design, build, or train an algorithmic  
15 decision system or to knowingly and materially modify, adapt, or  
16 combine an existing machine-based system or computational  
17 process for use as an algorithmic decision system.

18 "Developer" means a person or the person's agent doing  
19 business in the State that:

20 (1) Develops an algorithmic decision system; or



1 (2) Sells, leases, distributes, or otherwise makes  
2 available an algorithmic decision system to a  
3 deployer.

4 "Generative artificial intelligence system" means an  
5 artificial intelligence system that:

6 (1) Is trained on data;

7 (2) Interacts with an individual using text, audio, or

8 visual communication; and

9 (3) Generates unscripted outputs similar to outputs

10 created by a human, with limited or no human

11 oversight.

12 "Personal characteristics" include:

13 (1) Personal data;

14 (2) Genetic information;

15 (3) Biometric identifiers;

16 (4) An individual's economic situation, health, personal

17 preferences, affiliations, interests, reliability,

18 behavior, location, or movements; and

19 (5) Inferences associated with a group, band, class, or

20 tier of individuals to which the individual belongs.

**21** "Plain language" means communication that is:



- (1) Clear, concise, and easy to understand for the intended audience, including people with disabilities, people with limited education, and English language learners; and
- (2) Available in English and any other relevant languages required by the attorney general by rule.

## § -2 Disclosure requirements for developers of

8 **algorithmic decision systems.** Beginning January 1, 2027, a  
9 developer shall, consistent with any form and manner prescribed  
10 by the attorney general, provide to each deployer of the  
11 developer's algorithmic decision system:

12 (1) An analysis of whether and how any intended uses, or  
13 reasonably foreseeable uses or misuses, of the  
14 algorithmic decision system pose a known or reasonably  
15 foreseeable risk of violating this chapter and any  
16 applicable state or federal law;  
17 (2) A description of any steps taken by the developer to  
18 mitigate any identified risks of violations of this  
19 chapter and any applicable state or federal law;



### § -3 Disclosure requirements for deployers of

8 **algorithmic decision systems.** (a) Beginning January 1, 2027, a  
9 deployer shall, either directly or through a developer or other  
10 third party, provide the disclosures required by subsection (b)  
11 directly to an individual who is or will be affected by a  
12 decision made, informed, or influenced by an algorithmic  
13 decision system, which decision has a material legal or  
14 similarly significant effect on the provision or denial to the  
15 individual of, or the cost or terms of:

- 16 (1) Education enrollment or an education opportunity;
- 17 (2) Employment or an employment opportunity;
- 18 (3) A financial or lending service;
- 19 (4) An essential government service;
- 20 (5) A health care service;
- 21 (6) Housing;



(7) Insurance; or

(8) A legal service.

(b) Before a deployer deploys an algorithmic decision

4 system to make, inform, or influence a decision affecting an

5 individual pursuant to subsection (a), the deployer shall

6 provide the individual with a notice, in plain language and

7 consistent with any form and manner prescribed by the attorney

8 general, that the deployer will be using an algorithmic decision

9 system to make, inform, or influence a decision concerning the

**10** individual; provided that the notice shall include:

11 (1) The name of the developer or developers of the  
12 algorithmic decision system;

13 (2) The trade name and version number of the algorithmic  
14 decision systems.

15 (3) The nature of the decision and the stage in the  
16 decision-making process during which the algorithmic  
17 decision system will be used; and

18 (4) The contact information for the deployer.

19 (c) As soon as practicable, and no later than thirty days  
20 after the deployment of an algorithmic decision system to make,  
21 inform, or influence a decision pursuant to subsection (a), a



1 deployer shall provide an affected individual, in plain language  
2 and consistent with any form and manner prescribed by the  
3 attorney general, with:

4 (1) A list of the types, categories, and sources of  
5 personal characteristics associated with the  
6 individual that were analyzed, predicted, input into,  
7 inferred, or collected by the algorithmic decision  
8 system;

9 (2) A list of the twenty personal characteristics of the  
10 individual that most substantially influenced the  
11 output of the algorithmic decision system or, if the  
12 algorithmic decision system's output was influenced by  
13 fewer than twenty personal characteristics, a list of  
14 all personal characteristics that influenced the  
15 output; and

16 (3) Information on how the individual can exercise rights  
17 pursuant to section -4.

18 **§ -4 Individual right to access and correct data used by**  
19 **an algorithmic decision system; procedures.** (a) An individual  
20 affected by a decision made, informed, or influenced by an



1 algorithmic decision system, as described in section -3(a),

2 has a right to:

3 (1) Access any personal characteristics of the individual  
4 that were analyzed by, predicted by, input into,  
5 inferred by, or collected by an algorithmic decision  
6 system; and

7 (2) Challenge and correct any inaccurate data.

8 (b) A deployer or developer that has access to an  
9 individual's data shall create reasonable, accessible, and  
10 concise procedures in plain language to allow the individual to  
11 exercise the individual's right pursuant to subsection (a).

12 **§ -5 Disclosure requirements for generative artificial**  
13 **intelligence systems.** Pursuant to any requirements established  
14 by the attorney general, a person that deploys, offers, sells,  
15 leases, licenses, gives, or otherwise makes available a  
16 generative artificial intelligence system that is intended to  
17 interact with an individual shall disclose to each individual  
18 who interacts with the generative artificial intelligence system  
19 the fact that the individual is interacting with a generative  
20 artificial intelligence system.



1        **§ -6 Joint and several liability for a developer and**  
2 **deployer of an algorithmic decision system.** (a)

3        Notwithstanding any other law to the contrary, beginning  
4        January 1, 2027, the developer and deployer of an algorithmic  
5        decision system shall be jointly and severally liable for a  
6        violation of any law facilitated by the deployer's use of the  
7        algorithmic decision system; provided that a developer shall not  
8        be jointly and severally liable if the developer can demonstrate  
9        that the violation of law resulted from a misuse of the  
10       algorithmic decision system by the deployer, the developer took  
11       all reasonable steps available, contractual or otherwise, to  
12       prevent the misuse, and the developer:

13                (1) Did not intend and could not have reasonably foreseen  
14                        the misuse; or

15                (2) Specifically disallowed the misuse in disclosures  
16                        pursuant to section -2.

17                (b) Nothing in this section shall limit, displace, or  
18        otherwise affect any liability that a developer may have in the  
19        developer's own right, separate and apart from liability under  
20        this section, for a violation of state or federal law.

21        Compliance with this chapter shall not be a defense to, and



1 shall not otherwise excuse, noncompliance with any applicable  
2 law.

3       **§ -7 Enforcement.** (a) A violation of this chapter  
4 shall constitute an unfair or deceptive act or practice in the  
5 conduct of trade or commerce within the meaning of section 480-  
6 2.

7       (b) No private right of action at law shall arise under  
8 this chapter.

9       (c) Nothing in this chapter shall preempt or otherwise  
10 affect any other right, claim, remedy, presumption, or defense  
11 available at law or in equity, including any right available  
12 pursuant to laws governing anti-discrimination, competition,  
13 privacy, or unfair and deceptive acts and practices.

14       **§ -8 Rules.** The attorney general shall adopt rules as  
15 necessary pursuant to chapter 91 to implement and enforce this  
16 chapter."

17       SECTION 2. This Act does not affect rights and duties that  
18 matured, penalties that were incurred, and proceedings that were  
19 begun before its effective date.

20       SECTION 3. If any provision of this Act, or the  
21 application thereof to any person or circumstance, is held



1 invalid, the invalidity does not affect other provisions or  
2 applications of the Act that can be given effect without the  
3 invalid provision or application, and to this end the provisions  
4 of this Act are severable.

5 SECTION 4. This Act shall take effect upon its approval.

6

INTRODUCED BY: 

JAN 28 2026



# H.B. NO. 2500

**Report Title:**

Artificial Intelligence; Algorithmic Decision Systems; Developer; Deployer; Disclosure; Enforcement

**Description:**

Beginning 1/1/2027, requires a developer of an algorithmic decision system to provide certain disclosures to a deployer and an individual who is or will be affected by a decision made, informed, or influenced by the algorithmic decision system. Provides certain rights and procedures for individuals to access and correct data used by an algorithmic decision system. Requires disclosure requirements for generative artificial intelligence systems. Provides that a developer and deployer of an algorithmic decision system are jointly and severally liable for a violation of any law that results from the deployer's use of the developer's system, under certain conditions. Assigns enforcement responsibilities to the attorney general, including establishing rules.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

