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Regents Policy Chapter 12, Research  
Regents Policy RP 12.211, Ethical Guidelines in the Conduct of Technology Transfer  
Activities

Effective Date: August 20, 2020

Prior Dates Amended: N/A

Review Date: August 2023

**I. Purpose**

The University of Hawai'i encourages the commercialization of appropriate discoveries and new technologies developed at the University and their transfer to the larger society. Technology transfers promote the economic health of the State, diversify workforce opportunities for University graduates, and support the core missions of the University for instruction, research, and community service.

The purpose of this policy is to ensure that ethical conflicts of interest that may arise during the life cycle of University-sponsored technology transfers are identified, mitigated, managed, and properly disclosed.

In 2017, with the support of the University and others in the innovation community, the Hawai'i Legislature passed, and the Governor approved, two laws commonly referred to as Act 38 and Act 39, Session Laws of Hawai'i 2017. Act 39 establishes an innovation and commercialization initiative program at the University, and affirms that public resources made available to the University may be used to participate in the private sector commercialization of new technology developed at the University.

Act 38, codified in part as Section 84-10, Hawai'i Revised Statutes, exempts technology transfer activities conducted by University employees from Section 84-12 (Confidential Information); Section 84-13 (Fair Treatment); Section 84-14 (Conflicts of Interests); Section 84-15 (Contracts); Section 84-16 (Contracts Voidable); and Section 84-18 (Restrictions on Post Employment) of the State Ethics Code, so long as the University establishes a regulatory framework and procedures adapted specifically for University technology transfer activities.

This policy, any implementing executive policies, administrative procedures, and internal operating guidelines, are intended to fulfill the requirements of Act 38.

**II. Definitions**

The following terms have their generally understood meanings, as expressly supplemented by this policy.

“Technology transfer” for purposes of this Regents Policy encompasses the process by which new inventions, discoveries, materials, or technology:

- a) Are developed or discovered by University employees or its students during the course of employment, or academic instruction, or research;
- b) Use University resources to transform the new technology into potentially commercially viable products;
- c) Are subsequently introduced into commerce through partnerships or other arrangements with commercial enterprises or with private individuals; and
- d) Generate economic returns that are shared and distributed among those participating in the commercialization in accordance with applicable contractual arrangements, including collective bargaining agreements with public employees, patent licenses, or lending or equity participation agreements.

“University-sponsored technology transfer activities” encompass, as illustration, activities where University resources are expended to protect University intellectual property through patents, trade and service marks; to transfer the rights to exploit the intellectual property to commercial entities through negotiated sales, assignments, or licenses; to participate in entities commercializing University discoveries or inventions by lending University funds or investing equity into private companies; to provide accelerator or incubator programs of University instruction to university entrepreneurs; to sponsor events, conferences, or workshops to showcase University discoveries; to provide administrative support services for these activities; to make available in-kind assistance to newly-formed companies affiliated with the University, including facility use agreements; and to undertake sponsored research from private companies for purposes of enhancing the commercial potential, viability, and longevity of University products.

“University resources” include all tangible and intangible property under the control of the University, including by way of illustration, University funds; University human resources; and University facilities, equipment, supplies, and real property.

“Conflict of Interest” includes conflicting or competing duties of loyalty; conflicting demands on time and attention commitments for University employees or researchers; and conflict of purposes between public and institutional use and benefit and private use and gain.

### **III. Policy**

The University is the State’s sole institution of public higher education. Its core missions include providing instruction to students, expanding the corpus of

knowledge through research, and providing service to its supporting community. The University is uniquely positioned to encourage research that may result in inventions and discoveries, and to support the transformation of the new technology into viable commercial products that contribute to the overall quality of life and advancement of society.

Through the development of new commercial enterprises built around University intellectual property, the University can contribute to economic development of the State, can expand and diversify the employment opportunities for its graduates, and can enhance its stature as a comprehensive research university.

To achieve these recognized public benefits, it is University policy that its resources may be used to support, promote, and actively participate in the commercialization of University intellectual property, even where the commercialization generates, in part, economic benefits for individual University employees, for private organizations, and for private investors. Using the public resources available to the University to support technology transfer is appropriate so long as, on considered balance, the commercialization is consistent with the missions of the University, the public interests are adequately protected, and any potential conflicts of interests arising during the course of University-sponsored technology transfer activities are identified, mitigated, and managed.

Specific technology transfer activities undertaken by the University must comport with all applicable federal regulations or third party research sponsorship requirements specific to the transaction, including federal regulations on conflicts of financial interests, and with State Ethics Code requirements not affected by Act 38. Nothing in this Regents Policy or any implementing Executive Policy shall be interpreted to supersede any inconsistent federal regulation or collectively bargained for provision with any public employee union at the University.

The University President shall submit to the Board of Regents at least once a year a written report on the regulatory and compliance program and activities to assure the ethical conduct of technology transfer activities sponsored by the University.

#### **IV. Delegation of Authority**

The University President is delegated the authority to establish the regulatory framework and executive policies implementing this Regents Policy. The President may further delegate administrative responsibilities to the vice presidents or campus chancellors, as appropriate.

In particular, the President, or the President's designee, shall develop specific ethical guidelines and executive policies to apply to technology transfer activities in the areas of: (1) use and protection of confidential information; (2) fair use of public resources for private purposes; (3) managing conflicts of interest, including conflicts of purpose, and resource commitments; (4) contracts or other business

