Honolulu, Hawaii

MAR 0 6 2015

RE: S.B. No. 1144
        S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 1144, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify the
application of the State Ethics Code to allow technology transfer
activities sponsored by the University of Hawaii so long as the
activities are likely to create specific benefits to the State or
the public, notwithstanding the simultaneous creation of a
commercial benefit or individual personal benefit.

Your Committee received testimony in support of this measure
from the University of Hawaii System, Chamber of Commerce Hawaii,
and two individuals.

Your Committee finds that chapter 84, Hawaii Revised Statutes
(HRS), relating to the State Ethics Code, is of utmost importance
to government. However, your Committee notes that public-private
partnerships undertaken by certain persons at the University of
Hawaii in critical fields of technology research result in great
public benefit that would be substantially constricted or become
impossible to achieve without qualifying language under the State
Ethics Code.

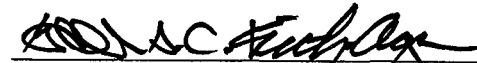Accordingly, your Committee has amended this measure by:

(1) Amending section 1 to reflect the legislative finding that the University of Hawaii has established a regulatory framework and research compliance program and that the University periodically updates its policies and procedures to reflect best practices currently in place at peer institutions;

(2) Deleting section 2 and inserting language that:

   (A) Creates a new section under chapter 84, HRS, to clarify that persons involved in technology transfer activities are exempt from the State Ethics Code with the qualification that these persons comply with a regulatory framework and research compliance program approved by the Board of Regents of the University of Hawaii; and

   (B) Adds a definition of "technology transfer activities";

(3) Requiring the Board of Regents of the University of Hawaii to submit a written report to the Legislature regarding the development and implementation of its regulatory framework and research compliance program no later than twenty days prior to the convening of the Regular Session of 2016; and

(4) Changing the effective date from July 1, 2050, to January 7, 2059, to encourage further discussion and establishing a sunset date of June 30, 2020.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1144, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1144, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,

_____
GILBERT S.C. KEITH-AGARAN, Chair

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:*	Committee Referral:	Date:
SB 1144 SD1	HEA, JDL	3/3/15

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended
2312

☑ Pass, with amendments
2311

☐ Hold
2310

☐ Recommit
2313

Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike	✓			
IHARA, Jr., Les	✓			
THIELEN, Laura H.	✓			
SLOM, Sam	✓			
TOTAL	7			

Recommendation:
☑ Adopted   ☐ Not Adopted

Chair's or Designee's Signature: _[signature]_

*Only <u>one</u> measure per Record of Votes

Revised: 11/12/14