

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 2597
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Labor and Technology and Government Operations, to which was referred H.B. No. 2597, 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:

- (1) Require the Chief Data Officer to enhance the State's open data portal website through the phased development and publishing of an artificial intelligence chatbot and necessary data visualizations on statewide shared data sets to assist the public;
- (2) Require the Chief Data Officer to develop a system to evaluate and select artificial intelligence governance tools for use by state departments and agencies and establish a mechanism for reporting and publication of artificial intelligence use cases and artificial intelligence vendors used by the departments and agencies; and
- (3) Appropriate funds.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and



Tourism; Office of Enterprise Technology Services; and Hawai'i Green Growth.

Your Committees received testimony in opposition to this measure from fifteen individuals.

Your Committees received comments on this measure from the Office of Information Practices.

Your Committees find that for many individuals, navigating government websites or data can be arduous or confusing, making it difficult to access publicly available information. Your Committees further find that artificial intelligence tools, including a chatbot drawing from a centralized data pool, would improve the user experience of Hawaii residents navigating statewide services and data resources. This measure will enhance public access to government services and information, enhance transparency and consistency across state agencies, and establish a framework for the responsible evaluation and use of artificial information tools within the state government.

Your Committees acknowledge the concern raised in testimony by the Office of Information Practices that this measure, in its current form, requires all state agencies to deploy a chatbot by either utilizing the centralized system or linking a departmental chatbot to the State's data hub, without providing an option for agencies to opt out. Your Committees agree that this requirement may be inappropriate for certain agencies whose functions involve providing legal or other specialized advice, and may compel the use of chatbot technology in circumstances where it is not suitable or consistent with an agency's mission. Therefore, amendments to this measure are necessary to address this concern.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that only those state departments and agencies that elect to deploy a chatbot shall be required to utilize the artificial intelligence chatbot developed by the Chief Data Officer or link their departmental chatbot to the comprehensive Hawaii data hub to ensure consistency across state websites;



- (2) Inserting an effective date of January 1, 2077, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that, in advising the Chief Data Officer on the development and publication of an artificial intelligence chatbot pursuant to this measure, the Data Task Force shall incorporate the following foundational components in its recommendations:

- (1) Requirements to ensure that any procured artificial intelligence system includes comprehensive contractual indemnification provisions to fully protect and hold harmless the State from any and all liabilities arising out of hallucinations, data breaches, misuse, or other errors or damages associated with the system's operation;
- (2) The establishment of a mechanism to aggregate and anonymously collect data relating to hallucinations, breaches, and other system deficiencies, in combination with ongoing analyses and recommendations to improve system performance, security, and overall efficacy, with security and reliability as paramount considerations; and
- (3) Collaboration with all state departments and agencies to develop and implement a harmonized, statewide definition and framework for personally identifiable information that aligns with prevailing standards across other states to ensure that these standards are consistently embedded in both the design and functional operation of any artificial intelligence or chatbot system deployed by the State.

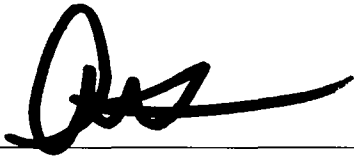
Your Committees further note that this measure, as amended, contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committees respectfully requests that it consider inserting an appropriation amount of \$2,000,000 to be expended by the Office of Information Practices to develop and publish the artificial



intelligence chatbot, develop artificial intelligence governance tools, establish one full-time equivalent (1.0 FTE) Artificial Intelligence Engineer position and one full-time equivalent (1.0 FTE) Artificial Intelligence Scientist position, and for any necessary improvements, as determined, by the Chief Data Officer, for the State's open data portal at data.hawaii.gov.

As affirmed by the records of votes of the members of your Committees on Labor and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2597, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2597, 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 Labor and
Technology and Government
Operations,



ANGUS L.K. MCKELVEY, Chair




BRANDON J.C. ELEFANTE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

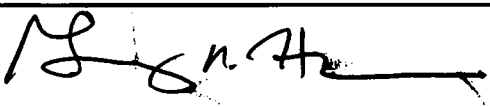
Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2597 HD1	LBT/GVO, WAM	3.25.26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ELEFANTE, Brandon J.C. (C)	✓			
LAMOSAO, Rachele (VC)	✓			
IHARA, Jr., Les				✓
MORIWAKI, Sharon Y.	✓			
FEVELLA, Kurt	✓			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Committee	Drafting Agency		

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:*	Committee Referral:	Date:		
HB2597 HDI	LBT/GVO, WAM	3/25/2026		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)				/
HASHIMOTO, Troy N.	/			
MORIWAKI, Sharon Y.	/			
AWA, Brenton	/			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
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