MAR 1 0 2010

## SENATE CONCURRENT RESOLUTION

REQUESTING THAT THE UNIVERSITY OF HAWAII INSTITUTE FOR ASTRONOMY PROVIDE A WRITTEN REPORT OF VIEWING TIME IN LIEU OF LEASE RENT AND FOR THE USE OF PUBLIC TRUST LANDS ON THE SUMMIT OF MAUNA KEA.

WHEREAS, the Mauna Kea summit is home to unique cultural and historic resources that are designated national landmarks and carry protections under federal and state historic preservation laws; and

WHEREAS, the Mauna Kea aquifer is the major source of fresh water for the island of Hawaii and provides residents with drinking water; and

WHEREAS, the lands on the summit of Mauna Kea are public trust lands subject to the legal restrictions regarding land use and requirements to receive fair market lease rent from the use of these lands; and

WHEREAS, in 1961, the Mauna Kea summit, forest, and watershed lands were designated as a conservation district; and

WHEREAS, in 1968, the Board of Land and Natural Resources leased approximately 13,320 acres of public trust lands to the University of Hawaii Institute for Astronomy for a sixty-five year term at a nominal \$1 per year; and

WHEREAS, since 1968, the University of Hawaii Institute for Astronomy entered into multiple sub-lease and use agreements with private third parties for the development of telescope facilities on Mauna Kea's summit, allegedly at a nominal \$1 per year in sub-lease rent without assessing, charging, or collecting fair-market value for these agreements; and

WHEREAS, the University of Hawaii Institute for Astronomy negotiated sub-leases with foreign entities, such as France and Canada, to construct the Canada-France-Hawaii Telescopes, as well as with public and private institutions including the California Institute of Technology, the University of California Berkeley, the California Association of Research Astronomy, and the William M. Keck Foundation; and

WHEREAS, the Board of Land and Natural Resources and the University of Hawaii Institute for Astronomy required these entities to pay \$1 per year in exchange for ten to twenty per cent of observation viewing time on the telescopes; and

12 13 14

15

16

1 2

3 4

5

6

9

10 11

> WHEREAS, observation viewing time is valuable to the astronomy community, and some entities pay extraordinary amounts for each observation viewing night to use Mauna Kea telescope facilities; and

17 18 19

20 21

WHEREAS, in 2009, Yale University agreed to pay \$12,000,000 to the William M. Keck Foundation for fifteen observing nights over a ten year period, which breaks down to \$80,000 per observation viewing night; and

22 23 24

25

26

WHEREAS, under agreements executed by the University of Hawaii Institute for Astronomy, each astronomy facility on Mauna Kea is required to provide approximately thirty-six to fiftyfour observing nights per year; and

27 28 29

30

WHEREAS, the University of Hawaii Institute for Astronomy claims to hold numerous patents on technologies developed and tested at the facilities on Mauna Kea and Haleakala; and

31 32 33

WHEREAS, these patents are often leased to the private high tech companies for substantial monetary value; and

34 35 36

37

WHEREAS, there has been no public accounting of the patent or lease contracts held by foreign and out-of-state entities; and

38 39 40

41

42

WHEREAS, contracts and use agreements held by foreign and out-of-state entities that benefit from the use of taxpayer support should be reviewed to prevent waste or mismanagement of public funds; now, therefore,

43 44

> SCR LRB 10-2001-1.doc

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, the House of Representatives concurring, that the University of Hawaii Institute for Astronomy is requested to submit a written accounting and report to the Auditor and the Legislature no later than fourteen calendar days after the effective date of this concurrent resolution; and

1 2

BE IT FURTHER RESOLVED that the Legislature requests that the report include:

(1) A list of the total viewing time provided to the University of Hawaii and the University of Hawaii Institute for Astronomy, their employees, faculty, researchers, agents and any person or entity operating since 1968;

(2) A determination of the financial value of the viewing time for each facility since 1968;

(3) A list of all value including viewing time, financial and in-kind exchanges, and any other benefits received by the University of Hawaii and the University of Hawaii Institute for Astronomy regarding each facility on Mauna Kea since 1968; and

(4) A copy of every contract, working or use agreement, and any other writing entered into by the University of Hawaii and the University of Hawaii Institute for Astronomy for the use of Mauna Kea since 1968; and

BE IT FURTHER RESOLVED that the Auditor is requested to conduct a review of the University of Hawaii Institute for Astronomy's report and submit any findings and recommendations to the Legislature no later than thirty days following the receipt of the report; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the State Auditor, the Chairperson of the Board of Land and Natural Resources, the

3 4 President of the University of Hawaii, and the Executive Director of the University of Hawaii Institute for Astronomy.

OFFERED BY: Russells. Koll 3/R