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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature declares that maximizing the  
2 University of Hawaii's use of state funds is a matter of  
3 statewide concern.

4           The legislature finds that organized research units were  
5 created in the University of Hawaii system to foster research  
6 activities that would increase extramural income to the State  
7 and enhance the reputation of the University nationally and  
8 internationally. While those goals have been accomplished, it  
9 has become increasingly apparent that organized research units  
10 are not economically sustainable as stand-alone units and that  
11 significant disparities exist with respect to expectations for  
12 faculty in organized research units relative to instructional  
13 faculty in the University of Hawaii system. The legislature  
14 also finds that most universities require research faculty to  
15 cover a portion of their salaries with extramural funds that are  
16 received from the award of grants or contracts.





1           **§304A- Organized research units; definitions.** For the  
2 purposes of this subpart:

3           "Extramural funds" means moneys received through grants or  
4 contracts.

5           "Organized research unit" means an extra-departmental  
6 administrative structure, approved and established pursuant to  
7 policies adopted by the board of regents and the president of  
8 the University of Hawaii, that:

9           (1) Provides a locus for faculty, staff, and students to  
10 engage in focused, collaborative research and training  
11 activities;

12           (2) Exists at a school or college level; and

13           (3) Is supported in part by the organized research budget  
14 of the University of Hawaii at Manoa.

15           "Research faculty" means faculty members of an organized  
16 research unit who:

17           (1) Conduct research;

18           (2) Do not instruct students; and

19           (3) Are classified as "R" faculty.

20           "State moneys" means all moneys authorized by the  
21 legislature and appropriated to the University of Hawaii,



1 including legislative appropriations, general funds, general  
2 obligation bond moneys, special fund moneys, allocations of  
3 tobacco settlement moneys, and allocations of tax revenues.  
4 "State moneys" does not include moneys in or transferred from  
5 the University of Hawaii tuition and fees special fund.

6 **§304A- Organized research units; funding.** (a) For the  
7 board of regents to consider the continued operations of an  
8 organized research unit, the organized research unit shall be  
9 primarily funded through the receipt of extramural funds and  
10 moneys transferred from the University of Hawaii research and  
11 training revolving fund; provided that the ratio of:

12 (1) The sum of annual expenditures of extramural funds and  
13 moneys transferred from the University of Hawaii  
14 research and training revolving fund by the organized  
15 research unit; to

16 (2) The sum of annual expenditures of state moneys,  
17 excluding the University of Hawaii research and  
18 training revolving fund,  
19 shall be equal to or greater than five-to-one within three years  
20 following the effective date of this Act. After achieving this  
21 ratio, an organized research unit shall maintain the ratio.



1 (b) Prior to establishing an organized research unit, the  
2 board of regents shall review the proposed financial plan for  
3 the organized research unit. If the proposed financial plan  
4 does not project that the ratio set forth in subsection (a) will  
5 be met within three years, the board of regents may take further  
6 action as it deems necessary.

7 (c) In order to achieve the ratio set forth in subsection  
8 (a), the University of Hawaii may consider imposing any of the  
9 following conditions:

- 10 (1) State moneys may only cover the percentage of a  
11 faculty member's salary equal to the teaching load  
12 performed by the faculty member;
- 13 (2) State moneys may only cover the salary for a faculty  
14 member's time not covered by the amount of effort  
15 reported on federal grants and contracts;
- 16 (3) Salaries of faculty members in permanent positions may  
17 be capped using the salary cap established by the  
18 National Institutes of Health as Executive Level II;
- 19 (4) The workload of a permanent faculty member may be  
20 governed by the requirements of the contract between  
21 the University of Hawaii and the exclusive



1 representative of bargaining unit (7) regarding  
2 workload for instructional faculty; or  
3 (5) A faculty member's salary may be funded as follows:  
4 (A) During the first year of employment, one hundred  
5 per cent of the salary may be funded by state  
6 moneys;  
7 (B) During the second year of employment, fifty per  
8 cent of the salary may be funded by state moneys;  
9 and  
10 (C) During the third year of employment and  
11 thereafter, twenty-five per cent of the salary  
12 may be funded by state moneys.

13 (d) Any organized research unit of the University of  
14 Hawaii that does not meet the requirements of this section shall  
15 be reported to the board of regents for review.

16 The board of regents shall submit a report to the  
17 legislature regarding any organized research unit that does not  
18 meet the requirements of this section, including an explanation  
19 of why the organized research unit does not meet the  
20 requirements of this section and what steps, if any, will be



1 taken by the organized research unit to meet the requirements of  
2 this section.

3 The board of regents shall submit the report to the  
4 legislature not later than twenty days prior to the convening of  
5 the next regular session.

6 **§304A- Reports to legislature.** The board of regents  
7 shall submit a report on all organized research units to the  
8 legislature not later than twenty days prior to the convening of  
9 each regular session. The report shall include the following:

- 10 (1) The amount of funding received by each organized  
11 research unit, including a breakdown of the sources of  
12 funding;
- 13 (2) A list of faculty members, including research staff,  
14 attached to each organized research unit that  
15 identifies:
- 16 (A) Faculty members who are research staff who only  
17 conduct research;
- 18 (B) Faculty members who only instruct students; and  
19 (C) Faculty members who conduct research and instruct  
20 students;



- 1 (3) A comprehensive plan for all organized research units  
2 to achieve the funding requirements set forth in this  
3 subpart;
- 4 (4) An itemization of the total operating costs of each  
5 organized research unit, including:
- 6 (A) Research faculty, staff, and student personnel  
7 costs, as well as information on grants and  
8 contracts awarded;
- 9 (B) Administrative costs;
- 10 (C) Philanthropic funds and their uses;
- 11 (D) An itemization of the pro rata share of  
12 administrative costs in support of the operation  
13 of each organized research unit, including but  
14 not limited to costs incurred by the office of  
15 the vice president for research and innovation,  
16 office of the vice chancellor for research,  
17 office of research services, and office of  
18 research compliance; and
- 19 (E) Building operational costs; and



1 (5) An itemization of the sources of funding for each  
2 faculty member, including research staff, attached to  
3 each organized research unit."

4 SECTION 3. This Act shall take effect on July 1, 2525.



**Report Title:**

University of Hawaii; Organized Research Units; Funding; Report

**Description:**

Requires the Board of Regents to decide program and salary funding requirements for organized research units of the University of Hawaii and report to the Legislature. (HB1625 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

