



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony  
House Committee on Labor and Public Employment  
February 6, 2015 at 9:00 am  
by  
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### HB 556 – RELATING TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII

Chair Nakashima, Vice Chair Keohokalole, and members of the committee:

The University of Hawai'i opposes this measure that would either place Research Corporation of the University of Hawai'i (RCUH) employees in a bargaining unit or limit them to non-renewable contracts of no more than three years. The proposed measure would compromise UH's research projects, which require the recruitment and retention of specialized employees – and place the University's world-renowned research and training enterprise in jeopardy.

The fundamental mission of RCUH is to support the research and training programs of the University of Hawai'i (HRS Chapter 304A - 3001 to 3011) and the basis of its origin and purpose is clearly defined in the *Standing Committee Report 836* of the Senate Committee on Ways and Means, 1965, which states:

*"... research contracts accepted by the University require rapidity of action and flexibility in operational and financial activities more characteristic of business firms than of governmental agencies. State regulations of many types which control the University's normal functioning do not provide the expeditious managerial environment needed to function in the highly competitive area of science-related activities now involving universities, federal government and private industry."*

RCUH exemptions from state statutes on matters relating to procurement and personnel has given UH the needed flexibility to continue its research excellence in areas such as agriculture, astronomy, medicine, oceanography and renewable energy.

It should also be noted that RCUH employees are "at will" hires, whose continued employment is dependent on job performance and the availability of external funds. Their future employment is not guaranteed, they have no bumping rights, their fringe benefits are paid by external funds, and they are not covered under the State of Hawai'i retirement plan.

HB 556 proposes to take away the Legislatively-approved flexibility of RCUH that is at the heart of UH's successful research and training enterprise. The University of Hawai'i urges the committee not to pass this measure.