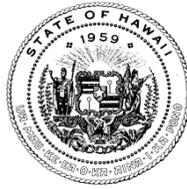


JOSH GREEN, M.D.
GOVERNOR
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Monday, March 2, 2026
2:00 p.m.
State Capitol, 308

HB2597,HD1
RELATING TO ARTIFICIAL INTELLIGENCE

House Committee on Finance

The Department of Transportation (DOT) supports HB2597 HD1, which establishes a comprehensive Hawaii data hub and mandates the development of an artificial intelligence chatbot to enhance public access to state services via the open data portal. This legislation aligns with the DOT's mission to improve transportation-related data accessibility and streamline public engagement through digital innovation.

The bill requires the Chief Data Officer to develop the AI chatbot in phases, ensuring transparency and accountability throughout its development. This phased approach allows for iterative improvements and integration of feedback, which is critical when implementing new technologies like AI. The requirement for the chatbot to be available in both English and Olelo Hawaii reflects a commitment to inclusivity and cultural responsiveness—values that are essential in serving diverse communities across Hawaii.

Additionally, the bill appropriates necessary funding for the development of AI governance tools, the hiring of dedicated AI engineers and scientists, and enhancements to the existing open data portal. Such investment supports long-term sustainability and scalability of digital initiatives, including those relevant to transportation planning and operations.

Thank you for the opportunity to testify in support of this bill.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

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Statement of
JENNIFER CHUN
ACTING ADMINISTRATOR
Research and Economic Analysis Division,
Department of Business, Economic Development, and Tourism
before the
House Committee on Finance

Monday, March 2, 2026
2:00 PM
State Capitol, Conference Room 308

In consideration of
HB2597 HD1
RELATING TO ARTIFICIAL INTELLIGENCE.

Chair Todd, Vice Chair Takenouchi, and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) supports HB2597 HD1, which requires the State Chief Data Officer to develop an artificial intelligence chatbot in phases.

The Research and Economic Analysis Division of DBEDT produces a large quantity of data and economic reports. An AI chatbot would enable users to interact with our data and reports using more natural language queries, making our research more accessible, responsive, and actionable.

We have explored incorporating AI chatbots for our website. The initial development costs for a secure quality AI solution are extremely high, making it difficult for a single division to absorb. There is considerable uncertainty regarding quality assurance, data governance, and potential technical risks. Managing these risks requires centralized oversight, and specialized expertise that resides at the State IT level rather than within individual research offices.

A statewide AI chatbot infrastructure would allow agencies to leverage the State's economies of scale, centralize technical risk management under the State IT office, and ensure that our researchers can focus on analysis and data accuracy while the State provides the secure, reliable delivery mechanism. Thank you for the opportunity to testify.

OFFICE OF INFORMATION PRACTICES

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To: House Committee on Finance

From: Carlotta Amerino, Director

Date: March 2, 2026, at 2:00 p.m.
State Capitol, Conference Room 308

Re: Testimony on H.B. No. 2597, H.D. 1
Relating to Artificial Intelligence

Thank you for the opportunity to submit testimony on this bill, which would require the Chief Data Officer (CDO) to make the State's open data portal a comprehensive Hawaii data hub and to create an artificial intelligence (AI) chatbot based on it, to assist the public in navigating the data hub and finding information about statewide services. The Office of Information Practices (OIP) supports the intent of this bill to aid the public in accessing government data and learning about government services, but recommends an amendment to clarify the bill's apparent requirement that all agencies use a chatbot.

Proposed section 27-__ (b), at page 2 lines 4-7, states that all state agencies "shall utilize the artificial intelligence chatbot or link their departmental chatbot to the comprehensive Hawaii data hub" to ensure consistent results "across state websites." The apparent intent of this provision is to, as it states, ensure consistent results no matter which state website's chatbot a person engages with. However, as written, the provision does not give an agency the option of not offering a chatbot on its website: all state agencies must either use the chatbot developed by the CDO directly or link their departmental chatbot to the data hub.

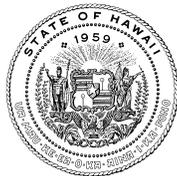
In proposed subsection 27-__(c) this bill also provides, appropriately, that the chatbot is “prohibited from providing any legal advice or medical advice to a user,” presumably to avoid the potential for the chatbot to engage in the unauthorized practice of law or of medicine. Thus, the bill recognizes that there are areas where it would be inappropriate to deploy a chatbot to respond to public inquiries. The problem is that as written, the bill would nonetheless require state agencies to either use either the chatbot developed by the CDO or use another chatbot drawing from the same data, regardless of whether use of a chatbot is consistent with the agency’s mission. For a state office such as OIP whose staff is comprised primarily of attorneys, and which is charged with advising agencies, boards, and the public about the requirements of the laws it administers and providing legal opinions based on those laws, most inquiries from the public entail giving legal advice within a narrow area of law (although OIP does not have clients and acts as a neutral). Just as it would be inappropriate for OIP’s non-attorney staff to provide legal advice, it would be inappropriate for a chatbot to do so, but if OIP was required to offer a chatbot under this bill, most of the questions it received would be legal ones.

OIP therefore respectfully recommends that this Committee amend this measure to clarify that it does not require all agencies to use a chatbot, but only requires those agencies that do use a chatbot to either use the one developed by the CDO or one drawing from the same data. To accomplish this, OIP recommends that the sentence starting at bill page 2, line 4, be amended to read as follows:

State departments and agencies that deploy a chatbot shall utilize the artificial intelligence chatbot or link their departmental chatbot to the comprehensive Hawaii data hub to ensure chatbot results are consistent across State websites.

Thank you for considering OIP’s testimony.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

CHRISTINE M. SAKUDA
CHIEF INFORMATION OFFICER
LUNA 'ENEHANA

STATE OF HAWAII' | KA MOKU'ĀINA O HAWAII'
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | KE'ENA HO'OLANA 'ENEHANA

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

Testimony of
CHRISTINE M. SAKUDA
CHIEF INFORMATION OFFICER
OFFICE OF ENTERPRISE TECHNOLOGY SERVICES
TO THE

HOUSE COMMITTEE ON FINANCE
Monday, March 2, 2026

HOUSE BILL NO. 2597 HOUSE DRAFT 1
RELATING TO ARTIFICIAL INTELLIGENCE

Chair Todd, Vice Chair Takenouchi, and members of the committee, thank you for the opportunity to submit testimony on H.B. 2597 HD1.

The Office of Enterprise Technology Services (ETS) **supports** this bill which requires the Chief Data Officer to enhance the State's open data portal website through the phased development and publishing of an artificial intelligence (AI) chatbot as a virtual assistant on statewide shared data sets to assist the public in navigating the open data portal website and finding information about statewide services across state departments and agencies.

This measure requires the Chief Data Officer to develop a system to evaluate and select AI governance tools for use by state departments and agencies and establish a mechanism for reporting and publication of AI use cases and AI vendors used by the departments and agencies.

Because technology tools are often quickly outdated, we recommend changing the term "Chatbot" to a more generic "virtual assistant" in the bill.

The bill originally appropriated \$2,000,000 to develop the tool and hire one AI engineer and one AI scientist to support this project. ETS asks that this be restored to properly fund and staff the project.

ETS advances the business of government through secure, efficient technology solutions. We enable executive departments and state agencies to share data seamlessly, fostering collaboration and improving public service delivery. We provide strategic guidance and technical expertise to ensure initiatives strengthen operations and create a more connected, responsive government.

Thank you for the opportunity to provide testimony on this measure.