
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII RESEARCH.

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

1 SECTION 1. The legislature finds that it is a matter of
2 statewide concern to promote the economic health and diversity
3 workforce opportunities of the State. The legislature further
4 finds that the commercialization of intellectual property
5 created by basic and applied research conducted at the
6 University of Hawaii, the sole public institution of higher
7 education for this State, holds great promise to contribute to
8 economic health and workforce diversification.

9 Through prior legislation, the legislature authorized and
10 provided public funds to support efforts by other state agencies
11 to promote entrepreneurial development, research
12 commercialization, and access to startup investment capital.
13 These efforts include, for example, the HI Growth Initiative,
14 the venture accelerator funding programs, and other projects
15 sponsored by the Hawaii strategic development corporation.

16 Because one of the core functions of the university is
17 conducting basic and applied research, the legislature finds
18 that the university may significantly contribute to the creation

1 of a statewide "eco-system" of innovation by transforming
2 university-generated research into viable economic enterprises.
3 The university is uniquely able to identify and assist in the
4 creation and growth of innovative public-private business forms
5 that draw upon the active participation of university-affiliated
6 personnel and are based on university research products.

7 The legislature further finds that an impediment to the
8 effective transfer of technology at the university is the lack
9 of clear and express legal authority to frame its innovation
10 initiatives. Lack of express authority for the university
11 creates business uncertainty that deters private interests from
12 engaging in collaborative efforts promoted by the university.

13 The purpose of this Act is to provide express authority to
14 the university to engage in the types of economic promotion
15 activities already conducted by other state agencies, and
16 thereby facilitate the university's contribution of its research
17 products and its affiliated personnel to the economic health and
18 diversification of workforce opportunities in the State.

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

22 " . INNOVATION AND COMMERCIALIZATION INITIATIVE

1 §304A-A Innovation and commercialization initiative;
2 establishment. There is established within the University of
3 Hawaii an innovation and commercialization initiative program
4 under the direction of the vice president for research and
5 innovation.

6 §304A-B Innovation and commercialization initiative
7 implementation. The university may promote, sponsor, and
8 participate in the transformation of the products of its
9 research and instructional activities into viable economic
10 enterprises, and may create, finance, and participate in
11 organizations that contribute to economic development and
12 workforce diversification of the State using university research
13 and affiliated university personnel. For the implementation of
14 the innovation and commercialization initiative program, the
15 university may:

- 16 (1) Adopt internal policies during meetings held pursuant
17 to chapter 92 and management procedures to carry out
18 the purposes of this program;
- 19 (2) Contribute equity, loan funds, or participate directly
20 or indirectly to finance concepts or proposals that
21 are likely to lead to viable businesses, economic
22 development, or workforce opportunities based on
23 university research;

- 1 (3) Enter into contracts and other appropriate
2 arrangements with start-up ventures, including the
3 provision of loans, initial and expansion capital, and
4 other forms of financial assistance;
- 5 (4) Solicit, evaluate, and assist in the preparation,
6 drafting, and refinement of business plans and
7 proposals;
- 8 (5) Provide advice, instruction, training, and technical
9 and marketing assistance, to support and promote the
10 enterprises in which the university invests;
- 11 (6) Coordinate and deliver the university's education,
12 instruction, training and outreach programs to build
13 and maintain the capacity to sustain these economic
14 enterprises;
- 15 (7) Implement specialized programs designed to encourage
16 the development of new products, businesses, and
17 markets;
- 18 (8) Prepare, publish, and distribute technical studies,
19 reports, bulletins, and other materials consistent
20 with customary standards of university publication,
21 subject to the maintenance and respect for
22 confidentiality of client proprietary information;

H.B. NO. 2414

- 1 (9) Organize, sponsor, and participate in conferences,
2 workshops, seminars, and other educational activity
3 relating to the formation and financial viability of
4 businesses that use university research products or
5 university affiliated personnel;
- 6 (10) Provide and pay for advisory or consulting services and
7 technical, managerial, and marketing assistance,
8 support, and promotion to carry out the purposes of
9 this subpart;
- 10 (11) Acquire, hold, and sell qualified securities;
- 11 (12) Consent, subject to the provisions of any contract with
12 noteholders or bondholders, whenever the university
13 deems it necessary or desirable in the fulfillment of
14 the purposes of this subpart, to the modification,
15 with respect to rate of interest, time of payment of
16 any installment of principal or interest, or any other
17 terms, of any contract or agreement of any kind to
18 which the university is a party;
- 19 (13) With the assistance of an appropriate foundation or
20 development entity, accept donations, grants,
21 bequests, and devises of money, property, service, or
22 other things of value that may be received from the
23 United States or any agency thereof, any governmental

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- 1 agency, or any public or private institution, person,
2 firm, or corporation, to be held, used, or applied for
3 any or all of the purposes in support of this program;
- 4 (14) Invest any funds held in reserves or sinking funds, or
5 any funds not required for immediate disbursement, in
6 such investments as may be lawful for fiduciaries in
7 the State;
- 8 (15) Acquire real property, or an interest therein, by
9 purchase or foreclosure, where that acquisition is
10 necessary or appropriate to protect or secure any
11 investment or loan in which the university has an
12 interest; sell, transfer, and convey the property to a
13 buyer and, if the sale, transfer, or conveyance cannot
14 be effected with reasonable promptness or at a
15 reasonable price, to lease the property;
- 16 (16) Consistent with the purposes of the program, acquire,
17 own, hold, dispose of, and encumber personal property
18 of any nature, or any interest therein, either
19 directly or through intermediate entities formed or
20 established specifically for such purposes;
- 21 (17) Enter into agreements or other transactions with any
22 federal, state, or county agency to implement the
23 purposes of this subpart;

- 1 (18) Contract with others, public or private, for the
2 provision of all or a portion of the services
3 necessary for the management and operation of the
4 program. The university may use all appropriations,
5 grants, contractual reimbursements, and all other
6 funds made available for the purposes of the program
7 to pay for the proper general expenses of the program;
- 8 (19) Appear in its own behalf before state, county, or
9 federal agencies on matters relating to this program;
- 10 (20) Establish a risk management program appropriate to the
11 activities of this program, which may include, among
12 other components, purchase of insurance, participation
13 in the State's risk management program, or retention
14 and management of risks;
- 15 (21) Appoint advisory committees as deemed necessary;
16 provided that any advisory committee established
17 pursuant to this section shall not be deemed a "board"
18 subject to chapter 92; and
- 19 (22) Exercise any other powers of a corporation organized
20 under the laws of the State not inconsistent with the
21 purpose and intent of this program.

22 **§304A-C University innovation and commercialization**

23 **initiative special fund.** (a) There is established the

1 university innovation and commercialization initiative special
2 fund. The following moneys shall be deposited into the
3 university innovation and commercialization initiative special
4 fund and shall not be considered part of the general fund:

5 (1) All moneys:

6 (A) Appropriated by the legislature;

7 (B) Received as repayments of loans;

8 (C) Earned on investments;

9 (D) Received pursuant to a venture agreement;

10 (E) Received as royalties;

11 (F) Received as premiums or fees charged by the
12 university; or

13 (G) Otherwise received by the program.

14 (b) Revenues deposited into this special fund may be
15 expended by the university for all costs and expenses associated
16 with the operation of this program without regard to chapters
17 76, 78, 89, 102, 103, and 103D. Revenues not expended as
18 provided in this section may be transferred to other university
19 funds to be expended for the general benefit of the university.

20 **§304A-D Confidentiality of trade secrets; disclosure of**
21 **financial information.** Notwithstanding chapters 92 and 92F, or
22 any other law to the contrary, any documents or data made or
23 received by the university to the extent that the material or

1 data consist of trade secrets or commercial or financial
2 information shall not be a public record; provided that, if the
3 university purchases a qualified security, the commercial and
4 financial information, excluding confidential business
5 information, shall be deemed to become a public record of the
6 university. If the information is made or received by any
7 member or employee of the university after the purchase of the
8 qualified security, it shall become a public record three years
9 from the date the information was made or received. Any
10 discussion or consideration of trade secrets or commercial or
11 financial information, shall be held by the board of regents, or
12 any subcommittee of the board, in executive sessions closed to
13 the public; provided that the purpose of any such executive
14 session shall be set forth in the official minutes of the board
15 of regents.

16 **§304A-E Limitation on liability.** (a) The university
17 shall not assume or otherwise promise to answer for the debt,
18 contract, or liability of any other person or a private entity.

19 (b) Notwithstanding chapters 661 and 662, or any other law
20 to the contrary, nothing in this subpart shall create an
21 obligation, debt, claim, cause of action, claim for relief,
22 charge, or any other liability of any kind whatsoever in favor
23 of any person or entity, without regard to whether that person

1 or entity receives any benefits under this subpart, against the
2 State or its officers and employees. The State and its officers
3 and employees shall not be liable for the results of any
4 investment, purchase of securities, loan, or other assistance
5 provided pursuant to this subpart. Nothing in this subpart
6 shall be construed as authorizing any claim against the
7 university in excess of any note, loan, or other specific
8 indebtedness incurred by the university or in excess of any
9 insurance policy acquired for the university or its employees.

10 **§304A-F Preservation of governmental immunity; full faith**
11 **and credit.** No contract, agreement, or statement made by the
12 university pursuant to this subpart shall constitute an express
13 or implied waiver by the university of its governmental or
14 sovereign immunity as a public agency of the State, nor shall
15 such contracts, agreements or statements constitute an express
16 or implied acceptance of liabilities in excess of liabilities
17 allowable under applicable governmental immunity laws. No
18 activity conducted by the university or agreement entered into
19 pursuant to this subpart shall be deemed a pledge of the full
20 faith and credit of the State.

21 **§304A-G Cooperation with the University of Hawaii by state**
22 **agencies.** Every state agency may render services to the
23 university upon its request.

H .B. NO. 2414

Report Title:

University of Hawaii; Hawaii Innovation Initiative

Description:

Provides express legal authority to enable the University of Hawaii to create, promote, and participate in new economic enterprises that use university research and provide workforce opportunities for affiliated university personnel.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: University of Hawaii

TITLE: A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII RESEARCH.

PURPOSE: To provide explicit statutory authority for the University of Hawaii to create, promote, and participate in the economic use of University research activity and in the diversification of workforce opportunities.

MEANS: Amend chapter 304A, Hawaii Revised Statutes, by adding a new subpart to part IV.

JUSTIFICATION: The University of Hawaii is the sole public institution of higher education in the State. With its array of graduate programs in oceanography, engineering, sustainability sciences, and astronomy, among other programs, and with its professional schools such as medicine, tropical agriculture, and pharmacy, the university is the primary public institution in the State generating academic research.

In the past, the university has secured patents on its inventions and licensed the patents to private companies willing to capitalize on the patents.

It is now clear that more active and focused efforts are needed by the university to achieve its potential to contribute to the economic health and workforce diversification of the state. This effort calls upon the university to identify the most viable proposals that draw upon university research and affiliated personnel and to assist with the development and refinement of business plans. The focused efforts include systematically developing the managerial and executive level capacity

to grow and sustain these new companies. The focused effort also enables the university, where appropriate, to participate in and contribute to the financing and capital requirements of these new enterprises.

Through prior legislation, other state agencies currently have explicit statutory authority to transform promising concepts into viable economic drivers. For example, chapter 211F, Hawaii Revised Statutes, establishes the Hawaii strategic development corporation and confers broad statutory powers to encourage economic development and diversification in Hawaii. This state-established corporation may also use public funds to co-invest with private interest.

The university currently has an accelerator program named XLR8UH to turn university-related research into viable commercial products in cooperation with private investment. The university, however, could more efficiently contribute to this state-wide initiative if a clear legal framework for the university were established. This express legal authority would reduce the uncertainty in creating and operating new ventures affiliated with the university, and thereby induce greater private sector participation in promising concepts.

The purpose of this proposal is to provide the university with express statutory authority to promote, support and participate in innovation and commercialization of university-related research. The legal framework is adapted from the existing statutory authority currently applicable to the Department of Business, Economic Development, and Tourism.

Impact on the public: The public would benefit if the university could more effectively and efficiently promote its university-related research and transfer the

results of its research to the economy through collaborative arrangements with private entities. The public would benefit by increasing and diversifying workforce opportunities and expanding the economy.

Impact on the department and other agencies:
The university would be better able to collaborate in other research commercialization or venture funding programs sponsored by other state agencies such as the Department of Business, Economic Development, and Tourism. There would be a more coordinated state-wide effort, less duplication, and the university could emphasize its unique contributions as the generator of research with commercial potential.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: UOH 900.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: July 1, 2016.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

by
Vassilis L. Syrmos
Vice President for Research and Innovation
University of Hawai'i

HB 2414 – RELATING TO UNIVERSITY OF HAWAII RESEARCH

Chair Choy, Vice Chair Ichiyama and Members of the Committee:

Thank you for this opportunity to testify in support of this measure.

The University of Hawai'i (UH) strongly supports this bill to authorize UH to promote, financially support and directly participate in innovation and commercialization of university-related research. The legal framework is adapted from the existing statutory authority currently applicable to the State of Hawai'i's Department of Business, Economic Development and Tourism (DBEDT).

With its array of program strengths in ocean sciences, energy research, sustainable agriculture and astronomy; and its growing strength in cybersecurity and health sciences -- UH is the primary public institution generating academic research in the state.

A significant portion of the academic research has commercial potential. In the past, UH secured patents on its inventions and took a relatively passive approach in licensing its technology to private companies. It is now clear that more aggressive and focused efforts are needed by UH to achieve its potential as a major contributor to the economic health and workforce diversification of the state.

To do so, UH must be able to 1) identify the most viable proposals created by its researchers, 2) actively assist researchers with the development and refinement of successful business plans, 3) systematically develop the managerial and executive level capacity of its researchers, and 4) to directly participate in and contribute to the financing and capital requirements of these new enterprises.

Through prior legislation, other state agencies currently have explicit statutory authority to transform promising concepts into viable economic drivers. For example, chapter 211F, Hawai'i Revised Statutes, establishes the Hawai'i Strategic Development Corporation (HSDC) and confers broad statutory powers to encourage economic

development and diversification in Hawai'i. This state-established corporation may also use public funds to co-invest with private interest.

Currently, UH operates a proof of concept center/venture accelerator program named "XLR8UH" to turn university-related research into viable commercial products in cooperation with private investment. However, it could more efficiently contribute to this state-wide initiative if a clear legal framework authorizing UH to participate directly and indirectly in new enterprises were established. This express legal authority would reduce the uncertainty in creating and operating new ventures affiliated with UH, and thereby would induce greater private sector participation in promising concepts.

OFFICE OF INFORMATION PRACTICES

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To: House Committee on Higher Education

From: Cheryl Kakazu Park, Director

Date: February 9, 2016, 2:00 p.m.
State Capitol, Conference Room 309

Re: Testimony on H.B. No. 2414
Relating to the University of Hawaii Research

Thank you for the opportunity to submit testimony on this bill. The Office of Information Practices (“OIP”) takes no position on the substance of this bill, which would provide the University of Hawaii (“UH”) the authority to participate in economic opportunities using university research and personnel. OIP, however, is testifying to recommend an amendment to clarify and fix technical problems with a confidentiality provision.

Proposed section 304A-D, at bill page 8 line 20 to page 9 line 15, provides that “[n]otwithstanding chapters 92 and 92F” UH may withhold “trade secrets or commercial or financial information” from public disclosure. It further provides that the Board of Regents may discuss “trade secrets or commercial or financial information” in executive session.

Chapter 92F, the Uniform Information Practices Act (“UIPA”), already allows trade secrets and confidential commercial or financial information (aka confidential business information) to be withheld from public disclosure under the UIPA’s exception for information whose disclosure would frustrate a legitimate government function. The “[n]otwithstanding chapters 92 and 92F” language of the

proposed statute suggests that the “trade secrets or commercial or financial information” to which it applies would be more extensive than the information that could already be withheld under the UIPA, as otherwise there would be no need to create a statutory confidentiality provision and no need for the exclusion from chapter 92F. The proposed statute, however, does not define “trade secrets or commercial or financial information.” Thus, it is not clear whether these terms are meant to be used the same way as in the UIPA, in which case there is no need for a confidentiality provision for information that can already be withheld under the UIPA, or whether the terms are meant to be used in some other, broader sense, in which case they need to be defined to avoid confusion.

There is also a confusing reference (bill page 9, line 6) to information made or received by a member of employee of the university after the purchase of a qualified security, which will become public record three years after being made or received. It is not clear whether this “information” is meant to be the non-confidential commercial and financial information regarding the security discussed in the preceding sentence, and if so, why non-confidential information would need to wait three years before becoming public.

The lack of definition of “trade secrets or commercial or financial information” likewise makes unclear the extent of the Board of Regents’ proposed executive session purpose. It would make sense to create an executive session purpose for the Board of Regents to discuss trade secrets or confidential commercial and financial that could be withheld under the UIPA, as the Sunshine Law does not automatically allow a board to go into an executive session closed to the public to discuss information falling under a UIPA exception. However, the proposed exception may be very broad if it applies to more information than what could be withheld under the UIPA, which, again, is not clear. Also, an executive session

purpose should be written so as to allow, rather than mandate, the board to discuss the issue in closed session, as the Sunshine Law, part I of chapter 92, requires 2/3 of a board's members present at a meeting to vote to go into executive session and thus it is never a legal certainty that a board will be able to go into executive session; and it is unnecessary to specify that the purpose of an executive session will be set out in a board's minutes, as the Sunshine Law itself already requires a board to publicly announce the purpose of an executive session before voting on it, and to record the purpose and the vote in its minutes.

OIP also notes that both the UIPA and the Sunshine Law already take account of state and federal confidentiality statutes – the UIPA has an exception to disclosure for information protected by a confidentiality statute, and the Sunshine Law allows an executive session to discuss such information. Thus, it is **generally unnecessary for a confidentiality statute to also provide that it applies notwithstanding the UIPA and the Sunshine Law.**

Assuming that the intended purpose of this section was to require UH to keep confidential the trade secrets and confidential commercial and financial information received under the new subpart (the UIPA itself allows, but does not mandate, withholding information that falls within its exceptions), and to allow the Board of Regents to discuss such information in a closed session, OIP would recommend that the section be amended to read as follows:

§304A-D Confidentiality of trade secrets; disclosure of financial information. Any documents or data made or received by the university under this subpart, to the extent that the material or data consist of trade secrets or confidential commercial or financial

information that may be withheld from public disclosure under chapter 92F, shall not be publicly disclosed; provided that, if the university purchases a qualified security, the non-confidential commercial and financial information regarding that security shall be a public record of the university. The board of regents, or any subcommittee of the board, may hold an executive session as provided in section 92-4 to discuss trade secrets or confidential commercial or financial information that may be withheld under chapter 92F.

OIP's proposed amendment recognizes that trade secrets and confidential commercial or financial information, including confidential information regarding qualified securities purchased by UH, need not be publically disclosed. At the same time, the amendment works within the existing frameworks of the UIPA and Sunshine Law.

Thank you for considering OIP's testimony and proposed amendment.



Statement of
Susan Yamada
Executive Director
Pacific Asian Center for Entrepreneurship (PACE)

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

The Pacific Asian Center for Entrepreneurship (PACE) **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

The XLR8UH Proof of Concept Commercialization Center focuses on early stage innovation and talent affiliated with the University of Hawai‘i. XLR8UH fills the critical void that was historically present as nascent technologies and novice entrepreneurs attempted to cross the “commercialization chasm” or “valley of death”. XLR8UH therefore provides much needed guidance, support, and investment resources, and its programs will help nurture the efforts of regionally developed intellectual property, entrepreneurs, and startups.

PACE is a champion for entrepreneurship and innovation at the University of Hawaii (UH). The center’s educational and experiential programs demand young students to think entrepreneurially.

XLR8UH’s program engages all the necessary alliances between the business community, the university, and the greater startup and venture communities that will be necessary to execute a successful program. A clear legal framework, authorizing UH to participate directly and indirectly with enterprises such as the proof-of-concept and venture accelerator, XLR8UH, is needed to reduce uncertainty and to facilitate the development and commercialization of innovative UH-based research enterprises.

PACE is committed to working with XLR8UH, and will actively connect and support newly formed companies with our wide network of resources in order to maintain competitiveness and drive the economic well being of Hawai‘i. We fully agree on the relevance and importance of HB2414 to accelerate entrepreneurial talent development and early stage commercialization of University of Hawaii innovations.

Thank you for the opportunity to offer these comments.

DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR

PAULA A. YOUNGLING
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII
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TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
HIGHER EDUCATION

February 9, 2016, 2:00 P.M.

House Bill No. 2414
RELATING THE UNIVERSITY OF HAWAII RESEARCH

Chair Choy, Vice-Chair Ichiyama, and members of the committee, thank you for the opportunity to submit testimony on HB2414. The State Procurement Office supports the intent of this bill, but opposes the exemption language on page 8, lines 14 to 17, which would allow funds to be expended without regard to HRS 103D.

Statutory exemptions are contrary to the Hawaii Public Procurement Code (Code), section 103D-102, HRS, on the applicability of the chapter that states in part "...shall apply to all procurement contracts made by governmental bodies whether the consideration for the contract is cash, revenues, realizations, receipts, or earnings..." Any governmental agency with the authority to expend funds should be in compliance with chapter 103D, which promotes the policy of fair and equitable treatment of all persons who deal with the procurement system; fosters effective broad-based competition; and increases public confidence in public procurement.

One of public procurement's primary objectives is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion, or fraud in the awarding of contracts. Another critical objective is to ensure disclosure and public visibility into the way tax-payer dollars are being spent. As such, along with open competition the Code provides safeguards to ensure procurement integrity, determination of fair and reasonable pricing, public notice, and transparency. The Code also provides consistency in the manner in which purchasing agencies procure goods, services, and construction.

Exemptions to the Code mean that all procurements made with taxpayer monies for this authority, will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the Code. It means that there is no requirement for due diligence, proper planning or consideration of protections for the State in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. It also means the authority is not required to adhere to the Code's procurement integrity laws.

To provide fairness and consistency, and due process for vendors/contractors, the Code offers a legal and contractual remedy process to resolve protested solicitations and awards, which includes impartial reviews by the Department of Commerce and Consumer Affairs administrative hearings process and the ability to request judicial review. The protest process also protects agencies and taxpayers from onerous and baseless protests, minimizes delays and disruptions in the award of contracts, and supports a prompt resolution.

To ensure all vendors/contractors who seek public contracts compete on equal footing they are required to demonstrate compliance with Hawaii laws. The Code requires potential vendors/contractors to comply with Hawaii laws prior to award of a contract, i.e. DOTAX Tax Clearance Certificate including IRS certification, DLIR Certificate of Compliance; DCCA Certificate of Good Standing; or Hawaii Compliance Express (HCE) Certificate of vendor compliance. Upon completion of goods provided or services performed, and before final payment is made, a vendor/contractor is again required to demonstrate compliance with Hawaii laws, thereby assuring that public funds are paid to compliant vendors/contractors.

Open bidding procedures assures that the State obtains value, and potential vendors/contractors are treated fairly. Those who lack a working knowledge of the Code, may view it as a cumbersome process. The SPO believes that it is vital to good government to have a fair and consistent process to award government contracts that hold agencies responsible and accountable for their actions.

The SPO is against exempting the University of Hawaii for the activities that surround innovation and commercialization initiative implementation from the Code, as it is not in the best interest of government, the business community, and the general public. The Code establishes a time-tested, fair, reliable set of rules and processes for award of contracts.

In conclusion, there is no compelling reason to statutorily exempt the University of Hawaii support the innovation and commercialization initiative implementation from the Code. The SPO recommends amending page 8, lines 14 to 17 to read as follows:

(b) Revenues deposited into this special fund may be expended by the university for all costs and expenses associated with the operation of this program without regard to chapters 76, 78, 89, 102, 103, ~~and~~ but shall be in accordance with chapter 103D.

Thank you.



Statement of
Maya Rogers
Blue Planet Software

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Blue Planet Software **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Blue Planet Software, the sole agent for the Tetris® brand and founder of Blue Startups, Hawaii’s first venture accelerator that helps early stage startups with investments as well as founder of Blue Planet Foundation.

Over the years we have worked closely with XLR8UH and they have partnered with us on various events such as East Meets West, Startup Paradise Demo Days, and community events. We believe that UH has a significant amount of academic research that has viable commercial potential and this successful commercialization contributes directly to the State's economy.

We support this bill because it will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

Thank you for the opportunity to offer our comments on this bill.

THE CIVIL BEAT
LAW CENTER FOR THE PUBLIC INTEREST

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House Committee on Higher Education
Honorable Isaac W. Choy, Chair
Honorable Linda Ichiyama, Vice Chair

RE: Testimony Opposing H.B. 2414, Relating to the University of Hawai'i Research
Hearing: February 9, 2016 at 2 p.m.

Dear Chair and Members of the Committee:

My name is Brian Black. I am the Executive Director of the Civil Beat Law Center for the Public Interest, a nonprofit organization whose primary mission concerns solutions that promote government transparency. Thank you for the opportunity to submit testimony in **opposition** to the breadth of the confidentiality provision in H.B. 2414.

H.B. 2414 goes much further than protecting legitimate concerns about trade secrets or confidential business information – which information has been protected from disclosure under Chapter 92F for more than two decades. *See, e.g.*, OIP Op. No. 94-14 at 5-6. The bill purports to protect from disclosure any “commercial or financial information” about UH’s commercialization efforts regardless whether it would satisfy the well-established State (and federal) standard for confidentiality. If the University will be spending public funds on potentially risky technology transfer projects, the public should have access to understand the nature of the risks undertaken. The existing confidentiality standards under Chapter 92F preserve the public interest.

The model from Hawai'i Strategic Development Corporation (referenced in UH's Justification Sheet) is different. Here, the University is investing in *University* research, not private enterprise. And H.B. 2414 omits the counterbalancing HSDC provisions that protect the public interest. *E.g.*, HRS §§ 211-2 (HSDC must make “provision for the recovery of its expenditures, as far as possible”), 211F-7 (program evaluations at three years and limits on how and in whom HSDC can invest). There is no justification for providing the University unrestrained authority to spend taxpayer monies **and** placing a blanket of confidentiality over the projects.

Finally, it is unclear why financial information is public record only when the University purchases a qualified security. The public has a comparable interest in access to information when the University provides loans or other financial assistance to a project. Again, while H.B. 2414 borrows select provisions from the HSDC chapter, it does not incorporate all the necessary elements, such as the definitions section.

Thank you again for the opportunity to testify.



Statement of
Dan Nash
Founder and COO
Comprendio

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai'i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Comprendio **strongly supports** HB2414. The bill proposes to authorize The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Comprendio is a local startup and one of the XLR8UH cohort teams. Comprendio is a web platform that engages every student with real-time feedback before, during, and after instruction. Our unique solution saves teachers over 300 hours per school year and helped increase student pass rates from 12% to 71% with our prototype. We provide instructors with a cloud-based tool that effectively assesses learner understanding by identifying and tracking what learners know with real-time learning feedback. Specifically, Comprendio assesses complex relationships in a simple, mind-map-like way, allowing instructors to immediately gauge student understanding and address comprehension gaps on the fly. Comprendio instructors have been able to demonstrate 2x learner comprehension, 3x learner performance, and 4x instructor effectiveness.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole.

Thank you for the opportunity to provide testimony.



ENTREPRENEURS™
F O U N D A T I O N



808.688.3733 • info@efhawaii.org • http://efhawaii.org

February 8, 2016

Statement of
Darcie Scharfenstein
President & Executive Director

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – RELATING TO UNIVERSITY OF HAWAI'I RESEARCH

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Entrepreneurs Foundation of Hawai'i respectfully submits testimony in **strong support** of this bill to authorize The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

The XLR8UH Proof of Concept Commercialization Center focuses on early stage innovation and talent affiliated with the University of Hawai'i. XLR8UH fills the critical void that was historically present as nascent technologies and novice entrepreneurs attempted to cross the "commercialization chasm" or "valley of death." XLR8UH therefore provides much needed guidance, support, and investment resources, and its programs will help nurture the efforts of regionally developed intellectual property, entrepreneurs, and startups.

The Entrepreneurs Foundation of Hawai'i, a 501(c)(3) nonprofit organization, helps great entrepreneurs become even greater philanthropists. We accept donations of equity from early stage companies, and when they have a liquidity event, we sell our shares and establish a charitable fund for the company. We also hold educational, networking, and service events for entrepreneurs and encourage them to give back to the Hawai'i community.

We have worked successfully with the XLR8UH principals and look forward to continued partnerships with XLR8UH. We fully support the HB 2414 bill which will help accelerate entrepreneurial talent development and early stage commercialization of University of Hawai'i innovations.

Thank you for the opportunity to offer these comments.



Statement of
Craig Furuya
Vice President and Publisher, Hagadone Media Group

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016, at 2 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

The Hagadone Media Group **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

We are celebrating 50 years of business in the Hawaiian Islands this year. We take great pride in serving the business community and the visitors in Hawaii. The Hagadone Media Group has produced great products like the This Week Magazines on all four major Hawaiian Islands.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. With this bill, the State will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

Hagadone Media Group is committed to working with XLR8UH, and support innovation to grow the economy. We fully agree on the relevance and importance of HB2414.

Thank you for the opportunity to offer our comments on this bill.

Respectfully,

A handwritten signature in black ink, appearing to read "Craig Furuya".

Craig Furuya
Vice President and Publisher
Hagadone Media Group



Testimony to the House Committee on Higher Education

February 9, 2016

2:00 p.m.

Conference Room 309

RE: RELATING TO THE UNIVERSITY OF HAWAII RESEARCH – HOUSE BILL 2414

Chair Choy, Vice Chair Ichiyama and Members of the Committee:

My name is Gary Kai and I am the Executive Director of the Hawaii Business Roundtable. The Hawaii Business Roundtable strongly supports House Bill 2414, relating to the University of Hawaii Research. The bill is to provide explicit statutory authority for the University of Hawaii to create, promote and participate in the economic use of University research activity.

The Hawaii Business Roundtable strongly believes that a strong research and innovation sector led by the University of Hawaii can be a large and important magnet for new money and new fields of job growth in Hawai'i. We concur with the Legislature that the commercialization of the intellectual property created by basic and applied research conducted at the University of Hawaii, holds great promise to contribute to the creation of jobs and economic growth. It is a vital component of the creation of jobs in the local economies of many universities across the country and we believe it could be done here in Hawaii.

The University of Hawaii has many areas of program strengths, including ocean sciences, energy research, sustainable agriculture and astronomy, cybersecurity and health sciences. These efforts have already attracted numerous technology start up organizations that have been attracted by and benefited from the research done in these areas that have been recognized internationally. This legislation will help foster even greater growth in this sector.

Providing the University with the express authority to engage in economic activities already conducted by other state agencies is a significant step and will signal Hawaii's willingness and desire to grow our Innovation Economy. The workforce opportunities created will benefit our young people immensely.

We realize that there must be a well-articulated policy and strong management procedures, to insure the balance between the economic activities and the benefits to the public. The members of the Roundtable are prepared and willing to lend our support and expertise in collaboration with the University.

This legislation is one very good example of growing our Research and Innovation Economy which is critical for the future of our young people. It provides them with the choice to live and work in their island home -- and the opportunity to come home after gaining experience on the mainland or abroad. Furthermore, it helps to improve the quality of their lives and the lives of all who live here.

Thank you very much for the opportunity to testify.

Gary K. Kai, Executive Director
Hawaii Business Roundtable

ichiyama2-Brandon

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 07, 2016 8:38 PM
To: HEDtestimony
Cc: dale@hicattle.org
Subject: *Submitted testimony for HB2414 on Feb 9, 2016 14:00PM*

HB2414

Submitted on: 2/7/2016

Testimony for HED on Feb 9, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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HVCA

HAWAII VENTURE CAPITAL ASSOCIATION

Statement of
Melialani James
President
Hawaii Venture Capital Association (HVCA)

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

The Hawaii Venture Capital Association (HVCA) **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Since its founding in 1988, the Hawaii Venture Capital Association (HVCA) has stood as a nexus for entrepreneurs, capital foundation, and networking opportunities in Hawaii. Fostering entrepreneurship through education and exposure to prime members of our business community continues to be our goal as we strive to grow a vibrant and successful venture community.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers . This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

HVCA is committed to working with XLR8UH, and will actively connect newly formed companies to its wide network in order to maintain competitiveness and grow the industry. We fully agree on the relevance and importance of HB2414.

Thank you for the opportunity to offer our comments on this bill.



650 Iwilei Road, Suite 218
Honolulu, Hawaii 96817, USA

Statement of
Bee Leng Chua, PhD
Executive Director, HiBEAM

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

HiBEAM **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

The XLR8UH Proof of Concept Commercialization Center focuses on early stage innovation and talent affiliated with the University of Hawai‘i. XLR8UH fills the critical void that was historically present as nascent technologies and novice entrepreneurs attempted to cross the “commercialization chasm” or “valley of death”. XLR8UH therefore provides much needed guidance, support, and investment resources, and its programs will help nurture the efforts of regionally developed intellectual property, entrepreneurs, and startups.

HiBEAM was created to help launch and build promising early stage Hawaii technology, biotechnology and life sciences companies by providing expert professional advice and access to funding sources. HiBEAM assembles teams of advisors to function like a "virtual" or "shadow" board of directors for client companies. The virtual board is drawn from the finance, entrepreneurial, and professional services sectors. HiBEAM tailors the composition of each virtual board to fit the specific needs of the entrepreneur. HiBEAM also assembles teams of advisors to help early stage entrepreneurs, scientists, and inventors through a Springboard Forum process.

XLR8UH’s program engages all the necessary alliances between the business community, the university, and the greater startup and venture communities that will be necessary to execute a successful program. UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

HiBEAM is committed to working with XLR8UH, and we fully agree on the relevance and importance of this bill to accelerate entrepreneurial talent development and early stage commercialization of University of Hawaii innovations, which align with our initiatives, along with our broader commitment to develop a sustainable economy in the State of Hawaii. We look forward to continued partnerships through this program.

Thank you for the opportunity to offer our comments on this bill.

RealGreen Power
ZERO POLLUTION ZERO WASTE

Statement of
Dennis Furukawa
Founder and CEO
RealGreen Power

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 - Relating to UNIVERSITY OF Hawai'i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

RealGreen Power **strongly supports** HB2414. The bill proposes to authorize The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

RealGreen Power is a local startup and one of the XLR8UH cohort teams. We utilize UH IP to establish sustainable and profitable energy solutions around the world, bringing together region-specific natural, human and economic resources to benefit local communities and the global environment. Our unique process provides opportunities for industries, organizations and investors to create, own and operate profitable enterprises that produce clean energy and clean water, without pollution or waste. We recently signed an agreement with a sub-licensee to install our products at sewage treatment plants around the globe, which promises to generate over \$100,000 in royalties to UH in 2016 alone, funds that will benefit UH and the State.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole.

Thank you for the opportunity to provide testimony.

Signed:



Dennis Furukawa, CEO, RealGreen Power Inc.



Statement of
Donavan Kealoha
Senior Associate
Startup Capital Ventures

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Startup Capital Ventures (SCV) **strongly supports** this bill to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

SCV invests in early-stage, capital efficient B2B technology companies with proof of first revenue. Our initial investment ranges from \$250,000 up to \$1 million with reserves for future funding rounds. Typically co-investing with other leading funds at the Series Seed and Series A rounds.

UH has a significant amount of academic research that has viable commercial potential. In fact, Startup Capital Ventures has a history of investing in UH spinouts, having helped to lead the investment into Adama Materials, Inc., which was my first company that I co-founded with a UH professor. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

SCV is committed to working with XLR8UH, and will actively connect newly formed companies to its wide network in order to maintain competitiveness and grow the industry. We fully agree on the relevance and importance of HB2414.

Thank you for the opportunity to offer our comments on this bill.



Statement of
Kenneth Huang
Lead Organizer
Startup Weekend Honolulu

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 - Relating to UNIVERSITY OF HAWAII

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Startup Weekend Honolulu would like to express our **strong support** of HB 2414, a bill that authorizes The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Startup Weekend is a global startup event bringing together communities of entrepreneurs, investors, students, and curious individuals into one space. Global events like ours is made possible locally by generous sponsorship and support by private and public individuals and organizations.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole.

As an integral part of developing the next generation of aspiring entrepreneurs for an innovation economy, Startup Weekend Honolulu is committed to working with XLR8UH, and we fully agree on the relevance and importance of HB2414.

Thank you for the opportunity to provide testimony on this bill.



Statement of
Tarik Sultan
Managing Partner
Sultan Ventures

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – RELATING TO UNIVERSITY OF HAWAI‘I RESEARCH

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Sultan Ventures respectfully submits testimony in **strong support** of HB 2414 to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Sultan Ventures is a Hawaii-based boutique venture firm focusing on early stage startups and investments. As a startup catalyst, we provide pivotal resources via our powerful network of experts and investors. We work closely with innovative startups, and run the XLR8UH program in partnership with UH, providing the hands-on expertise and access to capital needed to accelerate growth, as well as with investors, performing the diligence necessary to make strategic investment decisions.

A clear legal framework, authorizing UH to participate directly and indirectly with enterprises such as the proof-of-concept and venture accelerator, XLR8UH, is needed to reduce uncertainty and to facilitate the development and commercialization of innovative UH-based research enterprises. This will aim to eliminate the unnecessary delays and confusion that impede the progress of XLR8UH and the development of UH research-based high potential commercialization projects.

As established in prior legislation, other state agencies currently have explicit statutory authority to transform promising concepts into viable economic drivers. For example, chapter 211F, Hawai‘i Revised Statutes, establishes the Hawai‘i Strategic Development Corporation (HSDC) and confers broad statutory powers to encourage economic development and diversification in Hawai‘i. This state-established corporation may also use public funds to co-invest with private interest.

We urge you to pass this legislation so that Hawaii can take its rightful place as a birthplace of innovation and provider of 21st century careers and jobs. We encourage you to visit both

XLR8UH and Sultan Ventures and see first hand the entrepreneurial efforts underway in our state.

Thank you for the opportunity to provide testimony on this bill.



Statement of
Peter Rowan
Entrepreneur in Residence
XLR8UH

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai'i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

I respectfully and **strongly support** HB2414. The bill proposes to authorize The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

I am an entrepreneur in residence for the XLR8UH program and work closely with many of the cohort teams. Many of our teams utilize UH IP as well as spur economic development here in our local Hawai'i community. Support of these entrepreneurs is crucial to the further development of our innovation ecosystem.

A clear legal framework, authorizing UH to participate directly and indirectly with enterprises such as the proof-of-concept and venture accelerator, XLR8UH, is needed to reduce uncertainty and to facilitate the development and commercialization of innovative UH-based research enterprises.

UH also has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole.

Thank you for the opportunity to provide testimony.

ichiyama2-Brandon

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 08, 2016 12:41 PM
To: HEDtestimony
Cc: omar@xlr8uh.com
Subject: *Submitted testimony for HB2414 on Feb 9, 2016 14:00PM*

HB2414

Submitted on: 2/8/2016

Testimony for HED on Feb 9, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Omar Sultan	XLR8UH	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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ichiyama2-Brandon

LATE

From: Jason Rushin <jrushin@gmail.com>
Sent: Monday, February 08, 2016 3:13 PM
To: HEDtestimony
Subject: HB 2414 Testimony

Statement of Jason Rushin, editor of Aloha Startups

Testimony Presented Before the House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of HB 2414 – Relating to UNIVERSITY OF Hawai‘i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Aloha Startups would like to express our strong support of HB 2414, a bill that proposes to authorize The University of Hawai‘i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Aloha Startups provides a forum for articles and opinions covering Hawai‘i's startup ecosystem.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai‘i as a whole.

Aloha Startups is committed to working with XLR8UH and agree on the relevance and importance of HB2414.

Thank you for the opportunity to offer our comments on this bill.

Mahalo,
Jason Rushin



**Testimony to the House Committee on Higher Education
Tuesday, February 9, 2016 at 2:00 P.M.
Conference Room 309, State Capitol**

RE: HOUSE BILL 2414 RELATING TO THE UNIVERSITY OF HAWAII RESEARCH

Chair Choy, Vice Chair Ichiyama, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2414, which provides express legal authority to enable the University of Hawaii to create, promote, and participate in new economic enterprises that use university research and provide workforce opportunities for affiliated university personnel.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The University of Hawaii is the state's public institution supporting an array of programs such as ocean sciences, energy research, sustainable agriculture, astronomy, and more. Much of the research produced by these many fields have strong commercial potential that has not been capitalized. In order to reach its full potential, UH needs to proactively move these research projects to commercialization in order to become a major contributor to the state's economy and workforce. HB 2414 would create the second state agency with this capability that could help move projects along and achieving maximum commercial potential within the University.

Thank you for the opportunity to testify.



1000 Bishop St, Suite 505 | Honolulu, HI 96813 USA
P: (808) 237-5050 | energyexcelserator.com

LATE

Energy Excelserator is a program of the Pacific International Center for High Technology Research (PICHTR), a Hawaii-based nonprofit.

House Committee on Higher Education

February 9, 2016 at 2:00 pm

Testimony in Support of: **HB 2414 – Relating to UNIVERSITY OF HAWAII research**

Aloha Chair Choy, Vice Chair Ichiyama, and members of the Committee on Higher Education:

The Energy Excelserator respectfully submits our **strong support** of HB2414, a bill that authorizes The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Energy Excelserator, a program of the non-profit organization PICHTR, the Pacific International Center for High Technology Research, is a multi-stage national accelerator program that uses Hawaii as a test bed for energy innovation. We recruit entrepreneurs locally and from all across the country to come to Hawaii and work on Hawaii's energy challenges and help us achieve our 100% renewable energy goal.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole. Specifically, we see the UH and XLR8UH as producing companies who will feed directly into our program as the next step of the innovation and commercialization process.

The Energy Excelserator is committed to working with XLR8UH and other stakeholders in the innovation ecosystem on the relevance and importance of HB2414. Again, we are in support of HB2414.

Mahalo for the opportunity to provide testimony on this bill.

LATE

IMPACT HUB

Statement of
Shanah Trevenna
Director
Impact Hub Honolulu

Testimony Presented Before the
House Committee on Higher Education
February 9, 2016 at 2:00 pm

In Consideration of
HB 2414 – Relating to UNIVERSITY OF Hawai'i research

Chair Choy, Vice Chair Ichiyama and members of the Committee:

Impact Hub Honolulu would like to express our strong support of HB 2414, a bill that proposes to authorize The University of Hawai'i (UH) to promote, financially support and directly participate in innovation and commercialization of university-related research.

Part innovation lab, part business incubator, and part community center, we offer our members a unique ecosystem of resources, inspiration, and collaboration opportunities to grow impact. We believe a better world evolves through the combined accomplishments of creative, committed and compassionate individuals focused on a common purpose.

UH has a significant amount of academic research that has viable commercial potential. Successful commercialization contributes directly to the State's economy, its academic and business reputation and to creating diverse, well-paying jobs and careers. This bill will assist in streamlining the progress of XLR8UH, the development of UH research-based high potential commercialization projects, and innovation in Hawai'i as a whole.

Impact Hub is committed to working with XLR8UH, and will actively connect newly formed companies to its wide network in order to maintain competitiveness and grow the industry. We fully agree on the relevance and importance of HB2414.

Thank you for the opportunity to provide testimony on this bill.