
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:

1 SECTION 1. The legislature finds that it is a matter of
2 statewide concern to support the contributions by the University
3 of Hawaii to the economic health and diversification of the
4 State. The legislature further finds that the timely and
5 efficient commercialization of intellectual property created by
6 basic and applied research at the university greatly benefits
7 the public and the State.

8 Through prior legislation, the legislature has authorized
9 and provided funding to support efforts by state agencies to
10 promote entrepreneurial development, research commercialization,
11 and access to startup investment capital. These efforts
12 include, for example, the HI growth initiative, the venture
13 accelerator funding program, and other projects sponsored by the
14 Hawaii strategic development corporation. The University of
15 Hawaii can play a vital and complementary role in this
16 initiative.

17 The legislature finds that the board of regents of the
18 University of Hawaii has established a regulatory framework and



1 compliance program to balance the unique benefits and ethical
2 issues specific to university research and technology transfer,
3 and to assure compliance with applicable external regulations.
4 The university framework and compliance program incorporates
5 long-standing ethical research principles and technology
6 transfer regulations currently used by the federal government.

7 The board periodically reviews and updates its policies and
8 procedures to reflect the best practices currently in place at
9 several of the university's peer institutions. In this manner,
10 the university strives to remain compliant with federal
11 regulation and be competitive for external research funding
12 opportunities. By updating its research and commercialization
13 policies and guidelines, the university is able to attract
14 innovative faculty.

15 The purpose of this Act is to facilitate the university's
16 contribution to research commercialization and economic
17 development for the State by clarifying and modernizing the
18 application of state ethics principles set forth in the state
19 ethics code to technology transfer activities sponsored by the
20 University of Hawaii.



SECTION 2. Chapter 84, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§84- University of Hawaii; technology transfer activities. (a) Employees of the University of Hawaii who are directly involved in the research or development of technology sponsored and approved by the university shall be exempt from this chapter, including section 84-18, when performing technology transfer activities and in the transfer and commercialization of the technology.

(b) As used in this section, "technology transfer activities" means the process of transferring scientific findings from the public sector to the private sector for the purpose of commercial development and application for personal or financial gain. Technology transfer activities may include creating joint ventures, limited partnerships, or other corporate forms, allocating equity shares, partnership interests, or other forms of participation, identifying new technologies, protecting technologies through patents and copyrights, forming development and commercialization



1 strategies, arrangements or projects, and other related
2 activities."

3 SECTION 3. Chapter 304A, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§304A- Technology transfer; reporting. The board of
7 regents of the University of Hawaii shall submit a written
8 report to the legislature no later than twenty days prior to the
9 convening of each regular session during odd-numbered years
10 regarding:

11 (1) The development and implementation of its regulatory
12 framework and compliance program that reflect ethical
13 research principles and technology transfer
14 regulations used by the federal government; and
15 (2) The technology transfer activities of the University
16 of Hawaii as defined in section 84- and their
17 status."

18 SECTION 4. New statutory material is underscored.

19 SECTION 5. This Act shall take effect upon its approval.

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Report Title:

State Ethics Code; University of Hawaii; Technology Transfer Activities; Reporting

Description:

Clarifies that the State ethics code shall not apply to University of Hawaii employees who are directly involved in the research or development of technology sponsored and approved by the university when performing technology transfer activities. Requires such activities to comply with the regulatory framework and research compliance program approved by the board of regents. Requires a written status report to the legislature every two years. (SD1)

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