

STAND. COM. REP. NO.

2590

Honolulu, Hawaii

FEB 13 2020

RE: S.B. No. 3058
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committees on Higher Education and Technology, to which was referred S.B. No. 3058 entitled:

"A BILL FOR AN ACT RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII,"

beg leave to report as follows:

The purpose and intent of this measure is to repeal the sunset provision in Act 38, Session Laws of Hawaii 2017. The purpose of Act 38 was to facilitate the University of Hawaii's contribution to research commercialization and economic development for the State by clarifying and updating the application of ethics principles set forth in the state code of ethics to technology transfer activities sponsored by the university.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Spectrum Photonics; Hawaii Business Roundtable; Adnoniv, Inc.; and a private individual. Your Committees received testimony in opposition to this measure from the Hawaii State Ethics Commission.

Your Committees find that the University of Hawaii has developed draft policies and protocols and is consulting with various stakeholder groups in the University of Hawaii community, including its faculty to continue the efforts to develop the policies, internal guidance, forms and procedural protocols to



fully implement a robust compliance program. As such, the University of Hawaii has requested that the Legislature remove the sunset provision of Act 38, Session Laws of Hawaii 2017.


Until stakeholders like the Legislature, University of Hawaii, Hawaii State Ethics Commission, and general public have had an opportunity to review the University of Hawaii's final compliance framework on technology transfer activities, your Committees recommend a three-year extension of Act 38 rather than the removal of the sunset provision being requested.

Your Committees have amended this measure by:

- (1) Providing for a three-year extension of Act 38, Session Laws of Hawaii 2017, rather than a complete repeal of the sunset date; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3058, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3058, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committees on Higher Education
and Technology,



JARRETT KEOHOKALO, Chair



DONNA MERCADO KIM, Chair



