

ACT 38

H.B. NO. 425

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

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

The legislature further finds that the board of regents of the University of Hawaii has established a regulatory framework and research compliance program to balance the unique benefits and ethical issues specific to university research and technology transfer and to ensure compliance with applicable external regulations. The university regulatory framework and research compliance program incorporates long-standing ethical research principles and technology transfer regulations currently used by the federal government.

The board of regents periodically reviews and updates its policies and procedures to reflect the best practices currently in place at several of the university's peer institutions. In this manner, the university strives to remain compliant

with federal regulation and be competitive for external research funding opportunities. By updating its research and commercialization policies and guidelines, the university is able to attract innovative faculty.

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

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; exemption.

(a) Sections 84-12, 84-13, 84-14 to 84-16, and 84-18 shall not apply to technology transfer activities sponsored by the University of Hawaii; provided that the technology transfer activities comply with the regulatory framework and research compliance program and policies approved by the University of Hawaii board of regents.

(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 strategies, arrangements, or projects; and other related activities.”

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

“§304A- Technology transfer; reporting.

The board of regents of the University of Hawaii shall submit a written report to the legislature no later than twenty days prior to the convening of each regular session regarding:

- (1) The development and implementation of its regulatory framework and research compliance program to reflect ethical research principles and technology transfer regulations used by the federal government; and
- (2) The technology transfer activities of the University of Hawaii, as defined in section 84- , and the status of such activities.”

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval; provided that this Act shall be repealed on June 30, 2022.

(Approved June 19, 2017.)

Note

1. Edited pursuant to HRS §23G-16.5.