



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Written Testimony Presented to the  
House Committee on Judiciary  
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By  
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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.