

STAND. COM. REP. NO.

1492

Honolulu, Hawaii

MAR 25 , 2021

RE: S.B. No. 589  
S.D. 2  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Higher Education & Technology, to which was referred S.B. No. 589, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Eliminate operational and administrative redundancies between the University of Hawaii John A. Burns School of Medicine and the University of Hawaii Cancer Center and enable shared administrative services and expertise between them;
- (2) Establish the University of Hawaii Cancer Center in statute as the Cancer Research Center of Hawaii, an organized research unit to conduct cancer research, that is:
  - (A) Administered by a Director who is appointed by the University of Hawaii Board of Regents upon recommendation by the Provost of the University of Hawaii at Manoa and with the concurrence of the President of the University of Hawaii, reports to the Provost of the University of Hawaii at Manoa,

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and coordinates with the President of the University of Hawaii; and

- (B) Affiliated with the John A. Burns School of Medicine;
- (3) Require that funds from the University of Hawaii Tuition and Fees Special Fund for the John A. Burns School of Medicine or Cancer Research Center of Hawaii be used for educational purposes only;
- (4) Require that funds from the Research and Training Revolving Fund for the John A. Burns School of Medicine or the Cancer Research Center of Hawaii be used for research and research-related purposes only;
- (5) Repeal the sunset provision in Act 38, Session Laws of Hawaii 2017, relating to research commercialization; and
- (6) Make the Innovation and Commercialization Initiative Program permanent by repealing the sunset provision in Act 39, Session Laws of Hawaii 2017.

Your Committee received testimony in opposition to this measure from the Hawaii Society of Clinical Oncology, four individuals, and a petition with numerous individuals. Your Committee received comments on this measure from the University of Hawai'i System; Hawaii Technology Development Corporation; Hawaiian Telcom; DataHouse Consulting, Inc.; Hawaiian Electric Industries; American Cancer Society Cancer Action Network; and Adnoviv, Inc.

Your Committee finds that the University of Hawaii Cancer Center, the only National Cancer Institute-designated cancer center in Hawaii and the Pacific, reduces the burden of cancer through research, education, patient care, and community outreach. Your Committee also finds that the University of Hawaii John A. Burns School of Medicine educates and trains health care professionals, conducts fundamental medical research, and translates discoveries into delivery practices.

Your Committee further finds that the amount of state funds and other resources provided to the John A. Burns School of Medicine and the University of Hawaii Cancer Center have been substantial. This underscores the importance of establishing



complementary strategic priorities and coordinating the management and deployment of state resources applied to both organizations.

Additionally, your Committee finds that sound fiscal, managerial, and other resources that support University of Hawaii programs and activities in the areas of education, instruction, research commercialization, innovation, and economic development furthers the mission of the University of Hawaii, promotes economic health, and diversifies workforce opportunities.

Your Committee has amended this measure by:

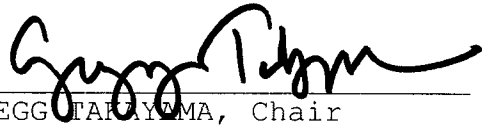
- (1) Requiring the Director of the University of Hawaii Cancer Center and Dean of the John A. Burns School of Medicine to:
  - (A) Report and be accountable to the Provost of the University of Hawaii at Manoa, who shall be authorized to direct and achieve efficiencies at the John A. Burns School of Medicine and University of Hawaii Cancer Center; and
  - (B) Coordinate with the President of the University of Hawaii;
- (2) Requiring the programs of the John A. Burns School of Medicine, University of Hawaii Cancer Center, and University of Hawaii to identify opportunities for collaboration and maximize operational efficiencies between the John A. Burns School of Medicine and University of Hawaii Cancer Center;
- (3) Requiring the University of Hawaii to develop and implement a plan for the John A. Burns School of Medicine and University of Hawaii Cancer Center to achieve greater operational efficiencies, reduce duplication of services, and share administrative functions to the maximum extent practicable;
- (4) Requiring the University of Hawaii President to submit a report on the progress of the plan prior to the convening of the 2023 Regular Session;



- (5) Extending the authority of the President of the University of Hawaii to act as the University of Hawaii's Chief Procurement Officer for all procurement contracts under chapter 103D, Hawaii Revised Statutes;
- (6) Updating its purpose section; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education & Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 589, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 589, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Higher Education &  
Technology,



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GREGG TAKAYAMA, Chair



**Record of Votes of the Committee on Higher Education & Technology**

Bill/Resolution No.: <i>SB 589, SD2, HD1</i>	Committee Referral: <i>HHH, HET, FIN</i>	Date: <i>3-24-21</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <i>2</i> <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HET Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKAYAMA, Gregg (C)	✓			
2. DeCOITE, Lynn (VC)	✓			
3. BELATTI, Della Au	✓			
4. GANADEN, Sonny	✓			
5. GATES, Cedric Asuega	✓			
6. HASHIMOTO, Troy N.	✓			
7. KAPELA, Jeanne	✓			
8. OHNO, Takashi	✓			
9. QUINLAN, Sean	✓			
10. WOODSON, Justin H.	✓			
11. YAMANE, Ryan I.	✓			
12. OKIMOTO, Val	✓			
<b>TOTAL (12)</b>	<i>12</i>	<i>0</i>	<i>0</i>	<i>0</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>[Signature]</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				