



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 19, 2017

GOV. MSG. NO. 1138

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 19, 2017, the following bill was signed into law:

HB425 HD1 SD3 CD1

RELATING TO TECHNOLOGY TRANSFER AT
THE UNIVERSITY OF HAWAII
ACT 038 (17)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor
on JUN 19 2017
HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE, 2017
STATE OF HAWAII

ORIGINAL

ACT 038
H.B. NO. 425
H.D. 1
S.D. 3
C.D. 1

A BILL FOR AN ACT

RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII.

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

1 SECTION 1. The legislature finds that it is a matter of
2 concern to support the contributions of the University of Hawaii
3 to the economic health and diversification of the State. The
4 legislature further finds that the timely and efficient
5 commercialization of intellectual property created by basic and
6 applied research at the university greatly benefits the public
7 and the State.

8 Through prior legislation, the legislature has authorized
9 and provided funding to support efforts by state agencies to
10 promote entrepreneurial development, research commercialization,
11 and access to startup investment capital. These efforts
12 include, for example, the HI growth initiative, the venture
13 accelerator funding program, and other projects sponsored by the
14 Hawaii strategic development corporation. The University of
15 Hawaii can play a vital and complementary role in this
16 initiative.

17 The legislature further finds that the board of regents of
18 the University of Hawaii has established a regulatory framework

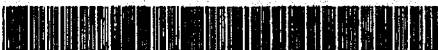
HB425 CD1 HMS 2017-3714



1 and research compliance program to balance the unique benefits
2 and ethical issues specific to university research and
3 technology transfer and to ensure compliance with applicable
4 external regulations. The university regulatory framework and
5 research compliance program incorporates long-standing ethical
6 research principles and technology transfer regulations
7 currently used by the federal government.

8 The board of regents periodically reviews and updates its
9 policies and procedures to reflect the best practices currently
10 in place at several of the university's peer institutions. In
11 this manner, the university strives to remain compliant with
12 federal regulation and be competitive for external research
13 funding opportunities. By updating its research and
14 commercialization policies and guidelines, the university is
15 able to attract innovative faculty.

16 The purpose of this Act is to facilitate the University of
17 Hawaii's contribution to research commercialization and economic
18 development for the State by clarifying and updating the
19 application of ethics principles set forth in the state code of
20 ethics to technology transfer activities sponsored by the
21 university.



1 SECTION 2. Chapter 84, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:

4 "§84- University of Hawaii; technology transfer
5 activities; exemption. (a) Sections 84-12, 84-13, 84-14 to 84-
6 16, and 84-18 shall not apply to technology transfer activities
7 sponsored by the University of Hawaii; provided that the
8 technology transfer activities comply with the regulatory
9 framework and research compliance program and policies approved
10 by the University of Hawaii board of regents.

11 (b) As used in this section, "technology transfer
12 activities" means the process of transferring scientific
13 findings from the public sector to the private sector for the
14 purpose of commercial development and application for personal
15 or financial gain. "Technology transfer activities" may include
16 creating joint ventures, limited partnerships, or other
17 corporate forms; allocating equity shares, partnership
18 interests, or other forms of participation; identifying new
19 technologies; protecting technologies through patents and
20 copyrights; forming development and commercialization



1 strategies, arrangements, or projects; and other related
2 activities."

3 SECTION 3. Chapter 304A, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§304A- Technology transfer; reporting. The board of
7 regents of the University of Hawaii shall submit a written
8 report to the legislature no later than twenty days prior to the
9 convening of each regular session regarding:

10 (1) The development and implementation of its regulatory
11 framework and research compliance program to reflect
12 ethical research principles and technology transfer
13 regulations used by the federal government; and

14 (2) The technology transfer activities of the University
15 of Hawaii, as defined in section 84- , and the status
16 of such activities."

17 SECTION 4. New statutory material is underscored.

18 SECTION 5. This Act shall take effect upon its approval;
19 provided that this Act shall be repealed on June 30, 2022.



H.B. NO. 425
H.D. 1
S.D. 3
C.D. 1

APPROVED this 19 day of JUN , 2017

A handwritten signature in black ink, appearing to read "David Ige". The signature is fluid and cursive, with a large loop under the "I".

GOVERNOR OF THE STATE OF HAWAII

HB No. 425, HD 1, SD 3, CD 1

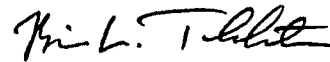
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2017
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2017.



Joseph M. Souki
Speaker
House of Representatives




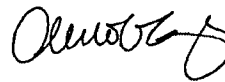
Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2017
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017.


President of the Senate


Clerk of the Senate