

ACT 209

A Bill for an Act Amending Chapter 44 of the Revised Laws of Hawaii 1955, as Amended, Relating to the University of Hawaii, by Establishing the Research Corporation of the University of Hawaii for Purposes of Promoting, Encouraging, Initiating, Developing and Conducting Scientific Research and Investigation in All Branches of Learning, and for Disseminating and Making Available to the Public the Benefits of Such Research and Investigation.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 44 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new part, to be designated "Part _____", to read as follows:

"PART _____ . RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII.

'Sec. 44-_____ . Establishment of the Research Corporation; purpose. There is hereby established as a body corporate, "The Research Corporation of the University of Hawaii", hereinafter referred to as the "Research Corporation". The Research Corporation shall be a public instrumentality and shall be a part of the University of Hawaii for administrative purposes, as provided for in section 14A-4, Revised Laws of Hawaii 1955, as amended.

"The objects for which this corporation is organized are to promote all educational, scientific and literary pursuits by encouraging, initiating, aiding, developing and conducting scientific investigations and research in the physical, biological and social sciences, and humanities, and all other branches of learning by encouraging and aiding in the education and training of persons for the conduct of such investigations, research, and study, by the furnishing of means, methods and agencies by which such investigation, research and study may be conducted, by assisting in the dissemination of knowledge by establishing, aiding and maintaining professorships, or other staff positions, fellowships, scholarships, publications, lectures, by other means to make the benefits of investigations, research, and

study available to the public; and by any and all other acts reasonably designed to promote the above purposes in the interest of promoting the general welfare of the people of the State.

‘Sec. 44- . Board of directors; composition. The affairs of the Research Corporation shall be under the general management and control of the board of directors, hereinafter referred to as the “Board”. The Board shall consist of nine members. The president, vice-president of academic affairs, vice-president of business affairs, and director of research, all from the University of Hawaii, and the director of planning and economic development of the State of Hawaii shall serve as ex-officio voting members. The remaining four members shall be appointed by the governor. Confirmation of appointments shall not be required. All the members appointed by the governor, other than the ex-officio members, shall serve for a term of four years, except that the governor may reduce the terms of those initially appointed so as to provide, as nearly as can be, for the expiration of an equal number of terms at intervals of one year, each term commencing on January 1 and expiring on December 31. All members of the Board shall serve without pay, but shall be entitled to reimbursement for necessary expenses while attending meetings and while in the discharge of duties and responsibilities.

‘The members of the Board shall elect the chairman of the Board.

‘If for any reason whatsoever any of the ex-officio positions is eliminated or changed in any way, the officer performing the basic functions of such ex-officio position shall qualify to serve as the ex-officio voting member on the board.

‘Sec. 44- . Powers of the Board. The Research Corporation, under the direction of the Board, shall have the following general powers:

‘(a) To adopt, amend, and repeal bylaws governing the conduct of its business and the exercise of the powers and performance of duties granted to or imposed upon it by law.

‘(b) To sell, lease, rent, hold, maintain, use and operate any property, real, personal or mixed, tangible or intangible, in accordance with the conditions under which it was received.

‘(c) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any private person, firm, partnership, association, company, or corporation only, as it may be necessary in the conduct of its business and on such terms as it may deem appropriate, provided that the Research Corporation shall not obligate any funds of the State except such as have been appropriated to it. Notwithstanding the foregoing, the Research Corporation may enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, a foreign nation, a state, a territory, or a possession, or with any political subdivision thereof, whenever the donating or granting agency or instrumentality determines that the University of Hawaii or any other agency of our State cannot as effectively and efficiently accomplish the purposes for which such contracts, leases, cooperative agreements, or other transactions are being entered into;

provided, that the Research Corporation shall not obligate any funds of the State except such as have been appropriated to it.

'(d) To receive by gifts, grants, devises, bequests or otherwise from private sources only, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income therefrom, in accordance with the conditions under which it was received; except that no gift to the Research Corporation shall be accepted unless approved or confirmed by the Board. Notwithstanding the foregoing, the Research Corporation may receive gifts, grants or awards from any agency or instrumentality of the United States, a foreign nation, a state, a territory, or a possession, or from any political subdivision thereof, whenever the donating or granting agency or instrumentality determines that the University of Hawaii or any other agency of our State cannot as effectively and efficiently accomplish the purposes for which such gifts, grants or awards are being made, except that no gift to the Research Corporation shall be accepted unless approved or confirmed by the Board.

'(e) To have a corporate seal.

'(f) To sue and be sued in its own name.

'(g) To serve as trustee or beneficiary under terms of any gift, indenture or will.

'(h) To apply for, take out, receive by purchase or gift, hold, administer, and dispose of copyrights, patent rights, licenses, assignments of inventions, discoveries, processes and other property, rights or interests therein, and the income thereof, absolutely or subject to such conditions or trusts as may be attached thereto or be imposed thereon, and to obligate itself to perform and execute any and all such conditions or trusts.

'(i) To conduct research, studies, experiments, investigations, and tests in all fields of knowledge; to promote and develop the scientific and commercial value of inventions, discoveries and processes; and to make, publish, and distribute the results thereof.

'(j) To coordinate and correlate activities and projects of the Research Corporation with the work of State agencies for the purpose of relating research work to the economic development of the State of Hawaii whenever practical or desirable.

'(k) To stimulate and promote cooperative research projects and activities.

'(l) To establish and maintain, or to assist in establishing and maintaining scholarships, fellowships, and professorships, and other staff positions for the purpose of aiding in the acquisition and dissemination of knowledge, and to enter into agreements or contracts with other corporations, organizations, institutions or persons for this purpose and to pay the necessary and appropriate expenses therefor.

'(m) To prepare, print or publish any manuscript, research article, report, study, discussion, reference, collection or any pictorial or schematic representation or group or collection thereof, whether the same belongs to or is the work of any state agency or its employees,

or university or one of its faculty members or employees, or the Research Corporation or its employees or a contractee of the Research Corporation. Such printing or publication may be accomplished through whatever person, company or agency is deemed most appropriate by the Board.

'(n) To do any or all other acts reasonably necessary to carry out the objects and purposes of the corporation and the University of Hawaii.

'Sec. 44- . Research Corporation excepted from certain State Laws. In order to promote cooperative research projects with private firms or persons, the Research Corporation shall be granted flexibility in hiring its personnel and in handling and disbursing moneys by being excepted from the following State laws:

'(a) Sections 132-16 and 132-17, Revised Laws of Hawaii 1955, as amended, relating to special fund reimbursements to the State general fund;

'(b) Sections 9-21 and 9-38, Revised Laws of Hawaii 1955, relating to advertising for bids and purchases to be made in Hawaii whenever public moneys are expended;

'(c) Chapter 3, Revised Laws of Hawaii 1955, as amended, relating to civil service;

'(d) Chapter 4, Revised Laws of Hawaii 1955, as amended, relating to compensation; and

'(e) Section 5-1, Revised Laws of Hawaii 1955, as amended, relating to public employment.

'Sec. 44- . Employees of the Research Corporation. The Board may appoint an executive director and such other employees as may be necessary in administering the affairs of the Research Corporation. It shall set the employees' duties, responsibilities, salaries, holidays, vacations, leaves, hours of work and working conditions. It may grant such other benefits to its employees as it deems necessary. Employees of the Research Corporation shall not be entitled to any benefits conferred under Chapter 3, relating to civil service; Chapter 4, relating to compensation, Chapter 5, relating to public employment, and Chapter 6, relating to pension and retirement system.

'Sec. 44- . Annual report. The Research Corporation shall submit an annual report to the governor, president of the State senate and the speaker of the State house of representatives. The report shall include, but not be limited to, the total number and amount of gifts received, payroll disbursements, research or other equipment purchased exceeding \$4,000, contracts entered into, and progress and accomplishments made during the year.

'Sec. 44- . Dissolution. In the event of the dissolution of the Research Corporation, all of its property, real, personal and mixed and wheresoever situated, shall vest immediately and absolutely in the University of Hawaii, and none of its property shall inure to the benefit of any officer, director or members of said corporation.

'Sec. 44- . Patents, copyrights and other rights. Any patents, copyrights, inventions, discoveries or other rights arising from

Research Corporation activities shall belong to the Research Corporation and be subject to such policies, rules or regulations as the Board may adopt.

'Sec. 44- . **Special fund.** Notwithstanding any other law to the contrary, the Research Corporation shall be authorized to set up a special account for depositing moneys received from either public or private contract, or from private or public grants, awards, or gifts. All disbursements shall be drawn on such account upon warrants signed by the comptroller of the University of Hawaii and upon the presentation of vouchers duly approved by the executive director or some other person authorized by the Board.' "

SECTION 2. This Act shall take effect upon its approval.
(Approved June 29, 1965.) **H.B. 1227.**