# 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:

SECTION 1. The University of Hawaii is the only public institution of higher education in the State. With its array of graduate programs and professional schools, the university

4 engages in research that is often supported by federal research

5 grants or cooperative agreements. University research

6 activities often take place in state-supported public

7 facilities, such as university research laboratories, centers,

8 or classrooms. These public facilities are often constructed

9 with proceeds from state or university public financing bonds.

10 The university significantly contributes to the economic

diversification and health of the State by transferring the

fruits of its research activities to the private sector through

activities such as obtaining patents on inventions by university

faculty, licensing the use of innovations, creating new business

15 ventures, incubating startup companies, and providing

16 administrative support to research faculty.

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# H.B. NO. 2194 H.D. 1

- 1 The legislature finds that it is a matter of statewide
- 2 concern to support the contributions by 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 benefits the public.
- 7 Efficient and effective technology transfer, however, may be
- 8 hampered by the overly broad interpretation of general conflict
- 9 of interest, fair treatment, and employment restrictions
- 10 contained in the state ethics code.
- 11 The purpose of this Act is to exempt University of Hawaii
- 12 employees who are directly involved in the research or
- 13 development of technology that is sponsored and approved by the
- 14 University of Hawaii from chapter 84, Hawaii Revised Statutes,
- 15 when performing activities in the transfer and commercialization
- 16 of the technology.
- 17 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
- 18 amended by adding a new section to part I, subpart A, to be
- 19 appropriately designated and to read as follows:
- 20 "§304A- Technology transfer; annual report. The
- 21 university shall submit an annual report to the legislature

1	regarding	the university's technology transfer activities no
2	later than twenty days prior to the convening of each regular	
3	session.	The report shall describe:
4	(1)	All technology and intellectual property created by
5		basic and applied research at the university and
6		transferred to the private sector during the year
7		through activities including but not limited to
8		obtaining patents on inventions by university faculty,
9		licensing the use of innovations, creating new
10		business ventures, and incubating startup companies;
11		and
12	(2)	The anticipated specific benefits of those transfers
13		to the State or to the public."
14	SECTION 3. Chapter 84, Hawaii Revised Statutes, is amended	
15	by adding a new section to be appropriately designated and to	
16	read as follows:	
17	"§84- University of Hawaii employees; research or	
18	development of technology; exempt. (a) Employees of the	
19	University of Hawaii who are directly involved in the research	
20	or development of technology that is sponsored and approved by	
21	the University of Hawaii shall be exempt from this chapter, when	

- 1 performing activities in the transfer and commercialization of
- 2 the technology.
- 3 (b) As used in this section, "technology" means the
- 4 practical application of knowledge, or the materials,
- 5 techniques, or devices used in the application."
- 6 SECTION 4. New statutory material is underscored.
- 7 SECTION 5. This Act shall take effect on July 1, 2525.

#### Report Title:

Ethics Code; University of Hawaii; Technology Transfer

### Description:

Exempts University of Hawaii employees who are directly involved in the research or development of technology that is sponsored and approved by the University of Hawaii from Chapter 84, HRS, when performing activities in the transfer and commercialization of the technology. Requires annual report. (HB2194 HD1)

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