

# SB 137

## RELATING TO UNIVERSITY OF HAWAII RESEARCH

Establishes the Innovation and Commercialization Initiative Program to expressly give the University of Hawaii the legal authority to create, promote, and participate in new economic enterprises and expand workforce opportunities based on inventions and discoveries generated by or at the University.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
Senate Committees on Higher Education  
and Economic Development, Tourism and Technology  
Wednesday, February 15, 2017 at 1:20 p.m.

by

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

### SB 137 – RELATING TO UNIVERSITY OF HAWAII RESEARCH

Chairs Kahele and Wakai, Vice Chairs Kidani and Taniguchi, and members of the committees:

The University of Hawai'i (UH) supports this measure.

The purpose of this bill is to provide the University of Hawai'i clear statutory authority to frame and support its various activities and initiatives to develop and commercialize the intellectual property created by UH faculty, staff or alumni. This commercialization, in turn, will contribute to a more diverse workforce in the state and promote a robust and dynamic economy.

Because the University of Hawai'i is the sole public institution for higher education for the state, UH is especially well-suited for this task.

If this measure is enacted, the University of Hawai'i will be able to undertake commercialization activity with greater legal certainty and clarity. These activities include vetting or "proving" commercial concepts based on UH research, providing mentorship and entrepreneurial guidance to faculty or research staff, transferring UH-owned intellectual property via patents or licenses, or actively participating in public/private joint development and partnerships. Third parties, similarly, will be more willing to contribute their resources and shoulder some of the risks on forward-looking joint ventures or collaborative technology transfer activities, if the legal parameters were more clearly established.

The University of Hawai'i's brand as a research and teaching institution will also be enhanced. Currently, UH lags its peer institutions in having the support infrastructure to encourage and nurture technology transfer. To keep UH competitive with its mainland peers in garnering external research sponsorship and in hiring entrepreneurial faculty or staff, it must develop its commercialization capacity. Clear statutory authority is an essential component to develop and frame UH's capacity to commercialize its intellectual property.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

LAUREL A. JOHNSTON  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEES ON HIGHER EDUCATION AND  
ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY  
ON  
SENATE BILL NO. 137

**February 15, 2017**  
**1:20 p.m.**  
**Room 414**

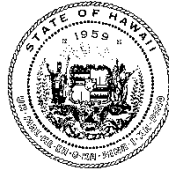
RELATING TO THE UNIVERSITY OF HAWAII RESEARCH

Senate Bill No. 137 establishes the Innovation and Commercialization Initiative Program (Program) within the University of Hawaii to allow the University to commercialize the inventions and discoveries generated by or at the University. The bill also creates the University Innovation and Commercialization Initiative Special Fund to pay for costs and expenses associated with the Program.

The Department of Budget and Finance does not take any position on the Program; however, as a matter of general policy, the department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

In regards to Senate Bill No. 137, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.



**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

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TESTIMONY  
OF  
SARAH ALLEN, ADMINISTRATOR  
STATE PROCUREMENT OFFICE  
TO THE SENATE COMMITTEES  
ON  
ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY  
AND  
HIGHER EDUCATION

February 15, 2017, 1:20 PM

Senate Bill 137  
RELATING TO THE UNIVERSITY OF HAWAII RESEARCH

Chairs Wakai and Kahele, Vice-Chairs Taniguchi and Kidani, and members of the committees, thank you for the opportunity to submit testimony on SB 137. The State Procurement Office's (SPO) comments are limited to SECTION 2 of the bill amending HRS §304A by adding a section exempting all costs and expenses expended from the University's innovation and commercialization initiative special fund's revenues from chapter 103D as follows:

"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 103D. Revenues not expended as provided in this section may be transferred to other university funds to be expended for the general benefit of the university."

The SPO is not in opposition of this bill, however, would like to submit comments pertaining to SECTION 2, page 10, lines 4 to 10.

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.

The Code should not be viewed as an obstacle to a purchasing agency's mission, but rather as the single source of public procurement policy to be applied equally and uniformly to obtain its

requirements, which was the legislature's intent for the Code. If individual agencies are exempted and allowed to develop their own individual processes, it becomes problematic for the administration and vendors/contractors that must comply with a variety of processes. Most agencies agree that fairness, open competition, a level playing field, and government disclosure and transparency in procurement and contracting process are vital to good government. They believe that for this to be accomplished, we must participate in the process with one set of statutes and rules.

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 taxpayer 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.

The National Association of State Procurement Officials state: "Businesses suffer when there is inconsistency in procurement laws and regulations. Complex, arcane procurement rules of numerous jurisdictions discourage competition by raising the costs to businesses to understand and comply with these different rules. Higher costs are recovered through the prices offered by a smaller pool of competitors, resulting in unnecessarily inflated costs to state and local governments."

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. As such, the authority can choose whether to compete any procurement or go directly to one contractor. As a result, leveraging economies of scale and cost saving efficiencies found in the consistent application of the procurement code are lost. It also means the authority is not required to adhere to the Code's procurement integrity laws.

When public bodies are removed from the State's procurement code it results in the harm described above. As these entities create their own procurement rules, businesses are forced to track their various practices. Moreover, a public body often can no longer achieve the benefits of aggregation by using another public body's contract because different state laws and regulations may apply to the various public bodies making compliance more difficult.

Each year new procurement laws are applied to state agencies causing state agency contracts to become more complex and costly, while other public bodies, such as agencies with strong legislative influence, are exempted. Relieving some public bodies from some laws by exempting or excluding them from compliance with a common set of legal requirements creates an imbalance wherein the competitive environment becomes different among the different jurisdictions and the entire procurement process becomes less efficient and more costly for the State and vendors.

Thank you.

# OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII  
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To: Senate Committees on Higher Education and on  
Economic Development, Tourism, and Technology

From: Cheryl Kakazu Park, Director

Date: February 15, 2017, 1:20 p.m.  
State Capitol, Conference Room 414

Re: Testimony on S.B. No. 137  
Relating to University of Hawaii Research

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Thank you for the opportunity to submit testimony on this bill. For the following reasons, the Office of Information Practices (“OIP”) takes **no position** on this bill, which proposes an innovation and commercialization program at the University of Hawaii (“UH”).

The bill (at page 9, lines 4-7) would create an exemption to the Sunshine Law, part I of chapter 92, HRS, for any advisory committees created by UH under the innovation and commercialization program proposed by this bill. However, given the quasi-commercial nature of the proposed program, the stated intent of which is to transform UH research into commercially viable products and businesses, it does not appear that such advisory committees would be discussing issues central to public policy, so OIP does not have any strong concerns about the proposed exception. Rather, OIP views the decision on whether such advisory groups should be subject to the Sunshine Law as a policy call for the Legislature to make.

OIP further notes that this bill (starting at page 10 line 11) would create a special executive session purpose allowing the UH Board of Regents to hold a closed session to discuss trade secrets or confidential commercial or financial information that UH could properly withhold from public disclosure under chapter 92F, HRS, the Uniform Information Practices Act (“UIPA”). Here, too, OIP does not have concerns over the proposal to allow the UH Board of Regents to maintain the confidentiality of trade secrets or other sensitive commercial information coming before it in connection with the proposed program, which is consistent with existing UIPA protections.

For these reasons, OIP views the provisions of this bill affecting the Sunshine Law and the UIPA as reasonably limited to achieve their intended purpose of protecting proprietary information without unduly restricting public access to the formation of public policy, and believes that the decision of whether to provide that protection is a policy call for the Legislature to make. Thus, OIP takes no position on this bill.





# HAWAII STATE ETHICS COMMISSION

State of Hawaii • Bishop Square, 1001 Bishop Street, ASB Tower 970 • Honolulu, Hawaii 96813

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Committee: Committee on Economic Development, Tourism, and Technology  
Committee on Higher Education  
Bill Number: S.B. 137, Relating to University of Hawaii Research  
Hearing Date/Time: Wednesday, February 15, 2017, 1:20 p.m.  
Re: Testimony of the Hawaii State Ethics Commission with  
**COMMENTS** on S.B. 137

Dear Chair Wakai, Chair Kahele, and Committee Members:

The Hawaii State Ethics Commission (“Commission”) hereby submits **comments** on S.B. 137, which seeks to promote the commercialization of research conducted at the University of Hawaii.

In short, the Ethics Commission fully supports the University’s efforts to take advantage of its employees’ outstanding research; as the saying goes, a rising tide lifts all boats, and the University and its employees ought to be encouraged to promote (and profit from) their many accomplishments. So long as the University establishes safeguards to ensure that the University’s interests are adequately protected, these activities are already permitted by the Ethics Code, Hawaii Revised Statutes (“HRS”) chapter 84.<sup>1</sup>

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<sup>1</sup> Indeed, more than twenty years ago, the Commission issued an Advisory Opinion stating:

[W]hen the State of Hawaii stood to benefit from arrangements in which an employee acquired a financial interest subject to his official action, or took official action directly affecting that interest, or assisted or represented a business on a matter in which the employee had participated or would participate, or assisted or represented that business before the agency of which he or she was an employee, the conflicts of interests law did not per se prohibit such arrangements, so long as the State’s interest was adequately protected.

See Hawaii State Ethics Commission, Advisory Opinion No. 1992-2 at 5-6, available at <http://files.hawaii.gov/ethics/advice/AO1992-2.pdf>. The Commission reviewed several technology transfer proposals and concluded that they satisfied the Ethics Code because, among other things, they were subject to “strict oversight and review by appropriate State authorities for the purpose of insuring that [University employees’] official action would be directed toward the stated goals of the proposal.” Id. at 8.

The Legislature intended that Advisory Opinions “be a source of reference for all persons concerned and contribute to a proper understanding of the code. These opinions should reflect the practical operation of the code and begin to develop a body of ‘case law’ on ethics.” Conf. Comm. Rep. No. 16, in 1967 House Journal, at 856.

The Commission respectfully submits that the language in the bill requiring that the Ethics Code be construed “in recognition of the public benefits created and state interests advanced by university activities” is redundant. Both the Commission and the courts already construe statutes in relation to one another; the phrase used by courts is that statutes that are “in pari materia,” or on the same subject matter, are to be construed together. In evaluating the Ethics Code’s application to any proposed activities, the Commission always considers the state purpose at hand; as such, while the Commission does not oppose the proposed language, the Commission respectfully suggests that it is unnecessary.

As such, the Commission respectfully suggests that this Committee **amend this measure** on page 12, line 19, to remove the phrase “including without limitation the state code of ethics”; similarly, the Commission respectfully suggests that the Committee remove the phrase “including the state code of ethics” on page 3, line 18.

While the Commission submits comments on this measure, the Commission opposes any efforts to exempt University employees and/or broad categories of activities from the Ethics Code itself. As such, the Commission opposes another measure on today’s agenda (S.B. 138).

Thank you for considering the Commission’s testimony on S.B. 137.

Very truly yours,

Daniel Gluck  
Executive Director and General Counsel



**Testimony to the Senate Committee on Economic Development, Tourism & Technology  
and the Senate Committee on Higher Education**

**February 15, 2017**

**1:20 p.m.**

**Conference Room 414**

**RE: RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII –  
SENATE BILL 137**

Chairs Wakai and Kahele, Vice Chairs Taniguchi and Kidani and Members of the Committees:

My name is Gary Kai and I am the Executive Director of the Hawaii Business Roundtable. The Hawaii Business Roundtable strongly supports Senate Bill 137, relating to the University of Hawaii Research. The bill is to provide to provide express statutory authority to enable and facilitate the deployment of university educational and instructional resources, university managerial and fiscal resources, and university personnel to promote the economic health and diversification of workforce opportunities in the State through the commercialization of inventions and discoveries generated by or at the university.

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 can 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

THE CIVIL BEAT  
LAW CENTER FOR THE PUBLIC INTEREST

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Senate Committee on Economic Development, Tourism, and Technology  
Honorable Glenn Wakai, Chair  
Honorable Brian T. Taniguichi, Vice Chair

Senate Committee on Higher Education  
Honorable Kaiali'i Kahele, Chair  
Senator Michelle N. Kidani, Vice Chair

**RE: Testimony Commenting on S.B. 137,  
Relating to University of Hawaii Research**  
Hearing: February 15, 2017 at 1:20 p.m.

Dear Chairs and Members of the Committees:

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 governmental transparency. Thank you for the opportunity to submit testimony **commenting** on an unnecessary provision in H.B. 847. To avoid confusion, the Law Center recommends removing or clarifying the intent of the first sentence of proposed section 304A-, concerning confidential records.<sup>1</sup>

On its face, the confidential records provision of H.B. 847 only repeats existing law under the Uniform Information Practices Act (UIPA). The provision specifies certain information (trade secrets and confidential business information) as confidential if protected by the UIPA and otherwise a public record if not confidential. That is law already under the UIPA, which has protected trade secrets and confidential business information for more than two decades. *See, e.g.,* OIP Op. No. 94-14 at 5-6. Thus, the confidential records portion of H.B. 847 does not add to the law.

If that provision is intended to do something different than existing UIPA law, the intent should be clarified. Otherwise, the provision will cause confusion because standard rules of statutory interpretation would counsel that a statute must not be superfluous. *E.g., Keliipuleole v. Wilson*, 85 Hawai'i 217, 221, 941 P.2d 300, 304 (1997)

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<sup>1</sup> "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 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."

("[C]ourts are bound to give effect to all parts of a statute, and that no clause, sentence, or word shall be construed as superfluous, void, or insignificant if a construction can be legitimately found which will give force to and preserve all words of the statute."). As it stands, the provision seems entirely unnecessary in light of existing law.

Further, it is unclear why the statute only references public access when the University purchases a qualified security. The public has a comparable interest in access to information – and would have access under the UIPA – when the University provides loans or other financial assistance to a project, yet none others are mentioned. While H.B. 847 borrows select language from statutes concerning Hawaii's Strategic Development Corporation and mentions its other programs in the preamble, H.B. 847 fails to incorporate all the relevant language from that statute (*e.g.*, defining "qualified securities," see HRS § 211F-1).

We note that the second sentence of proposed section 304A- (concerning confidential records) allows for an executive session under Sunshine Law, HRS chapter 92, that otherwise does not exist. Thus, that portion of the bill is not superfluous and does not suffer from the same lack of clarity as the rest of that section.

Thank you again for the opportunity to testify.



Senate Economic Development, Tourism, and Technology Committee / Senate Committee on Higher Education  
Chair Glenn Wakai, Chair Kaiali'i Kahele

02/15/2017 at 1:20 PM in Room 414  
SB137 – Relating to the University of Hawaii Research

TESTIMONY — OPPOSE  
Corie Tanida, Executive Director, Common Cause Hawaii

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Dear Chair Wakai, Chair Kahele, and committee members:

**Common Cause Hawaii opposes SB137** which would authorize the University of Hawaii (“UH” or “University”) to create, promote, and participate in new economic enterprises and expand workforce opportunities based on inventions and discoveries generated by or at UH.

While we recognize the need to be able to innovate and capitalize on research, we believe certain provisions of SB137 creates an overly broad exemption to our Sunshine Laws, which could lead to ethical issues in the future and be detrimental to the public’s access to information.

Section 21 under “Innovation and commercialization initiative program; implementation” (page 9, line 4) allows UH to appoint advisory committees which are exempt from Hawaii Revised Statutes Chapter 92. This would open a large loophole in our Sunshine Laws, in an area rife with the potential for conflicts of interest. Additionally, given the University’s spotty record of compliance with Chapter 92, we question the reasoning and need for an exemption this broad.

Additionally, the section entitled “Confidentially of trade secrets; disclosure of financial information” raises concerns. Under current law, trade secrets “may” be withheld from public disclosure. SB137 would convert this permissive clause into a requirement that such materials “shall not be publicly disclosed”. As this blanket ban denies the public access to information, we again question the reasoning and need for this overly broad provision.

We also believe that the provision under the section entitled “Confidentially of trade secrets; disclosure of financial information” that allows UH’s board of regents and their subcommittees to discuss trade secrets in executive meetings is unnecessary as our current Sunshine Laws, which are designed to protect trade secrets while protecting the public’s interest, already provide for closed executive meetings.

We respectfully ask that you **defer SB137**, as opening the door to these overly broad exemptions would, simply put, not be in the public’s interest.

Thank you for the opportunity to offer testimony **opposing SB137**.



Statement of  
**Omar Sultan**  
Managing Partner  
XLR8UH

Testimony Presented Before the  
**Senate Committee on Economic Development, Tourism, and Technology**  
and  
**Senate Committee on Higher Education**

Wednesday, February 15, 2017 at 1:20 PM

In consideration of  
**SB137 RELATING TO TECHNOLOGY DEVELOPMENT**

Chair Wakai, Vice Chair Taniguchi, and members of the Economic Development, Tourism, and Technology Committee;

Chair Kahele, Vice Chair Kidani, and members of the Higher Education Committee:

XLR8UH respectfully submits testimony in **strong support** of SB 137 to provide the University of Hawaii (UH) clear statutory authority to frame and support its various activities and initiatives to develop and commercialize the intellectual property created by UH faculty, staff and alumni.

One of the first of its kind in the nation, XLR8UH is a public-private partnership with University of Hawaii through the Office of the Vice President for Research and Innovation and Honolulu-based Sultan Ventures, a local venture accelerator. Although only a few years old, XLR8UH is already a multiple award winning, venture accelerator program, nationally recognized by the Small Business Association in 2015 and 2016 and the Economic Development Association in 2016 under the Department of Commerce Regional Innovation Strategies i6 Challenge, that makes small, targeted, high-impact investments to support startup creation, innovation and help turn technology into jobs.

The bill before you is intended to eliminate the unnecessary delays and confusion that impede the progress of XLR8UH and the development of UH research-based high potential commercialization projects. With its undeniable strengths in ocean sciences, energy research, sustainable agriculture and astronomy; and its growing strength in cybersecurity and health sciences -- 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.



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.

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.

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



Statement of  
**Tarik Sultan**  
Managing Partner  
Sultan Ventures

Testimony Presented Before the  
**Senate Committee on Economic Development, Tourism, and Technology**  
and  
**Senate Committee on Higher Education**

Wednesday, February 15, 2017 at 1:20 PM

In Consideration of  
**SB 137 – RELATING TO UNIVERSITY OF HAWAII RESEARCH**

Chair Wakai, Vice Chair Taniguchi, and members of the Economic Development, Tourism, and Technology Committee;

Chair Kahele, Vice Chair Kidani, and members of the Higher Education Committee:

Sultan Ventures respectfully submits testimony in **strong support** of SB 137 to provide the University of Hawaii (UH) clear statutory authority to frame and support its various activities and initiatives to develop and commercialize the intellectual property created by UH faculty, staff and alumni.

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.

A clear statutory framework will enable UH to undertake commercialization activity with greater legal certainty and clarity in commercialization efforts such as vetting concepts, providing mentorship and guidance to university entrepreneurs, technology transfer activities to protect intellectual property and working in partnerships with third parties such as Sultan Ventures to facilitate the development and commercialization of innovative UH-based research enterprises. This will eliminate the unnecessary delays and confusion that impede the progress of XLR8UH and the development of UH research-based high potential commercialization projects.

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.

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



Feb. 15, 2017

Sen. Glenn Wakai  
Senate Committee on Economic Development, Tourism and Technology  
State Capitol  
Honolulu, HI 96813

Re: Senate Bill 137

Chairman Wakai and Committee Members:

We do not offer an opinion on whether the committee should create an innovation program at the University of Hawaii.

However, we ask you to delete the provision for confidentiality of trade secrets since trade secrets already have protections from disclosure under the Uniform Information Practices Act and under the Sunshine Law because it would involve meetings about trade secrets that are confidential under state law.

We have seen disclosure problems that result from broad, unfettered exemptions to our public meetings and records laws.

Thank you for your time.

Sincerely,

Stirling Morita  
President, Hawaii Chapter SPJ

Testimony Presented Before the  
Senate Committee on Economic Development, Tourism, and Technology  
And  
Committee on Higher Education  
On Wednesday, February 15, 2017 at 1:20 p.m. Conference Room 414  
by  
Brandon Marc Higa (as current law student)

SB 137 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Kahele, Vice-Chair Kidani, Chair Wakai, Vice-chair Taniguchi and members of the committees:

My name is Brandon Marc Higa, a second year law student at the University of Hawaii William S. Richardson School of Law. I am submitting this testimony as a private citizen and not in my capacity as a current member of the University of Hawaii Board of Regents member.

I am writing in support of SB 137 RELATING TO UNIVERSITY OF HAWAII RESEARCH, as integral measures to support the University of Hawaii's Hawaii Innovation Initiative.

In particular, I am in support of SB 137's underlying purpose to provide timely and efficient commercialization of intellectual property created by basic and applied research at the university as a driver of economic health and diversification for the State of Hawaii.

The proposed Center for Commercialization is necessary for the University of Hawaii to proactively build the infrastructure needed to foster an environment conducive to innovation among faculty, students, and community members. The proposed commercialization hub will build capacity to greatly enhance the productivity in various revenue generating activities. I am optimistic the commercialization efforts will build confidence and excitement in the innovative activities taking place at the University of Hawaii.

Thank you for the opportunity to testify in support of these measures.

Respectfully submitted: February 14, 2017.

s/Brandon Marc Higa

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 3:34 PM  
**To:** HRE Testimony  
**Cc:** mendezj@hawaii.edu  
**Subject:** \*Submitted testimony for SB137 on Feb 15, 2017 13:20PM\*

**SB137**

Submitted on: 2/7/2017

Testimony for HRE/ETT on Feb 15, 2017 13:20PM in Conference Room 414

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Oppose	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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