
A BILL FOR AN ACT

RELATING TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF
HAWAII.

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

1 SECTION 1. The legislature finds that concerns have been
2 raised as to whether the research corporation of the University
3 of Hawaii and its board of directors have been given a broader
4 range of authority and flexibility than originally intended.

5 The purpose of this Act is to clarify the role of the
6 research corporation of the University of Hawaii and its board
7 of directors, as well as the relationship between the board of
8 directors and the University of Hawaii system.

9 SECTION 2. Section 304A-3002, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "~~{}~~§304A-3002~~{}~~ **Board of directors; composition.** The
12 affairs of the research corporation shall be under the general
13 management and control of the board of directors. The board of
14 directors shall consist of ~~{ten}~~ eight members. ~~{Five}~~ Two
15 members of the board of regents of the University of Hawaii,
16 selected by the board of regents, shall be members of the board
17 of directors for terms to be determined by the board of regents;



1 provided that no term shall extend beyond the term as a member
2 of the board of regents. [~~The remaining five~~] Five members
3 shall be appointed by the governor pursuant to section 26-34 [-];
4 provided that:

5 (1) One member shall be a University of Hawaii system
6 research faculty member;

7 (2) One member shall be from the business sector;

8 (3) One member shall be a representative of a non-
9 University of Hawaii research organization; and

10 (4) Two members shall be from the general public.

11 The vice president for research of the University of Hawaii
12 system shall be a nonvoting ex officio member of the board of
13 directors. All the members appointed by the governor shall
14 serve for a term of four years, except that the governor may
15 reduce the terms of those initially appointed [~~se-as~~] to
16 provide, as nearly as can be, for the expiration of an equal
17 number of terms at intervals of one year, each term commencing
18 on July 1 and expiring on June 30. All members of the board of
19 directors shall serve without pay, but shall be entitled to
20 reimbursement for necessary expenses while attending meetings
21 and while in the discharge of duties and responsibilities.



1 The members of the board of directors shall elect the
2 chairperson of the board."

3 SECTION 3. Section 304A-3005, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "[~~§~~304A-3005~~§~~] **Research corporation excepted from**
6 **certain state laws.** To carry out the purposes and objectives of
7 the research corporation, including the conduct of research and
8 training projects, the research corporation shall be granted
9 flexibility in hiring its personnel and in handling and
10 disbursing moneys by being excepted from the following state
11 laws:

- 12 (1) Sections 36-27 and 36-30, relating to special fund
13 reimbursements to the state general fund;
- 14 (2) Chapter 103D, relating to advertising for bids and
15 purchases to be made in Hawaii whenever public moneys
16 are expended; provided that the exception shall not
17 apply to construction contracts for which the total
18 estimated value of state funds to be used is
19 \$ _____ or more;
- 20 (3) Chapter 76, relating to civil service; and
- 21 (4) Section 78-1, relating to public employment."



1 SECTION 4. Section 304A-3006, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§304A-3006[+] **Officers and employees of the research**
4 **corporation.** [~~The president of the university shall be the~~
5 ~~president of the research corporation.~~] The board of directors
6 shall employ an executive director of the research corporation
7 who shall serve at the pleasure of the board of directors. The
8 executive director's salary shall not be more than two times
9 greater than the salary of the highest paid head of a department
10 within the executive branch. The board of directors may also
11 appoint [such] other officers and employees as may be necessary
12 in administering the affairs of the research corporation. The
13 board of directors shall set the employees' duties,
14 responsibilities, salaries, holidays, vacations, leaves, hours
15 of work, and working conditions. The board of directors may
16 grant [such] other benefits to its employees as it deems
17 necessary. Employees of the research corporation shall not be
18 entitled to any benefits conferred under chapter 76 relating to
19 civil service, chapter 78 relating to public service, chapter 88
20 relating to pension and retirement systems, and the appropriate
21 collective bargaining agreement, executive order, executive
22 directive, or rule."



1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

UH; Research Corporation; Board of Regents; Procurement; Board of Directors

Description:

Reduces the membership of the board of directors of the UH research corporation from 10 to 8 members. Reduces the number of members of the board of regents who must be members of the board of directors from 5 to 2. Specifies the qualifications of the 5 members to be selected by the governor. Adds the UH vice president for research as an ex officio member of the board of directors. Provides that the research corporation's exemption from the procurement requirements shall not apply to certain construction contracts. Removes the university president's authority to serve as the president of the research corporation. Authorizes the board of directors to employ an executive director of the research corporation. Caps the executive director's salary at twice the salary of the highest paid head of a department within the executive branch. Effective 7/1/2050. (SD2)

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