



HAWAI'I STATE ETHICS COMMISSION

State of Hawai'i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai'i 96813

Committee: Committee on Judiciary
Bill Number: H.B. 2256
Hearing Date/Time: January 31, 2020, 2:05 p.m.
Re: Testimony of the Hawai'i State Ethics Commission with **COMMENTS**
on H.B. 2256, Relating to Technology Transfer at the Univ. of Hawaii

Dear Chair Lee, Vice Chair San Buenaventura, and Committee Members:

The Hawai'i State Ethics Commission ("Commission") opposed the enactment of Act 38 of 2017 (H.B. 425).¹ Regardless, Act 38 called upon the University to develop a "regulatory framework and research compliance program and policies approved by the University of Hawaii board of regents." The Commission's understanding is that the University has not yet completed this work.

The Commission had opposed the outright repeal of the sunset provision that appeared in an earlier version of this measure; however, the Commission believes that the current version of this bill (extending the sunset date for three years) is a reasonable approach, and the Commission does not oppose it.

Thank you for your continuing support of the Commission's work and for considering the Commission's testimony on H.B. 2256.

Very truly yours,

Daniel Gluck
Executive Director and General Counsel

¹ The Commission's testimony in opposition to that measure is available at https://www.capitol.hawaii.gov/Archives/measure_indiv_Archives.aspx?billtype=HB&billnumber=425&year=2017.



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 for Research and Innovation
University of Hawai'i System

HB 2256 HD1 – RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII

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

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

In 2017, the Legislature supported UH's efforts to promote the commercialization of inventions and discoveries generated by its faculty, students and alumni by giving UH the responsibility to ensure that technology transfer activities it sponsors comport with ethic principles embodied in the State Ethics Code. Pursuant to Act 38, Session Laws of Hawai'i 2017, University of Hawai'i sponsored technology transfer activities would be exempt from specific sections of the State Ethics Code so long as these technology transfer activities were subject to ethic policies and a compliance program established by UH that were specifically adapted to unique features of university-generated innovations.

The transfer of compliance responsibility to UH by Act 38 would sunset, however, on June 30, 2022.

The University of Hawai'i has developed draft policies and protocols and is consulting with the various stakeholder groups in the UH community, including its faculty. To continue the efforts to develop the policies, internal guidance, forms and procedural protocols to fully implement a robust compliance program, the University of Hawai'i supports the three-year extension of the sunset provision of Act 38, Session Laws of Hawai'i 2017, to June 30, 2025, as proposed in the HD1 of this measure.

Thank you for the opportunity of offer testimony on this bill.



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
House Committee on Lower & Higher Education
Friday, January 31, 2020
2:00 p.m.
State Capitol, Conference Room 309

In consideration of
HB2256
RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII.

Chair Woodson, Vice Chairs Hashem and Quinlan, and Members of the Committee.

The Hawaii Technology Development Corporation (HTDC) **supports** HB2256 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. HTDC has been working with University of Hawaii to align all of the resources in the State. Efficient transfer of technology coming out of the University will benefit HTDC's mission and the entire State. HTDC supports and appreciates the University's effort in this area. HTDC defers to the University on the specifics of the measure.

Thank you for the opportunity to offer these comments.



Adnoviv, Inc.
2800 Woodlawn Dr. Suite 297
Honolulu, HI 96822
info@adnoviv.com
www.adnoviv.com

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 2256 HD1 - RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY OF HAWAII
Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

Adnoviv, Inc. supports this measure.

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, including licensing technology from UH, developing joint intellectual property with UH, and pursuing a utility patent with UH. I believe that the relationship between the University of Hawaii and Adnoviv is mutually beneficial, and ultimately beneficial for Hawaii economy. Facilitating technology transfer from UH is critical for attracting and retaining high quality faculty and students to UH, and top talent to Hawaii. Act 38 supports UH's efforts to promote the commercialization of inventions and discoveries generated by its faculty, students and alumni. Such efforts help to stimulate and grow start-up ecosystem in Hawaii, with potential to create high income jobs and ultimately help transform Hawaii economy.

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 2256 HD1: RELATING TO TECHNOLOGY TRANSFER AT 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 2256 HD1 to allow the University to continue its work in research commercialization and economic development and supports the removal of the sunset provision in Act 38.

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 38. 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.

We believe that the University has reasonable policies that insure the balance between the partnership arrangements and the benefits to the public. We support the University's efforts to continue to build and improve its compliance program and to help build our economy through its commercialization efforts. We fully support the request to delete the sunset provision of Act 38.

Thank you very much for the opportunity to testify.

Gary K. Kai, Executive Director
Hawaii Business Roundtable



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 2256 HD1, RELATING TO TECHNOLOGY TRANSFER AT THE UNIVERSITY
OF HAWAII**

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

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2256 HD1, which extends the sunset provision in Act 38, Session Laws of Hawaii 2017, for certain exemptions from the State Ethics Code as related to technology transfer at the University of Hawaii from June 30, 2022 to June 30, 2025.

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. Innovation is a proven catalyst for economic growth and the creation of high-skilled and high-paying jobs. Through the extension of the sunset provision in Act 38, the University of Hawaii would be allowed to continue implementing its compliance program and ethic policies for technology transfer activities specific to the university. In doing so, it allows for the commercialization and technology transfer activities necessary to promote an innovation economy in Hawaii.

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

HB-2256-HD-1

Submitted on: 2/10/2020 10:49:26 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: