



# HAWAII STATE ETHICS COMMISSION

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

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## SENATE COMMITTEE ON JUDICIARY AND LABOR

The Honorable Gilbert S. C. Keith-Agaran, Chair

The Honorable Maile S. L. Shimabukuro, Vice Chair

### **S.B. No. 2940, S.D. 1, Relating to Technology Transfer At the University of Hawaii**

Decision Making: Monday, February 29, 2016, 10:05 a.m.

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The Hawaii State Ethics Commission (“Commission”) offers the following comments about S.B. No. 2940, S.D. 1, whose purpose is to facilitate the University of Hawaii’s contribution to research commercialization and economic development for the State. Under this bill, employees who are directly involved in the research or development of technology sponsored and approved by the University of Hawaii (“University”) would be exempt from the State Ethics Code when performing technology transfer activities and in the transfer and commercialization of the technology.

If the Legislature agrees that an exemption from the ethics laws for University-sponsored research technology transfer activities is needed, the Commission believes the exemption must be clearly stated and limited in scope. The bill, in its original form, was overly broad and would exempt from the ethics laws all employees who happen to have some involvement in the University’s research or technology development activities, no matter how indirect or how remote. S.B. No. 2940, S.D. 1 limits the exemption from the ethics laws to employees who are directly involved in University-sponsored research or technology development.

If the intent of the bill is to allow University employees to use University resources, including their time, lab facilities and materials, and graduate assistants, to perform research and to develop technology that may be commercialized, the bill does not achieve that purpose. The exemption provided by this bill only applies to employees “when performing technology transfer activities and in the transfer and commercialization of the technology.” The bill does not create an exemption for employees when performing research or technology development activities.

Thank you for considering the Commission’s testimony on S.B. No. 2940, S.D. 1, Relating to Technology Transfer at the University of Hawaii.