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STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
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HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

Testimony of  
DAWN N. S. CHANG  
Chairperson

Before the Senate Committee on  
WAYS AND MEANS

Wednesday, February 22, 2023  
9:30 AM  
State Capitol, Conference Room 211

In consideration of  
SENATE BILL 1511, SENATE DRAFT 1  
RELATING TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF  
HAWAII

Senate Bill 1511, Senate Draft 1 proposes to clarify the purpose of the Research Corporation of the University of Hawai'i and that its undertakings shall be limited to acts that are reasonably necessary to carry out its purpose. This bill proposes to: 1) repeal the requirement that the University of Hawai'i contract with the Research Corporation when the University determines that other various agencies cannot more effectively or efficiently accomplish certain research and training activities; 2) grandfather existing Research Corporation contracts; 3) require new contracts be subject to new limitations; authorizes the Research Corporation to conduct certain minor renovation projects at costs of \$2,000,000 or less; 4) require revolving accounts to follow Corporation policies; and 5) require biannual reports to the Legislature regarding internal service orders and revolving accounts of the Research Corporation that utilize University of Hawai'i intramural funds. **The Department of Land and Natural Resources (Department) offers comments on this measure.**

The Department recognizes that this bill intends to provide clarity to the purpose of the Research Corporation of the University of Hawai'i (RCUH), but the Department has concerns about how each state project or program involving the RCUH and each project or program involving the RCUH and a state employee be required to consult with an exclusive representative of the appropriate bargaining unit to review conformance of the position or program will impact grant timelines and deliverables. The Department applies for and receives numerous competitive federal grants that require completion within a limited time. The bill's requirement will significantly delay the project initiation and hiring process using federal grants because these

grant periods do not provide enough time for procurement procedures to hire staff, consultation with bargaining unit representatives, and grant deliverables to be completed. This means the Department will be unable to meet the grant requirements and will have to return considerable federal funding unused. Since the Department relies heavily on federal grants to implement its protection of natural and cultural resources, this bill language will cripple our ability to fulfill our mission.

The Department suggests amending the bill by removing the proposed subsection (c) to Section 304A-112, Hawaii Revised Statutes, on page 4, lines 6 to 13, which currently reads:

(c) For each state project or program involving the research corporation and each project or program involving the research corporation and a state employee, the university shall notify the exclusive representative of the appropriate bargaining unit to review conformance of positions with exceptions to collective bargaining. The corporation shall not supplant civil service employees and shall obtain approval from the governor on all initial requests for service projects.

Mahalo for the opportunity to comment on this measure.



**UNIVERSITY OF HAWAII SYSTEM**

**‘ŌNAEHANA KULANUI O HAWAII**

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

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Written Testimony Presented to the  
Senate Committee on Ways and Means  
Wednesday, February 22, 2023 at 9:30 a.m.

by

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

SB 1511 SD1 – RELATING TO THE RESEARCH CORPORATION OF THE  
UNIVERSITY OF HAWAII

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The University of Hawai'i appreciates the Hawai'i State Legislature's intent to provide more clarity to the purpose and scope of the Research Corporation of the University of Hawai'i (RCUH) via SB 1511 SD1.

Thank you for the opportunity to comment.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Second Legislature, State of Hawaii  
The Senate  
Committee on Ways and Means

Testimony by  
Hawaii Government Employees Association

February 22, 2023

S.B. 1511, S.D.1 — RELATING TO THE RESEARCH CORPORATION OF THE  
UNIVERSITY OF HAWAII.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of S.B. 1511, S.D. 1 which clarifies the purpose of the Research Corporation of the University of Hawaii and that its undertakings shall be limited to acts that are reasonably necessary to carry out its purpose. **With a proposed amendment to restore the original language in S.B. 1511, Section 2(C), which requires the university to consult with the exclusive representative of the appropriate bargaining unit to review conformance of positions with exemptions to collective bargaining for each project or program involving the research corporation and state employees.**

The Research Corporation of the University of Hawaii (RCUH) was founded to promote, encourage, develop, and conduct scientific research and investigations in all branches of learning with the intent to disseminate that information to the public. To accomplish this, RCUH was exempted from a variety of state laws regarding reimbursement of funds and granted flexibility in hiring personnel. Since its creation in 1965, RCUH has expanded its scope beyond the original intent and, at times, abused the hiring process of personnel that should be included in a respective bargaining unit. Therefore, we find it necessary that the Corporation's actions are properly aligned with its purpose, and that a consultative process is established to ensure work, that is customarily and historically performed by the public sector, is returned to the public sector.

Thank you for the opportunity to testify on S.B. 1511, S.D. 1.

Respectfully submitted,

Randy Perreira  
Executive Director

**SB-1511-SD-1**

Submitted on: 2/17/2023 4:37:51 PM

Testimony for WAM on 2/22/2023 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cheryl Reeser	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I have worked with RCUH in relation to research and training projects for UH for the last 28 years and know without a doubt RCUH's efficient systems and operations, that are designed to comply with federal requirements, are necessary to meet grants and contracts funding goals and objectives which have ultimately allowed UH to successfully compete nationally and internationally for highly competitive grant and contract funding, and have played a key role in launching UH's success in these areas to the global stage. It is not clear what this bill intends to fix however as a user of RCUH services, there does not appear to be anything awry with RCUH's support to UH's extramural funding enterprise.

I am concerned the passage of this bill will harm UH's ability to compete for and deliver on funding objectives which will diminish the amount of federal dollars UH brings to Hawaii, now at record-breaking amounts and growing. UH is simply not staffed to fill the procurement and hiring needs RCUH is already structured to handle and UH systems have not been designed to comply with federal requirements and regulations like RCUH systems have.

It seems it would be more prudent to evaluate for improvements that can be made between UH and RCUH if there are concerns, rather than to severely reduce RCUH operations which would impact UH's extramural funding enterprise, as this bill will do if passed.

Mahalo for your consideration,  
Cheryl Reeser

**SB-1511-SD-1**

Submitted on: 2/20/2023 10:31:01 AM

Testimony for WAM on 2/22/2023 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carol Kwan	Individual	Comments	Written Testimony Only

Comments:

My primary concern regarding SB1511 is that RCUH be able to support/conduct Coconut Rhinoceros Beetle research and other such research related to invasive pests and diseases after the legislation has passed.

Carol Kwan