

STAND. COM. REP. NO. 2617

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2940
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 2940, 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:

- (1) Clarify that the State Ethics Code does not apply to
University of Hawaii employees who are directly involved
in the research or development of technology sponsored
and approved by the University when performing
technology transfer activities; and
- (2) Require the Board of Regents to submit a written status
report to the Legislature every two years.

Your Committee received testimony in support of this measure
from the University of Hawai'i System, Chamber of Commerce Hawaii,
Hawaii Venture Capital Association, Sultan Ventures, and XLR8UH.
Your Committee received comments on this measure from the
Department of the Attorney General and Hawaii State Ethics
Commission.

Your Committee finds that the timely and efficient
commercialization of intellectual property created by the
University of Hawaii's basic and applied research can make
valuable contributions to the economic health and diversification



of the State. The Board of Regents of the University of Hawaii has established a regulatory framework and compliance program to balance the unique benefits and ethical issues specific to university research and technology transfer, and that program incorporates long-standing ethical research principles and technology transfer regulations currently used by the federal government. By clarifying sections of the State Ethics Code to exempt technology transfer activities, this measure will facilitate technology transfer at the University and benefit the State's economy.

Your Committee has amended this measure by:

- (1) Addressing the concerns raised by the Department of the Attorney General, and thus adopted in part the language from S.B. No. 2940 (Regular Session of 2016), as originally introduced, to clarify that certain sections of the State Ethics Code shall not apply to technology transfers sponsored by the University of Hawaii, rather than exempting University of Hawaii employees who perform technology transfer activities; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2940, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2940, S.D. 2.

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


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 2940 SD1	Committee Referral: HEA/EET, JDL	Date: 2/29/16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	/			
SHIMABUKURO, Maile S.L. (VC)	/			
GABBARD, Mike	/			
KAHELE, Kaiali'i	/			
KIM, Donna Mercado				/
THIELEN, Laura H.			/	
SLOM, Sam			/	
TOTAL	4	0	2	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes