



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented to the
House Committee on Judiciary
Monday, February 10, 2020 at 2:05 p.m.

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

HB 2090 HD1 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

The University of Hawai'i (UH) supports this measure that would remove the sunset provision of Act 39, Session Laws of Hawai'i 2017, and thereby allow UH to sustain its Innovation and Commercialization Program.

Act 39 provides the University of Hawai'i express statutory authority to sponsor and directly participate in the transformation of innovations created by UH researchers into viable commercial enterprises. Universities across the country increasingly recognize that they can play an active role to support the transformation of inventions and discoveries generated on their campuses and to transfer these technologies to the commercial realm. Through its Innovation and Commercialization Program, UH is seeking to contribute to the growth of an innovation economy to help boost the state's economy. However, commercial innovation is inherently risky and takes time to develop.

Act 39 recognizes that UH is uniquely positioned to assist a home-grown fledgling venture navigate these uncertainties. The University of Hawai'i has established and manages an accelerator program that identifies promising start-ups built around innovations created by its faculty, students and alumni. This accelerator program provides focused training and networking opportunities to those ventures selected to participate in a cohort with other start-ups. Through this program, UH may provide initial seed funding if the venture reaches certain performance milestones. In return for the financial investment, UH may obtain equity shares in the venture. The University of Hawai'i may also provide temporary space to the startup at reasonable rents at its Mānoa Innovation Center.

Active participation in technology transfer is a comparatively new responsibility for a public university, but it has its parallels with a university's traditional mission of instruction. The University of Hawai'i selects incoming freshmen, instructs these students via multiple curricular offerings and pathways, provides career guidance and development, may grant financial scholarships or loans and may also provide temporary housing, all of which are subsidized with public funds. The goal is to transform students into engaged and contributing members of society once they

graduate. The University of Hawai'i's Innovation and Commercialization program does the same for promising start-up enterprises.

The University of Hawai'i respectfully requests that the sunset provision of Act 39, Session Laws of Hawai'i 2017, be removed to allow its Innovation and Commercialization Program to grow and develop into a significant contributor to the state's economic and workforce growth.

Thank you for the opportunity to testify on this measure.



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
House Committee on Judiciary
Monday, February 10, 2020
2:05 p.m.
State Capitol, Conference Room 325

In consideration of
HB2090, HD1
RELATING TO UNIVERSITY OF HAWAII.

Chair Lee, Vice Chair San Buenaventura, and Members of the Committee.

The Hawaii Technology Development Corporation (HTDC) **supports** HB2090, HD1 that removes the sunset provision of Act 39, Session Laws of Hawaii 2017, making permanent the innovation and commercialization initiative program.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at growing tech and innovation jobs. The University of Hawaii has done an outstanding job establishing a suite of programs that nurture the talent and startup business pipeline out of the University and has been working with HTDC to align these programs with all of the resources in the State. HTDC believes that these type of programs play an important role for Hawaii and supports the continuation of these programs. HTDC requests correction of the defective effective date and defers to the University on the specifics of the measure.

Thank you for the opportunity to offer these comments.



Adnoviv, Inc.
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Written Testimony Presented to the
House Committee on Judiciary
Monday, February 10, 2020 at 2:05 p.m.
By Natasa Petrovic, CFO
Adnoviv, Inc.

HB 2090 HD1 - RELATING TO THE UNIVERSITY OF HAWAII
Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

Adnoviv, Inc. supports this measure that would remove the sunset provision of Act 39, Session Laws of Hawaii, 2017 and thereby allow University of Hawaii to sustain its Innovation and Commercialization Program.

I am the chief financial officer for Adnoviv, Inc., a University of Hawaii spin-off founded in 2013 by Dr. Olga Boric-Lubecke and Dr. Victor Lubecke, UH professors and researchers. Our company would not be here today if not for the help and support provided by the University of Hawaii, through two rounds of UH accelerator program and subsequent UH investment in our company. In the last three years, Adnoviv provided two federally funded subawards to UH, employed three UH graduates full-time, and two UH graduates as consultants. Adnoviv also provided support for two undergraduate students and one UC Berkley summer intern (Kalaheo HS graduate), and is currently supporting three UH military veteran graduate students and two UH community college faculty. This support was made possible through National Science Foundation (NSF) educational supplements for engagement in commercialization.

I believe that the relationship between the University of Hawaii and Adnoviv is mutually beneficial, and ultimately beneficial for Hawaii economy. Through this relationship, UH students have access to hands-on training and employment opportunities in a start-up environment, and Adnoviv has an opportunity to recruit UH graduates. Through Adnoviv funded research agreements, UH students participate in research and development efforts to help commercialize new technology. The University of Hawaii's Innovation and Commercialization program is crucial for success of such relationships.

On behalf of Adnoviv, Inc., I respectfully request that the sunset provision of Act 39, Session Laws of Hawaii, 2017 be removed.

Thank you for the opportunity to testify on this measure.

Sincerely,

Natasa Petrovic, CFO
Adnoviv, Inc.



Testimony to the House Committee on Lower and Higher Education

Monday, February 10, 2020

2:05 P.M.

Conference Room 325

HB 2090 HD1 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Lee, Vice Chair San Buenaventura, 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 supports House Bill 2090 HD1 to allow the University to continue its work in research commercialization and economic development by removing the sunset provision in Act 39.

The Hawaii Business Roundtable strongly believes that a strong research and innovation sector led by the University of Hawaii will be a large and important magnet for new money and new fields of job growth in Hawai'i. We supported the Legislature in the creation of Act 39. We agree 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 although it is in its early stages, it is being done here in Hawaii.

Commercialization of research is a long-term investment in Hawaii's future. As we have all seen it is not an overnight venture but develops slowly. We continue to support this activity and recently held our Future Focus V Conference in October, 2019. As we look forward to Future Focus VI, it is with the belief that long term and sustained efforts are vital to the development of our Innovation Sector. We, therefore, fully support the request to delete the sunset provision of Act 39.

Thank you very much for the opportunity to testify.

Gary K. Kai, Executive Director
Hawaii Business Roundtable



ELEMENTAL EXCELERATOR

Written Statement of Elemental Excelerator before the House Committee on Judiciary February 10, 2020

In consideration of [HB 2090 HD 1](#) RELATING TO THE UNIVERSITY OF HAWAII

Aloha Chair Lee, Vice-Chair San Buenaventura, and Members of the House Committee on Judiciary:

Elemental Excelerator **submits support of HB 2090 HD 1** which removes the sunset provision of Act 39, Session Laws of Hawaii 2017, making permanent the innovation and commercialization initiative program.

Elemental Excelerator is a Honolulu-based non-profit organization that supports climate positive startup companies that are helping solve Hawai'i's most urgent environmental problems. Our role is to accelerate cleantech startups by bringing forward important commercial inflection points through real-world demonstration projects and tailored business model impact. Each year, we select 15-20 companies annually that best fit our mission and fund each company up to \$1 million. To date, we have awarded \$36 million to 99 companies resulting in over fifty demonstration projects in Hawai'i & the Asia Pacific.

We support HB 2090 HD 1 because it will contribute to our state's efforts to diversify our economy and provide our next generation of Hawai'i residents with career opportunities in science, technology, engineering, and mathematics right at home. In our work, we have seen three widely recognized gaps in funding that test the survival of startups with capital-intensive solutions; technology, commercialization valleys of death, and market expansion. By passing HB 2090, the university can continue to attract outside investments in innovation from entities like the federal government, private, and philanthropic sponsors and solidifies the state's commitment to the long-term development of our entrepreneurial ecosystem.

Diversifying our economy requires collaborative efforts between the private, government, and educational sectors. We urge you to pass this bill and look forward to continuing working with the University of Hawai'i in realizing our innovation economy.

Sincerely,

Aki Marceau
Managing Director, Policy & Community



Chamber *of* Commerce HAWAII
The Voice of Business

**Testimony to the House Committee on Judiciary
Monday, February 10, 2020 at 2:05 P.M.
Conference Room 325, State Capitol**

LATE

RE: HB 2090 HD1, RELATING TO THE UNIVERSITY OF HAWAII

Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2090 HD1, which removes the sunset provision of Act 39, Session Laws of Hawaii 2017, making permanent the innovation and commercialization initiative program.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 2,000+ 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 Chamber continues to support the State's efforts to promote and foster innovation research and development in Hawaii. Through the innovation and commercialization initiative, the university is working with the private-sector and government to help to build a thriving innovation, research, education and training enterprise in Hawaii. By removing the sunset provision in of Act 39, the university can continue to play an active role in supporting the transformation of inventions and discoveries generated on their campus and transfer them into the commercial field to help grow Hawaii's economy.

Thank you for the opportunity to provide testimony in support of this measure.

HB-2090-HD-1

Submitted on: 2/10/2020 10:50:44 AM

Testimony for JUD on 2/10/2020 2:05:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Chenoa Farnsworth	Blue Startups	Support	No

Comments: