



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LINDA LINGLE  
GOVERNOR  
THEODORE E. LIU  
DIRECTOR  
MARK K. ANDERSON  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: [www.hawaii.gov/dbedt](http://www.hawaii.gov/dbedt)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**THEODORE E. LIU**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**COMMITTEE ON HIGHER EDUCATION**  
Tuesday, February 03, 2009  
2:00 p.m.  
State Capitol, Conference Room 309

in consideration of  
**HB 1617**  
**RELATING TO THE UNIVERSITY OF HAWAII AT HILO.**

Chair Chang, Vice Chair Nakashima and Members of the House Committee on Higher Education.

The Department of Business, Economic Development, and Tourism (DBEDT) supports HB 1617 which would establish the Office of the Vice Chancellor for Research and Economic Development at the University of Hawaii at Hilo (UHH).

The University of Hawaii at Hilo reports remarkable growth in its research effort in the first seven years of this decade: increases of 462.5% in funding and 341% in the number of awards. The proposed office would serve a vital coordinating function that would accelerate further growth in the ability of UHH to attract research funding, carry out quality research, and provide research training for both undergraduate and graduate students.

In particular, there has been an emphasis at UHH in recent years on majors related to science, technology, engineering, and math (STEM). This has been supported in large part by

In particular, there has been an emphasis at UHH in recent years on majors related to science, technology, engineering, and math (STEM). This has been supported in large part by grants from the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR). As DBEDT Director, I sit on the EPSCoR Statewide Steering Committee and DBEDT administers State matching funds for the NSF grant.

This emphasis on STEM is an important alignment with the State's economic development goal related to developing an innovation-based economy that depends on strengthening our ability to educate a STEM workforce and providing all students with STEM skills to succeed in a more complex society. We believe that the proposed Office of the Vice Chancellor for Research and Economic Development will greatly enhance UHH's ability to help the State meet this goal. Support for the activities of the office is included as a part of the Administration's request for \$500,000 to contribute to the required State matching funds for a new EPSCoR grant, included in the University of Hawaii System budget, which would bring in \$4,000,000 per year for five years.

Thank you for the opportunity to provide these comments.



# **UNIVERSITY OF HAWAII SYSTEM**

## **Legislative Testimony**

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Testimony Presented Before the  
House Committee on Higher Education  
February 3, 2009 at 2:00pm

by  
James R. Gaines  
Vice President for Research, University of Hawai'i

### **HB 1617 – RELATING TO THE UNIVERSITY OF HAWAII AT HILO**

Chair Chang, Vice Chair Nakashima, and members of the House Committee on Higher Education. Thank you very much for this opportunity to testify on House Bill 1617 that establishes in statute the Vice Chancellor for Research and Development at the University of Hawai'i at Hilo.

We thank the legislature for this intent to support the growth of the University of Hawai'i at Hilo. The University of Hawai'i supports this proposal in principle at some future date after appropriate review, recognizing that UH Hilo's growing research activity will require more coordination and leadership.

Creating additional executive personnel at UH requires appropriate review by the Board of Regents within the context of a review of UH Hilo's mission and its role within the UH system. We would also note that an amendment to statute is not required to establish this office or position.

Thank you again for the opportunity to testify.

Representative Jerry Chang, Chair  
Representative Mark Nakashima, Vice Chair  
Committee on Higher Education

David J. Lovell  
Vice President, Board of Directors  
Kanoelehua Industrial Area Association (KIAA)  
In conjunction with the Hawai'i Island Chamber of Commerce and Japanese Chamber of  
Commerce & Industry of Hawai'i  
Phone: (808) 756-0454

Tuesday, February 3, 2009

Support of H.B. 1617, Relating to the University of Hawai'i at Hilo

The Kanoelehua Industrial Area Association (KIAA) strongly supports H.B. 1617, relating to the establishment of the office of the vice chancellor for research and economic development at the University of Hawaii at Hilo (UH Hilo).

The Hawaii Island Chamber of Commerce (HICC) and Japanese Chamber of Commerce & Industry of Hawai'i (JCCIH) have also given KIAA the authority to testify on their behalf. Both the HICC and JCCIH strongly support H.B. 1617, relating to the establishment of the office of the Vice Chancellor for Research and Economic Development at UH Hilo.

KIAA is a 40-year old, non-profit organization consisting of over 350 small business members on the east side of Hawai'i Island. These small businesses represent and employ approximately 5,000 people throughout the island. Their employees cut across the entire cross-section of Hilo's economy. Our membership includes physicians, lawyers, dentists, accountants, wholesalers, truckers, distributors, plumbers, electricians, non-profits, healthcare workers, engineering firms, architects, farmers, real estate brokers, students, and many, many others to include college and university employees.

The current economic situation is placing tremendous pressure and challenges on the small businesses of our community. Many of these small businesses are in danger of failing and several have already failed. In order for these businesses to survive, and for new enterprises to develop and succeed, it is critical, now more than ever, for the KIAA, HICC, and JCCIH to partner with UH Hilo for the benefit of our community and state.

In 2008, Dr. Rose Tseng, Chancellor, established the Interim Vice Chancellor for Research position. Over the past year, through this position, KIAA has had tremendous opportunity to reach out to and receive support from UH Hilo. Multiple meetings have taken place to establish a firm foundation for collaboration between these organizations. However, in January, 2010, this interim position will cease to exist.

Formally establishing the office of the Vice Chancellor for Research and Economic Development will allow the business community to have a focal point to enjoin with UH Hilo to bring economic stimulation, workforce development, and critical community efforts to a new level.

We see this as a two-way exchange between the business community and UH Hilo. With this office, UH Hilo and the business community will have the opportunity to exchange ideas, suggestions, and visions to help the island of Hawaii. This will, in turn, benefit the entire State.

In the past year, our organizations have already partnered with UH Hilo on several initiatives. We have provided letters of support for proposals to Federal agencies for programs such as the *Rural Child Health Disparity Center - Ku Ike Pono*, *Public Health Violence Prevention on Hawaii Island*, and *Youth Violence Prevention in Rural Hawaii*. We look forward to participating in projects like this for the long-term benefit of all.

The passing of HB 1617 ensures we will be able to continue further development of the partnership that has already begun.

Research and economic development activities are growing and will continue to grow at UH Hilo. Establishment of the office of Vice Chancellor for Research and Economic Development will provide a formal structure and focal point to strategically coordinate and guide current and future activities that more strongly unite UH Hilo with the community, local and state governments, federal agencies, and the other UH campuses.

We, the Kanoelehua Industrial Area Association, Hawaii Island Chamber of Commerce, and Japanese Chamber of Commerce & Industry of Hawai'i, respectfully request and urge the committee to pass HB 1617.

Mahalo for giving us this opportunity to testify in support of HB No. 1617.