

STAND. COM. REP. NO.

505

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 589

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred  
S.B. No. 589 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to recognize and establish the University of Hawaii Cancer Center (UHCC) as an organized research unit within the administrative and management purview of the University of Hawaii John A. Burns School of Medicine (JABSOM).

Your Committee received testimony in support of this measure from the Hawai'i Primary Care Association. Your Committee received testimony in opposition to this measure from the University of Hawai'i System, Alana Dung Research Foundation, Hawaii Society of Clinical Oncology, and twenty-three individuals. Your Committee received comments on this measure from the American Cancer Society Cancer Action Network.

Your Committee finds that the genesis of this measure is the University's own efforts and presentations since 2014, including the report by University of Hawaii at Manoa, UHCC's proposed business plans, and the report submitted by consultants commissioned by the University, all proposing or recommending the consolidation of UHCC and JABSOM to enhance the efficiency and effectiveness of both units. Specifically, in December 2014, the



new Interim Director of UHCC was charged to develop a new business plan for UHCC. In March 2015, the UHCC Interim Director proposed the framework for the Kakaako Campus Operations Business Plan, which introduced a cost reduction measure of integrating the Kakaako Health Science Campus operations to eliminate operational redundancies resulting from the separate operation of JABSOM and UHCC. In April 2015, Chancellor Robert Bley-Vroman presented a University of Hawaii at Manoa Report that summarized the University's internal work on a business plan proposal for UHCC and JABSOM at the Kakaako Campus. The report included plans to have UHCC administratively incorporated into JABSOM to improve the efficiency and effectiveness of both units. In releasing the report, Chancellor Bley-Vroman announced his intent to convene a group of external reviewers to assist the University in the identification of additional opportunities and development of procedures to create a thriving Kakaako Campus that serve the people of Hawaii. Your Committee notes that this never happened. In the Fall of 2015, the University commissioned consultants who, upon review, also recommended the consolidation of JABSOM and UHCC. In February 2016, an updated proposed UHCC Business Plan was proposed to the University of Hawaii Board of Regents. The proposal included a bridge business plan for the following five years to be implemented by the Director of UHCC, which included the consolidation of JABSOM and UHCC's administrative services. Your Committee finds that there is a need now more than ever to implement these plans and recommendations. This measure will ensure that the management of public resources provided to JABSOM and UHCC will be integrated, coordinated, and focused on common priorities to avoid unnecessary duplication of administrative expenses or conflicting priorities.

Your Committee acknowledges the concern raised in the testimonies that the integration of UHCC into JABSOM may jeopardize UHCC's NCI designation, which allows UHCC to apply for grants and recruit top scientists and oncologists. Your Committee finds that several outstanding medical schools at other universities integrate their cancer research programs closely with their medical schools. For example, the Washington University School of Medicine in St. Louis is the parent institution to the Siteman Cancer Center that is designated as a comprehensive cancer center that holds an "exceptional" rating from the NCI. The MD Anderson Cancer Center in Houston, Texas is also a comprehensive cancer center that operates in close affiliation with the McGovern



Medical School as part of the University of Texas Health Science Center at Houston. Your Committee also acknowledges the testimony from the University of Hawaii System stating that that UHCC's existing structure of reporting to the Provost of the University of Hawaii at Manoa and working closely with the President of the University is an essential component of UHCC's NCI-designation.

Accordingly, your Committee has amended this measure by:

- (1) Amending section 1 to reflect additional findings;
- (2) Requiring that the Director of UHCC be appointed by the University's Board of Regents upon recommendation from the Provost of the University of Hawaii at Manoa instead of the Dean of JABSOM;
- (3) Requiring that UHCC be administratively affiliated with JABSOM instead of being integrated into JABSOM;
- (4) Requiring that the Director of UHCC report to the Provost of the University of Hawaii at Manoa and the Dean of JABSOM and coordinate with the President of the University;
- (5) Requiring that funds expended from or originating from the Tuition and Fees Special Fund for JABSOM or UHCC to be used for educational purposes only;
- (6) Requiring that funds expended from or originating from the Research and Training Revolving Fund for JABSOM or UHCC to be used for research and research-related purposes only; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 589, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 589, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on  
behalf of the members of the  
Committee on Higher Education,



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DONNA MERCADO KIM, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Higher Education**  
**HRE**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 589	HRE, WAM	2/16/21		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	✓			
KIDANI, Michelle N. (VC)	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	5	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes