



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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**WRITTEN ONLY**

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
House Committee on Consumer Protection & Commerce  
Tuesday, February 13, 2024  
2:05 p.m.  
State Capitol, Conference Room 329 and via videoconference**

**On the following measure:  
H.B. 2176, HD1, RELATING TO ARTIFICIAL INTELLIGENCE**

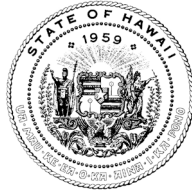
Chair Nakashima and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department appreciates the intent of this bill and offers comments.

The Department appreciates the amendments made in the H.B. 2176, H.D.1 that establishes 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. The Department would like to recommend an amendment to H.B. 2176, H.D.1 on page 1, line 13 to read, "(3) the director of commerce and consumer affairs, or the director's designee;"

Thank you for the opportunity to testify on the bill.

JOSH GREEN, M.D.  
GOVERNOR



DOUGLAS MURDOCK  
CHIEF INFORMATION  
OFFICER

## OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

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Written Testimony of  
DOUGLAS MURDOCK  
Chief Information Officer  
Enterprise Technology Services

Before the  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
TUESDAY, FEBRUARY 13, 2024

HOUSE BILL 2176  
RELATING TO ARTIFICIAL INTELLIGENCE

Dear Chair Nakashima, Vice Chair Sayama, and members of the committee:

The Office of Enterprise Technology Services (ETS) **supports** the House Draft 1 of this bill that establishes the Artificial Intelligence Working Group to develop acceptable use policies and guidelines for the regulation, development, deployment, and use of artificial technologies in the State.

The measure also appropriates fund for the working group to carry out its activities pursuant to this Act.

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# A BILL FOR AN ACT

RELATING TO ARTIFICIAL INTELLIGENCE.

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

- 1           SECTION 1. (a) There is established an artificial  
2 intelligence working group in the office of enterprise  
3 technology services to develop acceptable use policies and  
4 guidelines for the regulation, development, deployment, and use  
5 of artificial technologies in the State.
- 6           (b) The working group shall consist of the following  
7 members or their designees:
- 8           (1) The chief information officer of the office of  
9           enterprise technology services, who shall serve as  
10          chair of the working group;
- 11          (2) The chief data officer of the office of enterprise  
12          technology services;
- 13          (3) The director of commerce and consumer affairs;
- 14          (4) The director of the office of planning and sustainable  
15          development;
- 16          (5) The chief energy officer of the Hawaii state energy  
17          office;



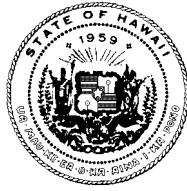
- 1           (6) The president of the university of Hawaii;
- 2           (7) Three members from the public or private sector, to be
- 3                 appointed by the president of the senate; and
- 4           (8) Three members from the public or private sector, to be
- 5                 appointed by the speaker of the house of
- 6                 representatives.
- 7           (c) The chair of the working group shall invite the
- 8 following individuals to become members of the working group:
- 9           (1) Representatives of the healthcare industry; and
- 10          (2) Representatives of the travel industry.
- 11          (d) The working group shall:
- 12          (1) Develop acceptable use policies and guidelines for the
- 13                 regulation, development, deployment, and use of
- 14                 artificial technologies in the State;
- 15          (2) Work in conjunction with developments surrounding
- 16                 federal artificial intelligence regulation;
- 17          (3) Ensure safe, secure, and trustworthy artificial
- 18                 intelligence innovation;
- 19          (4) Identify and assess existing and potential risks
- 20                 associated with the development, deployment, and use
- 21                 of artificial intelligence systems and applications;

2024-1053 HB2176 HD1 HMSO



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

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



CATHY BETTS  
DIRECTOR  
KA LUNA HO'ŌKELE

JOSEPH CAMPOS II  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'ŌKELE

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**DEPARTMENT OF HUMAN SERVICES**  
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Honolulu, Hawaii 96809-0339

TRISTA SPEER  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'ŌKELE

February 12, 2024

TO: The Honorable Representative Mark M. Nakashima, Chair  
House Committee on Consumer Protection & Commerce

FROM: Cathy Betts, Director

SUBJECT: **HB 2176 HD1 – RELATING TO ARTIFICIAL INTELLIGENCE.**

Hearing: February 13, 2024, 2:05 p.m.  
Conference Room 329, State Capitol & Video Conference

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this measure and provides comments. DHS defers to the Department of Commerce & Consumer Affairs, the Office of Enterprise Technology Services, and other named working group members.

**PURPOSE:** This bill establishes the Artificial Intelligence Working Group to develop acceptable use policies and guidelines for the regulation, development, deployment, and use of artificial technologies in the State. Appropriates funds. Effective 7/1/3000. (HD1)

DHS appreciates the Committee on Higher Education & Technology amendments:

- (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.

In October 2023, President Joe Biden issued an [executive order](#) establishing Artificial Intelligence (AI) safety and security measures, including, amongst other things, requiring developers of the powerful AI systems to share their safety test results and other critical information with the U.S. government aimed to ensure AI systems are safe, secure, and trustworthy before companies make them public. The executive order also requires the National Institute of Standards and Technology to set standards for extensive testing to ensure safety before public release. On January 29, 2024, the White House issued a [Fact Sheet](#) on steps taken since the October executive order.

Additionally, DHS is participating with the American Public Human Services Association (APHSA), the national affinity group for human services, in developing an AI posture for human services to understand better how AI can assist operational challenges to improve the delivery of human services.

Given the work being done nationally and federally, a workgroup to assist state entities in implementing the anticipated federal guidance and regulations will be a resource for IT modernization efforts.

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



**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**LATE**

**HEARING BEFORE THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 329  
Tuesday, February 13, 2024 AT 2:05 P.M.**

To The Honorable Representative Mark M. Nakashima, Chair  
The Honorable Representative Jackson D. Sayama, Vice Chair  
Members of the Committee on Consumer Protection & Commerce

**COMMENTS on HB2176 RELATING TO ARTIFICIAL INTELLIGENCE**

The Maui Chamber of Commerce **COMMENTS on HB2176.**

We believe it is important for the state to explore how to make processes more efficient using AI. However, we would suggest making this a pilot project where officials identify specific agencies that are more likely to benefit from AI, work with national and international experts on needed cybersecurity and other protections, and implement the AI technologies in specific departments for a set period of time to see the results. Given the many funding priorities and that AI is still an emerging technology, we believe a narrower and more specified pilot project would be a better solution.

Mahalo for the opportunity to offer **COMMENTS on HB2176.**

Sincerely,

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.