
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature declares that maximizing the
2 University of Hawaii's use of state funds is a matter of
3 statewide concern.

4 The legislature finds that organized research units were
5 created in the University of Hawaii system to foster research
6 activities that would increase extramural income to the State
7 and enhance the reputation of the University nationally and
8 internationally. While those goals have been accomplished, it
9 has become increasingly apparent that organized research units
10 are not economically sustainable as stand-alone units and that
11 significant disparities exist with respect to expectations for
12 faculty in organized research units relative to instructional
13 faculty in the University of Hawaii system. The legislature
14 also finds that most universities require research faculty to
15 cover a portion of their salaries with extramural funds that are
16 received from the award of grants or contracts.



1 The legislature further finds that requiring the University
2 of Hawaii's organized research units to use both direct and
3 indirect moneys from grants and contracts to pay for personnel
4 costs helps to maximize the impact of state moneys. Organized
5 research units include the institute for astronomy, University
6 of Hawaii cancer center, Hawaii institute of geophysics and
7 planetology, Hawaii institute of marine biology, Hawaii natural
8 energy institute, Pacific biosciences research center, water
9 resources research center, sea grant college program, center on
10 aging, and the John A. Burns school of medicine. For the
11 purposes of this Act, the Lyon arboretum and the Waikiki
12 aquarium are excluded.

13 The purpose of this Act is to establish funding
14 requirements for organized research units of the University of
15 Hawaii.

16 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
17 amended by adding a new subpart to part IV to be appropriately
18 designated and to read as follows:

19 " . ORGANIZED RESEARCH UNITS

20 **§304A- Organized research units; definitions.** For the
21 purposes of this subpart:



1 "Extramural funds" means moneys received through grants or
2 contracts.

3 "Organized research unit" means an extra-departmental
4 administrative structure, approved and established pursuant to
5 policies adopted by the board of regents and the president of
6 the University of Hawaii, that:

7 (1) Provides a locus for faculty, staff, and students to
8 engage in focused, collaborative research and training
9 activities;

10 (2) Exists at a school or college level; and

11 (3) Is supported in part by the organized research budget
12 of the University of Hawaii at Manoa.

13 "Research faculty" means faculty members of an organized
14 research unit who:

15 (1) Conduct research;

16 (2) Do not instruct students; and

17 (3) Are classified as "R" faculty.

18 "State moneys" means all moneys authorized by the
19 legislature and appropriated to the University of Hawaii,
20 including legislative appropriations, general funds, general
21 obligation bond moneys, special fund moneys, allocations of



1 tobacco settlement moneys, and allocations of tax revenues.
2 "State moneys" does not include moneys in or transferred from
3 the University of Hawaii tuition and fees special fund.

4 **§304A- Organized research units; funding.** (a) To
5 continue operation, an organized research unit shall be
6 primarily funded through the receipt of extramural funds and
7 moneys transferred from the University of Hawaii research and
8 training revolving fund; provided that the ratio of:

9 (1) The sum of annual expenditures of extramural funds and
10 moneys transferred from the University of Hawaii
11 research and training revolving fund by the organized
12 research unit; to

13 (2) The sum of annual expenditures of state moneys,
14 excluding the University of Hawaii research and
15 training revolving fund,
16 shall be equal to or greater than five-to-one within three years
17 following the effective date of this Act. After achieving this
18 ratio, an organized research unit shall maintain the ratio.

19 (b) Prior to establishing an organized research unit, the
20 board of regents shall review the proposed financial plan for
21 the organized research unit. If the proposed financial plan



1 does not project that the ratio set forth in subsection (a) will
2 be met within three years, the board of regents shall not
3 approve the establishment of the organized research unit.

4 (c) In order to achieve the ratio set forth in subsection
5 (a), the University of Hawaii may consider imposing any of the
6 following conditions:

- 7 (1) State moneys may only cover the percentage of a
8 faculty member's salary equal to the teaching load
9 performed by the faculty member;
- 10 (2) State moneys may only cover the salary for a faculty
11 member's time not covered by the amount of effort
12 reported on federal grants and contracts;
- 13 (3) Salaries of faculty members in permanent positions may
14 be capped using the salary cap established by the
15 National Institutes of Health as Executive Level II;
- 16 (4) The workload of a permanent faculty member may be
17 governed by the requirements of the contract between
18 the University of Hawaii and the exclusive
19 representative of bargaining unit (7) regarding
20 workload for instructional faculty; or
- 21 (5) A faculty member's salary may be funded as follows:



1 (A) During the first year of employment, one hundred
2 per cent of the salary may be funded by state
3 moneys;

4 (B) During the second year of employment, fifty per
5 cent of the salary may be funded by state moneys;
6 and

7 (C) During the third year of employment and
8 thereafter, twenty-five per cent of the salary
9 may be funded by state moneys.

10 (d) Any organized research unit of the University of
11 Hawaii that does not meet the requirements of this section shall
12 be reported to the board of regents for review.

13 The board of regents shall submit a report to the
14 legislature regarding any organized research unit that does not
15 meet the requirements of this section, including an explanation
16 of why the organized research unit does not meet the
17 requirements of this section and what steps, if any, will be
18 taken by the organized research unit to meet the requirements of
19 this section.



1 The board of regents shall submit the report to the
2 legislature not later than twenty days prior to the convening of
3 the next regular session.

4 **§304A- Reports to legislature.** The board of regents
5 shall submit a report on all organized research units to the
6 legislature not later than twenty days prior to the convening of
7 each regular session. The report shall include the following:

8 (1) The amount of funding received by each organized
9 research unit, including a breakdown of the sources of
10 funding;

11 (2) A list of faculty members, including research staff,
12 attached to each organized research unit that
13 identifies:

14 (A) Faculty members who are research staff who only
15 conduct research;

16 (B) Faculty members who only instruct students; and

17 (C) Faculty members who conduct research and instruct
18 students;

19 (3) A comprehensive plan for all organized research units
20 to achieve the funding requirements set forth in this
21 subpart;



- 1 (4) An itemization of the total operating costs of each
2 organized research unit, including:
- 3 (A) Research faculty, staff, and student personnel
4 costs, as well as information on grants and
5 contracts awarded;
 - 6 (B) Administrative costs;
 - 7 (C) Philanthropic funds and their uses;
 - 8 (D) An itemization of the pro rata share of
9 administrative costs in support of the operation
10 of each organized research unit, including but
11 not limited to costs incurred by the office of
12 the vice president for research and innovation,
13 office of the vice chancellor for research,
14 office of research services, and office of
15 research compliance; and
 - 16 (E) Building operational costs; and
- 17 (5) An itemization of the sources of funding for each
18 faculty member, including research staff, attached to
19 each organized research unit."

20 SECTION 3. This Act shall take effect upon its approval.



Report Title:

University of Hawaii; Organized Research Units; Funding

Description:

Establishes program and salary funding requirements for organized research units of the University of Hawaii. (HD1 Proposed)

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