

Honolulu, Hawaii
February 18, 2016

RE: H.B. No. 2414
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred
H.B. No. 2414 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish an Innovation and
Commercialization Initiative Program (Program) within the
University of Hawaii to enable it to:

- (1) Promote, sponsor, and participate in transforming the
products of its research and instructional activities
into viable economic enterprises; and
- (2) Create, finance, and participate in organizations that
contribute to economic development and workforce
diversification in the State using UH research and
affiliated personnel.

This measure also establishes the University Innovation and
Commercialization Initiative Special Fund for the deposit of
moneys to cover the costs and expenses of the Program.

The University of Hawaii, Pacific Asian Center for
Entrepreneurship, Blue Planet Software, Comprendio, Entrepreneurs
Foundation of Hawaii, Hagadone Media Group, Hawaii Business
Roundtable, Hawaii Cattlemen's Council, Hawaii Venture Capital
Association, HiBEAM, RealGreen Power, Startup Capital Ventures,

HB2414 HD1 HSCR HED HMS 2016-1904



Startup Weekend Honolulu, Sultan Ventures, Aloha Startups, Energy Excelerator, Impact Hub Honolulu, The Chamber of Commerce Hawaii, and two individuals testified in support of this measure. The Civil Beat Law Center for the Public Interest testified in opposition to this measure. The State Procurement Office and Office of Information Practices commented on this measure.

Your Committee has amended this measure by:

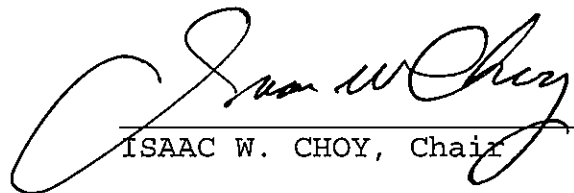
- (1) Removing provisions that would have exempted the University of Hawaii from Chapters 103 and 103D, Hawaii Revised Statutes, (HRS) when expending moneys from the University of Hawaii Innovation and Commercialization Initiative Special Fund;
- (2) Clarifying that trade secrets and confidential commercial or financial information, including confidential information regarding qualified securities purchased by UH, need not be publically disclosed;
- (3) Clarifying that UH Board of Regents, or any Board subcommittee, may hold an executive session as provided in section 92-4, HRS, to discuss trade secrets or confidential commercial or financial information that may be withheld under the Uniform Information Practices Act;
- (4) Changing its effective date to July 1, 2525, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate this measure further, your Committee respectfully requests that it look at whether the University of Hawaii should be exempt, when expending moneys from the University of Hawaii Innovation and Commercialization Initiative Special Fund, from Chapters 76, 78, 89, and 102, HRS.



As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2414, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2414, H.D. 1, and be referred to your Committee on Finance.

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


ISAAC W. CHOY, Chair



