FILE Copy

Calendar No. 541

add condition by

97TH CONGRESS 2D SESSION S. 1657

jeriena je Kren.

ale and a green

[Report No. 97-381]

Entitled the "Uniform Science and Technology Research and Development Utilization Act".

viorento e e est el traigo distributo en del de como en del como en de como en como en como en como en como en

💰 😹 tal face i galledere i disenso i familiari es ficcione c

elle di cilianol peli espainede al epperie ferrelpe edi

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 23 (legislative day, SEPTEMBER 9), 1981

Mr. Schmitt (for himself, Mr. Cannon, Mr. Gorton, Mrs. Kassebaum, Mr. Lugar, and Mr. Symms) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

MAY 5 (legislative day, APRIL 13), 1982

Reported by Mr. PACKWOOD, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

Entitled the "Uniform Science and Technology Research and Development Utilization Act".

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

rechesty originals.

who be willinger over belo becaused allibrations of the top.

| | $oldsymbol{2}$ |
|-------------|--|
| 1 | TITLE I—POLICY |
| 2 | FINDINGS |
| 3 4 5 | SEC. 101. The Congress, recognizing the profound impact of science, engineering, and technology policy on the economic, social, political, and technological well-being, and |
| 6 | the health and safety of the Nation as a whole, hereby find |
| 7 8 | and declares that: again of the control of the second recently experienced to |
| 9 | decline in the process of industrial innovation and pro- |
| 10 | ductivity which is integrally related to, and adversely |
| 11 | impacts upon, domestic productivity, the rate of eco |
| 12 13 | nomic growth, the level of employment, the balance of trade, and the attainment of other national goals. |
| 14 | (2) The national support of scientific and techno |
| 15 | logical research and development is indispensable to |
| 16 | folial and successful and tread has easily gold from electric treats which is a successful and it is in |
| 17 | the national interest to maximize the benefits to the |
| 18 19 | general public from such investment. (3) Scientific and technological developments and |
| 20 | d distanced vygolumical time proposit distribution and indicate and indicated and indi |

21 crnment contracts constitute a valuable national re-

22 source which should be developed in a manner consist-

ent with the public interest and the equities of the re-

24 spective parties.

| 1 | (4) Current Federal policy with respect to | the al- |
|---------------------|--|------------------------|
| 2 | location of rights to the results of federally sp | ponsored |
| ~3 1,985 | research and development deters contractor p | articipa- |
| 9 4 000 | tion in Government contracts, delays tech | nological |
| $oldsymbol{5}$ | progress, and stifles the innovative process. | · 3 |
| 6 | (5) There is a need for the establishment | and im- |
| 4 7 | plementation of a flexible Government wide p | olicy for |
| 98 ¹ 412 | the management and utilization of the results | of feder- |
| - 9 👬 | ally funded research and development. Thi | s policy |
| 10 | should promote the progress of science and th | ı e usefu l |
| 11 | arts, encourage the efficient commercial utiliz | ation o |
| 12 | technological developments and discoveries, gr | uarantec |
| 13: | the protection of the public interest, and recog | nize the |
| 14 · | equities of the contracting parties. | Å. |
| 15 | responsable modifism to the Purpose telephone (4) | \$ 5 \$52 |
| 16 | SEC. 102. It is the purpose of this Act to | ř. |
| 17 | (1) establish and maintain a uniform | Federa |
| 18 | policy for the management and use of the re | esults o |
| 19 50 | federally sponsored science and technology | research |
| 20 | and development; and refer to be assets for the control of | 08 |
| 21 | (2) insure the effective uniform implemen | tation o |
| 22 | the provisions of this Act, and to monitor on a | continu |
| 23 | ing basis the impact of Federal science and tec | chnology |
| | | |

policies on innovation and technology development.

AN THE RA

| ····································· |
|--|
| 2 SEC. 103. As used in this Act the term |
| 3 (1) "contract" means any contract, grant, cooper |
| 4 ative agreement, commitment, understanding, or other |
| 5 arrangement entered into between any Federal agenc |
| 6 and any person where a purpose of the contract is the |
| 7 conduct of experimental, developmental, or research |
| 8 work. Such term includes any assignment, substitution |
| 9 of parties or subcontract of any type entered into o |
| 10 executed for the conduct of experimental, developmen |
| 11 tal, or research work in connection with the perform |
| 12 ance of that contract; |
| 13 (2) "contractor" means any person or other entity |
| 14 that is a party to the contract; |
| 15 (3) "disclosure" means a written statement suffi |
| ciently complete as to technical detail to convey to one |
| 17 skilled in the art to which the invention pertains |
| 18 clear understanding of the nature, purpose, operation |
| 49 and, to the extent known, the physical, chemical, o |
| 20 cleetrical characteristics of the invention; |
| 21 "Federal agency" means an "executive |
| 22 agency" as defined by section 105 of title 4, United |
| 23 States Code, and the military departments as defined |

24 by section 102 of title 4, United States Code;

| 1 "Government" means the Government of the |
|---|
| 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 |
| 3 (6) "invention" means any invention, discovery |
| 4 innovation, or improvement which is or may reasonably |
| 5 be patentable subject matter as defined in title 35 |
| -6 6 6 United States Code; of the bound of the said |
| 7 'inventor' means any person, other than a |
| 8 contractor, who has made an invention under a con- |
| 9 tract but who has not agreed to assign his rights in |
| such invention to the contractor; |
| 11 |
| 12^{5-38} contract" when used in relation to any invention |
| 13 means the conception or first actual reduction to prac- |
| 14 tice of such invention in the course of any work under |
| 15 the contract or under a contract, respectively; |
| 16 "nonprofit organization" means universities |
| 17 and other institutions of higher education or an organi- |
| 18 zation of the type described in section 501(c)(3) of the |
| 19 Internal Revenue Code of 1954 (26 U.S.C. 501(e)) and |
| 20 exempt from taxation under section 501(a) of the Inter- |
| 21 nal Revenue Code of 1954 (26 U.S.C. 501(a)) or any |
| 22 nonprofit scientific or educational organization qualified |
| 23 under a State nonprofit organization statute; |
| 24 (10) "person" means any individual, partnership |
| 25 corporation, association, institution, or other entity; |

| 1 (11) "practical application" means to manufacture |
|--|
| 2 in the case of a composition or product, to practice in |
| 3 the ease of a process or method, or to operate in the |
| 4 case of a machine or system, and, in each case, under |
| 5 such conditions as to establish that the invention is |
| 6 being worked and that its benefits are available to the |
| 7 public either on reasonable terms or through reason- |
| 8 * able licensing arrangements; |
| 9 (12) "Secretary" means the Secretary of Com- |
| 10 merce; and protestive self of relieves force () |
| 11 'small business firm' means a small business |
| 12 concern, as defined in section 2 of Public Law 85-536 |
| 13 (15 U.S.C. 632) and implementing regulations of the |
| 14 Administrator of the Small Business Administration. |
| 15 For the purpose of this Act, size standards for small |
| 16 business concerns involved in Government procure- |
| 17 ment, contained in section 121.3-8 of title 13, Code of |
| 18 Federal Regulations, and in subcontracting, contained |
| 19 (in section 121.3-12 of title 13, Code of Federal Regu- |
| 20 1 lations, will be used a college and to be seen to be |
| 21 W (SHOE CTITLE II DIMPLEMENTATION OF THE |
| 22 despression que les responsibilities e de como en la companya de la companya della companya della companya della companya de la companya della companya d |
| 23 SEC. 201. (a) The Secretary shall coordinate, direct, |
| 24 and review the implementation and administration of the |
| 25 Federal notice get forth in this Act with respect to the owner |

| | 1 ship of inventions resulting from federally sponsored research |
|---|--|
| | 2 and development, and promote the efficient and effective uti- |
| | 3 lization of the results of federally sponsored research and de- |
| | o4: e velopment. To recorde the collection of the second that |
| | 5 (b) With a view to obtaining consistent application of |
| | 6 the policies of this Act, the Secretary is authorized and di- |
| | n7 si rceted naskolič sida - simba kasa kasa kasa ka ka ka ka ka |
| | 8 (1) to consult and advise with Federal agencies |
| | 9 concerning the effective implementation and operation |
| | of the policies, purposes, and objectives of this Act; |
| | 11 (2) in consultation with the Office of Federal Pro- |
| | 12 curement Policy, to formulate and recommend to the |
| | 13 President such proposed rules, regulations, and proce- |
| | 14 dures as are necessary and desirable to assure the con- |
| | 15 sistent application of the provisions of this Act; |
| | 16 (3) to accumulate, analyze, and disseminate data |
| | 17 and effective administration and effective |
| | 18 ness of the policies set forth in this Act; |
| _ | 19 (4) to determine with administrative finality, in an |
| | 20 expeditious manner without unnecessary delay, any |
| | 21 dispute between a Federal agency and an aggricved |
| | 22 party arising under title III of this Act; and |
| | 23 (5) to perform such other duties as may be pre- |
| | 24 seribed by the President or by statute. |

22 latine es administração resensidades en bustos estántos

| 1 (e) For the purpose of assuring the effective manage- |
|--|
| 2 ment of Government owned inventions, the Secretary is au- |
| -3. thorized to present a file which has a like a refer to the content of |
| 4 (1) assist and coordinate agency efforts to promote |
| 5 the licensing and utilization of Government owned in- |
| . 6 fees à ventions, et proposé qui se à lète fe estable pois |
| 7 (2) coordinate and advise the Federal agencies in |
| 8 seeking protection and maintaining inventions in for- |
| 9 cign countries, including the payment of fees and costs |
| 10 connected therewith; as some a second sec |
| 11 (3) consult and advise Federal agencies as to |
| 12 areas of science and technology research and develop- |
| 13 ment with potential for commercial utilization; and |
| 14 v and (4) receive funds from fees, royalties, sales, or |
| 15 other management of Government owned inventions |
| 16 authorized under this Act: Provided, however, That |
| 17 such funds will be used only for the purpose of this |
| 18 Act. was and short use setaling edicinoses and in the St |
| 19 (d) The Secretary shall submit to Congress an annual |
| 20 report of activities pursuant to this Act. Such report shall |
| 21 include (1) relevant statistical data regarding the disposition |
| 22 of invention disclosures resulting from federally funded re- |
| 23 search and development, including those inventions disclosed |
| 24 by small businesses and nonprofit organizations; (2) any legis |
| 25 lative or administrative recommendations to better achieve |

| 11. Who policy and purposes of this rice, and (o) an analysis (| n unc |
|--|----------------------|
| 2 impact of Federal policies on the purposes of this Act. | 8 |
| -35 book in the discussion and the definition of the interest of the | e e N |
| 4 SEC. 202. The authorities conferred upon the Secr | etary |
| 5 under this title shall expire seven years following the | effee- |
| 6 tive date of this Act, unless renewed by action of Cong | ress. |
| 7 TITLE III ALLOCATIONS OF RIGHTS— | Ĩ, |
| 8 GOVERNMENT CONTRACTORS | Gy |
| 9 RIGHTS OF THE COVERNMENT | 27.2 2.07 2.07 |
| 10 SEC. 301. (a) Each Federal agency shall acquir | e en |
| 11 behalf of the United States, at the time of entering in | ito a |
| 12 contract, title to any invention made under the contract | of a |
| 13 Federal agency if the agency determines that | g Al |
| 14 (1) the services of the contractor are for the | ə per- |
| 15 ation of Federal research and development centers | , in- |
| 16 cluding Government-owned research or produ | etion |
| 17 desemb lacilities; og a sentrato sidebile tri censpose del p | ¥ (|
| 18 (2) following a finding by a Government auth | ority |
| 19 which is authorized by statute or Executive order | er to |
| 20 conduct foreign intelligence or counterintelligence |) ae -े |
| 21° tivities, the restriction or elimination of the right o | f the |
| 22 contractor to retain title to any subject invention | n is |
| 23 necessary to protect the security of such activities; | |
| 24 (3) in exceptional circumstances, restrictio | n Or |
| 25 climination of the right of the contractor to retain | title |

85.150-8

- 1 to any subject invention will better promote the policy and objectives of this Act; and
- (4) the principal purpose of the contract is to de-4 velop or improve products, processes, or methods 5 which will be required for use by Government regula-6 tions: Provided, however, That the Federal agency may subsequently waive all or any part of the rights of the United States under this section to such invention in conformity with the provisions of section 303.
- 10 (b) The rights of the Government under subsection (a) 11 shall not be exercised by the Federal agency unless it first 12 determines that at least one of the conditions, identified in paragraphs (1) through (4) exist and it files with the Secre-14 tary a statement stating such determination.
- 15 (c) Each contract entered into by a Federal agency shall 16 include appropriate provisions to
- (1) require periodic written reports at reasonable 18 intervals in the commercial use of other forms of utili-19 zero zation or efforts at obtaining commercial utilization 20 made by the inventor or contractor or their licensees or 21 assignees: Provided, That any such report shall be 22 treated by the Federal agency as commercial or financial information obtained from a person and privileged or confidential and not subject to disclosure under the 25 Freedom of Information Act (5 U.S.C. 552); and

17

2 cable, nonexclusive, nontransferable, paid-up license to
3 make, use, and sell the invention throughout the world
4 by or on behalf of the United States and States and
5 domestic municipal governments, unless the agency de6 termines that it would not be in the public interest to
7 acquire the license for the States and domestic municipal governments.

9 RIGHTS OF THE CONTRACTOR

- SEC. 302. (a) Whenever a contractor enters into a con11 tract with a Federal agency other than in those circum12 stances identified in section 301(a), the contractor or inventor
 13 shall have the option of retaining title to any invention made
 14 under the contract. Such rights shall be subject to the limita15 tions set forth in section 304 and the provisions of section
 16 305. Such option shall be exercised by notifying the Govern17 ment at the time of disclosure of the invention or within such
 18 time thereafter as may be provided in the contract. The Gov19 ernment shall obtain title to any invention for which this
 20 option is not exercised.
- 21 (b) When the Government obtains title to an invention 22 under section 301, the contractor shall retain a nonexclusive, 23 royalty-free license which shall be revocable only to the 24 extent necessary for the Government to grant an exclusive 25 license.

| ···Lastina was religion in selection in the Mathema |
|---|
| 2 SEC. 303. A Federal agency may at any time waive all |
| 3 or any part of the rights of the United States under this title |
| 4 to any invention or class of inventions made or which may be |
| 5 made by any person or class of persons under the contract of |
| 6 the agency if the agency determines that the condition justi- |
| 7 fying acquisition of title by the Government under section |
| 8 301 no longer exists or the interests of the United States and |
| 9 the general public will be best served thereby. The agency |
| 10 shall maintain a record, which shall be made public and peri- |
| 11 odically updated, of determinations made under this section. |
| 12 In making such determinations, the agency shall consider the |
| 13 a following objectives: als pales are la series and evopi lines. |
| 14 (1) encouraging the wide availability to the public |
| 15 of the benefits of the experimental, developmental, or |
| 16 research programs in the shortest practicable time; |
| 17 (2) promoting the commercial utilization of such |
| 18 inventions; |
| 19 (3) encouraging participation by private persons in |
| 20 the Government-sponsored experimental, developmen- |
| 21 and tal, or research programs; and |
| 22 (4) fostering competition and preventing unduc |
| 23 market concentration or the creation or maintenance of |
| 24 other situations inconsistent with the antitrust laws. |

Estable 1

| Isas vassi makem yazıyı Marcii in | V-RIGHTS |
|--|----------|
|--|----------|

| 3 title to an invention under section 302 or 308, the Federal 4 agency shall have the right, pursuant to regulations and sub- 5 ject to the provisions of subsection (b), to grant, or require 6 the contractor to grant, a nonexclusive, partially exclusive, 7 or exclusive license to a responsible applicant or applicants, 8 upon terms reasonable under the circumstances, if the agency 9 determines such action is necessary— 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | |
|--|--|
| 4 agency shall have the right, pursuant to regulations and sub- 5 ject to the provisions of subsection (b), to grant, or require 6 the contractor to grant, a nonexclusive, partially exclusive, 7 or exclusive license to a responsible applicant or applicants, 8 upon terms reasonable under the circumstances, if the agency 9 determines such action is necessary. 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 2 SEC. 304. (a) Where a contractor has elected to retain |
| 5 ject to the provisions of subsection (b), to grant, or require 6 the contractor to grant, a nonexclusive, partially exclusive, 7 or exclusive license to a responsible applicant or applicants, 8 upon terms reasonable under the circumstances, if the agency 9 determines such action is necessary— 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (2) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 3 title to an invention under section 302 or 303, the Federal |
| the contractor to grant, a nonexclusive, partially exclusive, or exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, if the agency determines such action is necessary— (1) because the contractor has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the invention; (2) to alleviate serious health or safety needs which are not reasonably satisfied by the contractor, or its licensees; (3) to meet requirements for public use specified by Federal regulation which are not reasonably satisfied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 4 agency shall have the right, pursuant to regulations and sub- |
| 7 or exclusive license to a responsible applicant or applicants, 8 upon terms reasonable under the circumstances, if the agency 9 determines such action is necessary— 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 5 ject to the provisions of subsection (b), to grant, or require |
| 9 determines such action is necessary 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 6 the contractor to grant, a nonexclusive, partially exclusive, |
| 9 determines such action is necessary— 10 (1) because the contractor has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs which are not reasonably satisfied by the contractor, or its licensees; 16 (3) to meet requirements for public use specified by Federal regulation which are not reasonably satisfied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 7 or exclusive license to a responsible applicant or applicants, |
| 10 (1) because the contractor has not taken, or is not 11 expected to take within a reasonable time, effective 12 steps to achieve practical application of the invention; 13 (2) to alleviate serious health or safety needs 14 which are not reasonably satisfied by the contractor, or 15 its licensees; 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 8 upon terms reasonable under the circumstances, if the agency |
| steps to achieve practical application of the invention; (2) to alleviate serious health or safety needs which are not reasonably satisfied by the contractor, or its licensees; (3) to meet requirements for public use specified by Federal regulation which are not reasonably satis- fied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 9 determines such action is necessary |
| steps to achieve practical application of the invention; (2) to alleviate serious health or safety needs which are not reasonably satisfied by the contractor, or its licensees; (3) to meet requirements for public use specified by Federal regulation which are not reasonably satis- fied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 10 (1) because the contractor has not taken, or is not |
| which are not reasonably satisfied by the contractor, or its licensees; (3) to meet requirements for public use specified by Federal regulation which are not reasonably satisfied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 11 expected to take within a reasonable time, effective |
| which are not reasonably satisfied by the contractor, or its licensees; (3) to meet requirements for public use specified by Federal regulation which are not reasonably satisfied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 12 steps to achieve practical application of the invention; |
| its licensees; (2) to meet requirements for public use specified by Federal regulation which are not reasonably satis- fied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 13 (2) to alleviate serious health or safety needs |
| 16 (3) to meet requirements for public use specified 17 by Federal regulation which are not reasonably satis- 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 14 which are not reasonably satisfied by the contractor, or |
| by Federal regulation which are not reasonably satis- fied by the contractor or its licensees; or (4) because the actions of the contractor beyond the exercise of the exclusive rights in the invention have tended substantially to lesson competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 15 - state its licensees; where some the deliver of the desire for |
| 18 fied by the contractor or its licensees; or 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 16 (2) to meet requirements for public use specified |
| 19 (4) because the actions of the contractor beyond 20 the exercise of the exclusive rights in the invention 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 17 by Federal regulation which are not reasonably satis- |
| the exercise of the exclusive rights in the invention have tended substantially to lessen competition or to result in undue market concentration in any section of the United States in any line of commerce to which | 18 fied by the contractor or its licensees; or |
| 21 have tended substantially to lessen competition or to 22 result in undue market concentration in any section of 23 the United States in any line of commerce to which | 19 (4) because the actions of the contractor beyond |
| result in undue market concentration in any section of the United States in any line of commerce to which | 20 the exercise of the exclusive rights in the invention |
| 23 the United States in any line of commerce to which | 21 have tended substantially to lessen competition or to |
| | 22 result in undue market concentration in any section of |
| 24 the technology relates, or to create and maintain other | 23 to the United States in any line of commerce to which |
| | 24 the technology relates, or to create and maintain other |

situations inconsistent with the antitrust laws.

| 1 (b) The rights of the Federal agency under subsection |
|---|
| 2 (a) shall be subject to the prior approval of the Secretary, |
| 3 who shall make a determination after a formal hearing with |
| 4 affected parties present and conducted in accordance with |
| 5 rules, regulations, and procedures adopted by the Secretary. |
| 6 PROVISIONS |
| 7 SEC. 305. (a) Each contract entered into by a Federal |
| 8 agency shall employ a single patent rights clause containing |
| 9 such terms and conditions as the agency deems appropriate |
| 10 for the protection of the interests of the United States and |
| 11 the general public, including appropriate provisions to |
| (1) require the timely disclosure by the contractor |
| 13 or inventor to that agency of any invention made under |
| the contract: Provided, That Federal agencies are au- |
| thorized to withhold from disclosure to the public, in- |
| 16 formation disclosing any invention made under the con- |
| 17 tract of an agency for a reasonable time in order for a |
| United States or foreign patent application to be filed; |
| 19 (2) require an election by the contractor within a |
| reasonable time after disclosure as to whether the con- |
| 21 tractor intends to file a patent application on any in- |
| 22 vention made under the contract; |
| 23 (3) require a declaration by the contractor within |
| 24 a reasonable time after disclosure of the contractor's |

851 1401 4

| Hitelit to commercianze or otherwise achieve the wide |
|--|
| 2 spread utilization of the invention by the public; |
| 3 (4) an obligation on the part of the contractor, in |
| 4 the event a United States patent application is filed by |
| 5 or on its behalf or by any assignce of the contractor, to |
| 6 include within the specification of such application and |
| 7 any patent issuing thereon, a statement specifying tha |
| 8 the invention was made with Government support and |
| 9 that the Government has certain rights in the inven |
| 10% số t hờn; and thất thể Benderson grit (eV) tê 9% thái b |
| 11 (5) allow deviation to the minimum rights ac |
| 12 quired under section 301 on a class basis in |
| 13 (A) contracts involving cosponsored, cos |
| 14 sharing or joint venture research when the con |
| 15 tractor is required to make a substantial contribu |
| tion of funds, facilities, or equipment to the worl |
| performed under the contract; |
| 18 (B) special contracting situations such a |
| 19 Federal price or purchase supports and Federa |
| loan or loan guarantees; and |
| 21 (C) no deviation under this subsection shall |
| 22 waive in whole or in part, the minimum rights to |
| 23 be secured for the Federal Government set forth |
| 24 9 0 in section 304(a)(4). |

| 4 (b) When it is determined that the right to require li- |
|--|
| 2 censing or the right of the Federal agency to license should |
| 3 be exercised pursuant to section 304, the Federal agency |
| 4 may specify terms and conditions, including royalties to be |
| 5 charged, if any, and the duration and field of use of the li- |
| 6 cense, if appropriate. Agency determinations as to the rights |
| 7 to inventions under this title shall be made in an expeditious |
| 8 manner without unnecessary delay. |
| 9 BACKGROUND RIGHTS |
| 10 SEC. 306. Nothing contained in this Act shall be con- |
| 11 strucd to deprive the owner of any background patent or to |
| 12 such rights as the owner may have thereunder. |
| 13 COVERNMENT LICENSING AUTHORITY |
| 14 SEC. 307. A Federal agency may grant exclusive or |
| 15 partially exclusive licenses in any invention to which the |
| 16 Government has acquired title if the agency determines |
| 17 that— |
| 18 (1) the desired practical application has not been |
| 19 achieved, or is not likely to be achieved within a rea- |
| sonable period of time by the granting of a nonexclu- |
| 21 _{de en sive} dicense; rekar achteres se (3) |
| 22 (2) exclusive or partially exclusive licensing is a |
| 23 reasonable and necessary incentive to call forth the in- |
| vestment of risk capital to bring the invention to prac- |
| 25 tiesl appliestion: and |

| 1 2 3 (3) the proposed terms and scope of exclusivity | y |
|---|-------|
| 2 are not greater than reasonably necessary to provid | Р |
| 3 the incentive for bringing the invention to practical ap | _ |
| 4 de plication. | |
| 5 - 5 - 6 - 7 TITLE IV MISCELLANEOUS | |
| 6 REPEAL OF EXISTING STATUTORY RESEARCH AND | |
| 7 | |
| 8 SEC. 401. The following Acts are hereby amended a | 9 |
| 9. föllöws: kales kenn gefenkligt kale salmentingt (4) | |
| 10 (1) Section 205(a) of the Act of August 14, 1946 (| 7 |
| 11 U.S.C. 1624(a); 60 Stat. 1090), is amended by striking ou | ŧ |
| 12 the last sentence thereof. | 1 114 |
| 13 (2) Section 501(c) of the Federal Coal Mine Health an | ł |
| 14 Safety Act of 1969 (30 U.S.C. 951(c); 83 Stat. 742) i | 9 |
| 15 amended by striking out the last sentence thereof. | 3 |
| 16 (3) Section 106(c) of the National Traffic and Motor Ve | _ |
| 17 hiele Safety Act of 1966 (15 U.S.C. 1395(e); 80 Stat. 721) i | 8 |
| 18 repealed. | 1 |
| 19 (4) Section 12 of the National Science Foundation Ac | ŧ |
| 20 of 1950 (42 U.S.C. 1871(a); 82 Stat. 360) is repealed. | - { |
| 21 (5) Section 152 of the Atomic Energy Act of 1954 (4: | 3 |
| 22 U.S.C. 2182; 68 Stat. 943) is repealed. | |
| 23 (6) The National Aeronautics and Space Act of 1950 | 3 |
| 24 (42 U.S.C. 2451 et seq.; 72 Stat. 426) is amended— | ď, |

| 1 by repealing section 305 thereof (42 U.S.C. |
|---|
| 2 2457): Provided, however, That subsections (e), (d), and |
| 3 (c) of such section shall continue to be effective with |
| 4 respect to any application for patents in which the |
| 5 written statement referred to in subsection (c) of such |
| 6 section has been filed or requested to be filed by the |
| 7 Commissioner of Patents and Trademarks prior to the |
| 8 5-2 noeffeetive date of this Act; |
| 9 (B) by inserting the following new section 305: |
| 10 W "INVENTIONS AND CONTRIBUTIONS BOARD |
| 110 SEC. 305. Each proposal for any waiver of patent |
| 12 rights held by the Administrator shall be referred to an In- |
| 13 ventions and Contributions Board which shall be established |
| 14 by the Administrator within the Administration. Such Board |
| 15 shall accord to each interested party an opportunity for a |
| 16 hearing, and shall transmit to the Administrator its findings |
| 17 of fact with respect to such proposal and its recommendations |
| 18 for action to be taken with respect thereto."; |
| 19 (C) by repealing section 306 thereof (42 U.S.C. |
| 20 - E 2458); a ci (645 - 558 45 60) 446 i 40 3.17 2 0 636 3.60 62 |
| 21 by inserting at the end of section 203(c) |
| 22 thereof (42 U.S.C. 2473(e)) the following new para- |
| 23 . The $_{ m c}$ $_{ m graph:}$ angle from an expression because $_{ m c}$ $_{ m corr}$ $_{ m c}$ $_{ m c}$ |
| 24 ———————————————————————————————————— |
| 25 for reporting of the regults of the activities of the Ad- |

| 1 ministration, including full and complete technical re- |
|--|
| 2 porting of any innovation made in the course of or |
| 3 under any contract of the Administration."; |
| 4 (E) by inserting at the end of section 203 thereof |
| 5 (42 U.S.C. 2478) the following new subsection: |
| 6 "(d) For the purpose of chapter 17 of title 35 of the |
| 7 United States Code, the Administration shall be considered a |
| 8 defense agency of the United States."; and |
| 9 (F) by striking out the following in section |
| 10 203(e)(3) thereof (42 U.S.C. 2473(e)(3)) "(including |
| patents and rights thereunder).". |
| 12 (7) Section 6 of the Act of July 7, 1960 (30 U.S.C. 666; |
| 13 74 Stat. 337), is repealed. |
| 14 (8) Section 4 of the Helium Act Amendments of 1960 |
| 15 (50 U.S.C. 167b; 74 Stat. 920) is amended by striking out |
| 16 both provise clauses at the end thereof. The second sec |
| 17 (9) Section 32 of the Arms Control and Disarmament |
| 18 Act (22 U.S.C. 2572; 75 Stat. 634) is repealed. |
| 19 (10) Subsection (c) of section 302 of the Appalachian |
| 20 Regional Development Act of 1965 (40 U.S.C. App. 302(c); |
| 21 79 Stat. 5) is repealed. The state of the |
| 22 (11) Section 9 of the Federal Nonnuclear Energy Re- |
| 23 search and Development Act of 1974 (42 U.S.C. 5908; 88 |

24 Stat. 1887) is amended by striking all after "hours" the

1 second time it appears therein, and inserting in lieu thereof a

| 2 | period. |
|-------------|---|
| 3 | (12) Section 5(i) of the Tennessee Valley Authority Act |
| 4 | of 1933 (16 U.S.C. 831d(i); 48 Stat. 61) is amended by strik- |
| 5 | ing both provise clauses at the end thereof. |
| 6 | (13) Section 5(d) of the Consumer Product Safety Act |
| 7 | (15 U.S.C. 2054(d); 88 Stat. 1211) is repealed. |
| 8 | (14) Section 3 of the Act of April 5, 1944 (30 U.S.C. |
| 9 | 323; 58 Stat. 191), is repealed. |
| 10 | (15) Section 8001 of the Solid Waste Disposal Act (42 |
| 11 | U.S.C. 6981; 90 Stat. 2892) is repealed. |
| 12 | (16) Sections 200 through 209 and section 211 of title |
| 13 | 35, United States Code, are repealed. |
| 14 | (17) Section 6c (1) and (2) of the Stevenson-Wydler |
| 15 : | Technology Innovation Act of 1980 (15 U.S.C. 3705(c) (1) |
| 16 | and (2); 94 Stat. 2313) is repealed. A manufacture of the control |
| 17 | BEPBOTIVE DATE |
| 18 | SEC. 402. This Act shall take effect 6 months after the |
| 19 | date of enactment of this Act. |
| 20 | TITLE 1—POLICY |
| 21 | FINDINGS |
| 22 | SEC. 101. The Congress, recognizing the profound |
| 23 | impact of science, engineering, and technology policy on the |
| 24 | economic, social, political, and technological well-being, and |

| 1 the health and safety, of the Nation as a whole, hereby find |
|--|
| 2 and declares that were the second of the s |
| 3 (1) the United States has recently experienced |
| 4 decline in the process of industrial innovation and pro- |
| 5 ductivity which adversely affects domestic productivity |
| 6 the rate of economic growth, the level of employmen |
| 7 the balance of trade, and the attainment of other no |
| 88 Consectional goals; we have shown the first the state of the |
| 9 (2) the national support of scientific and technology |
| 10 logical research and development is indispensable to |
| sustained growth and economic stability, and it is i |
| 12 the national interest to maximize the benefits to th |
| 13 general public from such investment; |
| 14 (3) scientific and technological developments an |
| 15 discoveries resulting from work performed with Government |
| 16 ernment contracts constitute a valuable national re |
| source which should be developed in a manner consist |
| 18 ent with the public interest and the equities of the re |
| 19 man spective parties; have been also be amble on the second of the se |
| 20 (4) current Federal policy with respect to the allo |
| 21 cation of rights to the results of federally sponsored re |
| 22 search and development delays technological progress |
| 23 and inhibits commercial utilization of those result |

24 sources and a fourthing of the consent "surplines" (The

ensides agrament unional little but sen may Hedordi

| 1 | (5) there is a need for the establishment and im- |
|--------------|---|
| 2 | plementation of a flexible Government-wide policy for |
| 3 | the management and utilization of the results of feder- |
| 4 | ally funded research and development, and this policy |
| 5 | should promote the progress of science and the useful |
| 6 | arts, encourage the efficient commercial utilization of |
| 7 10 | technological developments and discoveries, guarantee |
| 8 | the protection of the public interest, and recognize the |
| 9 | equities of the contracting parties. |
| 10 | Some and some in the control of the |
| 11 | SEC. 102. It is the purpose of this Act to- |
| 12 | (1) establish and maintain a uniform Federal |
| 13 | policy applicable to the management and use of the re- |
| Ì 4 ∘ | sults of federally sponsored science and technology re- |
| 15 | search and development to stimulate more widespread |
| 16 | commercial utilization of those results for the public |
| 17 | ove good; and is hosperatolic of Wester evidence consider. |
| 18: 1 | (2) insure the effective uniform implementation of |
| 19 | the provisions of this Act, and to monitor on a continu- |
| 20 | ing basis the impact of Federal science and technology |
| 21 | policies on innovation and technology development. |
| 22 | grad kindly we share the Definitions has been been seen to see |
| 23 | SEC. 103. As used in this Act, the term— |
| 24 | (1) "contract" means any contract, grant, or coop- |
| 25 | erative agreement entered into between any Federal |

| 1 agency (other than the Tennessee Valley Authority) |
|--|
| 2 and any person other than a small business firm or |
| 3 nonprofit organization (as defined in section 201 of |
| 4 title 35, United States Code) where a purpose of the |
| 5 contract is the conduct of experimental, developmental, |
| 6 or research work; such term includes any assignment, |
| 7 substitution of parties or subcontract of any tier en- |
| 8 tered into or executed for the conduct of experimental, |
| 9 developmental, or research work in connection with the |
| 10 performance of that contract; |
| 11 "contractor" means any person or entity |
| 12 (other than a Federal agency, nonprofit organization, |
| 13 or small business firm, as defined in section 201 of |
| 14 title 35, United States Code) which is a party to the |
| 15 w stoit contract; a taylor "mast seems bookses" (9) |
| 16 (3) "Director" means the Director of the Office of |
| 17 Management and Budget, or his designee; |
| 18 (4) "Federal agency" means an executive agency |
| 19 (as defined in section 105 of title 5, United States |
| 20 Code), and the military departments (as defined in sec- |
| 21 tion 102 of title 5, United States Code); |
| 22 (5) "Government" means the Government of the |
| 23 United States of America; |
| 24 (6) "invention" means any invention or discovery |
| 25 which is or may be patentable or otherwise protectable |

| 1 under title 35, United States Code, or any novel vari- | |
|---|---|
| 2 ety of plant which is or may be protectable under the | ! |
| 3 Plant Variety Protection Act (7 U.S.C. 2321 et seq.); | |
| 4 (7) "practical application" means to manufacture | : |
| 5 (in the case of a composition or product); to practice | |
| 6 (in the case of a processor method); or to operate (in | |
| 7 the case of a machine or system); in each case, under | , |
| 8 such conditions as to establish that the invention is | |
| 9 being utilized and that its benefits are, to the extent | |
| 10 permitted by law or Government regulations, available | |
| 11 to the public on reasonable terms or through reasonable | |
| 12 licensing arrangements; | |
| 13 "Secretary" means the Secretary of Com- | |
| 14. at yamerce; and day (shot) parate legion (188, shot) | |
| 15 (9) "subject invention" means any invention of a | |
| 16 contractor conceived or first actually reduced to prac- | : |
| 17 tice in the performance of work under a contract: Pro- | |
| 18 vided, That, in the case of a variety of plant, the date | |
| 19 of determination (as defined in section 41(d) of the | |
| 20 Plant Variety Protection Act (7 U.S.C. 2401(d)) must | |
| 21 also occur during the period of contract performance. | |
| 22 TITLE II—IMPLEMENTATION | |
| 23 RESPONSIBILITIES | |
| 24 Sec. 201. (a) The Director shall issue such policies, | |
| 25 procedures, and guidelines applicable to Federal agencies as | |

92 TAN 8

| 1 are necessary and desirable to achieve uniform and consisten |
|--|
| 2 implementation of the provisions of title III of this Act. |
| 3 (b) For the purpose of obtaining consistent application |
| 4 of the policies of this Act, the Secretary is authorized an |
| 5 directed to |
| 6 (1) consult with and advise Federal agencies con |
| 7 cerning the effective implementation and operation of |
| 8 the policies, purposes, and objectives of this Act; |
| 9 (2) accumulate, analyze, and disseminate data of |
| 10 tained from Federal agencies; and |
| 11 (3) perform such other duties as may be pre- |
| 12 scribed by the President or by statute. |
| 13 (c) For the purpose of assuring the effective manage |
| 14 ment of Government-owned inventions, the Secretary is au |
| 15 wthorized to & ways in weakness as the filter of the second |
| 16 (1) assist Federal agency efforts to promote the la |
| 17 censing and utilization of Government-owned inven |
| 18 tions; sexament le manuse de |
| 19 (2) assist Federal agencies in seeking protection |
| 20 and maintaining inventions in foreign countries, in |
| 21 cluding the payment of fees and costs connected there |
| 22 maywith; and may be are with started to the tribe. |
| 23 (3) consult with and advise Federal agencies as t |
| 24 areas of science and technology research and develop |
| 25 ment with potential for commercial utilization. |

| 1 (d) Within 1 year after the date of enactment of this Act |
|--|
| 2 and annually thereafter, the Secretary shall submit to Con- |
| 3 gress a report of activities pursuant to this Act. Such report |
| 4 shall include— process of the state of the |
| 5 (1) relevant statistical data regarding the disposi- |
| 6 tion of subject invention disclosures resulting from fed- |
| 7 enally funded research and development, including |
| 8 those inventions disclosed by small businesses and non- |
| 9. Black profit organizations; have statement of the second of the secon |
| 10 (2) any legislative or administrative recommenda- |
| 11 tions to better achieve the policy and purposes of this |
| $m{12}$. $m{Act; and}$ which in get to hardware $m{1}$ the get leadings $m{3}$. It |
| 13 (3) an analysis of impact of Federal policies on |
| 140 of the purposes of this Act. They come and word the areas. All |
| 15 (e) The authorities conferred upon the Secretary by sub- |
| 16 sections (b) through (d) of this section shall expire 7 years |
| 17 following the effective date of this Act, unless renewed by |
| 18 action of Congress. |
| 19 TITLE III—ALLOCATIONS OF RIGHTS— |
| 20 GOVERNMENT CONTRACTORS |
| 21 RIGHTS OF THE GOVERNMENT |
| 22 SEC. 301. (a) Each Federal agency may acquire on |
| 23 behalf of the United States, at the time of entering into a |
| 24 contract, title to or rights to license any subject invention, or |

grangsman jelej Indopošenj 1886 a šogami

| 1 may limit the rights of a contractor under section 302(b) of |
|---|
| 2 this title, if— was a sage grown of a confound as have to the |
| 3 (1) it is determined by a Government authority |
| 4 which is authorized by statute or Executive order to |
| 5 conduct foreign intelligence or counterintelligence activ- |
| 6 ities that such action is necessary to protect the secu- |
| 77 rity of such activities; |
| 8 (2) the agency determines, on a case-by-case |
| 9 basis, that there are exceptional circumstances requir- |
| 10 ing such action to better promote the policy and objec- |
| 11 tives of section 101(5) of this Act; |
| 12 (3) the contractor is not located in the United |
| 13 States or does not have a place of business located in |
| 14 the United States, or is a foreign government; or |
| 15 (4) the contract is entered into under a program |
| 16 that implements a formal international agreement or |
| arrangement of cooperation in science and technology, |
| and rights in the Government greater than a nonexclu- |
| 19 sive license are necessary for the agency to fulfill its |
| 20 obligations under the international agreement or ar- |
| 21 de querangements e estado los seus electros de la los la |
| (b)(1) The rights of the Government under subsection |
| 23 (a) of this section shall not be exercised by the Federal |
| 24 agency unless it first determines that at least one of the con- |
| 25 ditions identified in paragraphs (1) through (4) of subsection |

- 1 (a) of this section exist. Except in the case of paragraph (1)
- 2 of such subsection, the agency shall, within 30 days after the
- 3 award of the applicable contract, file with the Secretary a
- 4 statement stating such determination. In the case of a deter-
- 5 mination under subsection (a) (2) or (4) of this section, the
- 6 statement shall include an analysis supporting the determi-
- 7 nation and justifying the limitations and conditions being
- 8 imposed. If the Secretary believes that any individual deter-
- 9 mination or pattern of determinations is contrary to the
- 10 terms, policy, or objectives of this Act, the Secretary shall so
- 11 advise the head of the agency concerned and the Director and
- 12 recommend corrective actions.
- 13 (2) Whenever the Director has determined that one or
- 14 more Federal agencies are utilizing the authority of subsec-
- 15 tion (a) (2) or (4) of this section is in a manner that is
- 16 contrary to the terms, policy, or objectives of this Act, the
- 17 Director is authorized to issue policies, procedures, and
- 18 guidelines describing classes of situations in which agencies
- 19 may not utilize the provisions of subsection (a) (2) or (4) of
- 20 this section was beside the way was a way to be a section of the section of th
- 21 (c) Each contract entered into by a Federal agency shall
- 22 include appropriate provisions—
- 23 (1) to require written reports on the commercial
- 24 use or other forms of utilization or efforts toward ob-
- 25 taining commercial utilization made by the contractor

| :1: " | or its licensees or assignees with respect to any sub | jęct |
|----------------|---|---------|
| 3 2 %. | invention to which the contractor elects title, pursu | ant |
| 3 | to section 302 of this title: Provided, That any s | uch |
| 4 | report, as well as any information on utilization or | ef- |
| 5 | forts toward obtaining utilization obtained as part of | of:a |
| 6 | proceeding under section 304 of this title, shall | be |
| - 7 . , | treated by the Federal agency as commercial or fin | an- |
| 8 | cial information obtained from a person and privile | ged |
| 9 | or confidential and not subject to disclosure under | the |
| 10 | Freedom of Information Act (5 U.S.C. 552); and | · •} |
| 11 | (2) unless greater rights are acquired by | the |
| 12 : | United States under section 301(a) of this title, to | re- |
| 13 ി | serve to the United States at least an irrevocable, n | on- |
| 14 | exclusive, nontransferable, paid-up license to mo | ıke, |
| 15 | use, and sell any subject invention throughout | the |
| 16 | world by or on behalf of the United States. | 723 |
| 17 v | RIGHTS OF THE CONTRACTOR | er < |
| 18 | SEC. 302. (a) Whenever a contractor enters into a c | on- |
| 19 t | tract, unless limited in those circumstances identified in | sec- |
| 20 i | tion 301(a) of this title, the contractor shall have the option | n of |
| 21 × | retaining title to any subject invention. Such title shall | be |
| 22 s | subject only to the limitations set forth in sections 301, 5 | 04, |
| 23 a | and 305 of this title, and such title shall not be subject to | any |
| 24 d | other limitations or conditions. | |

| 1 (b) When the Government obtains title to a subject in- |
|--|
| 2 vention under section 301 of this title, the contractor shall |
| 3 retain a nonexclusive, royalty-free, paid-up, worldwide li- |
| 4 cense, including the right to sublicense affiliates, subsidiar- |
| 5 ies, and existing licensees to whom the contractor is legally |
| 6 obligated to sublicense, which shall be revocable only to the |
| 7 extent necessary for the Government to grant an exclusive |
| 8. license. 20 rounds at most despitable politarepolysis has to the |
| 9 reine a state for the confidence of the confid |
| 10 SEC. 303. (a) A Federal agency may at any time waive |
| 11 all or any part of the rights of the United States under sec- |
| 12 tion 301 or 304 of this title to any subject invention or class |
| 13 of subject inventions made or which may be made under a |
| 14 contract or class or contracts if the agency determines that— |
| 15 (1) the interests of the United States and the gen- |
| 16 eral public will be best served thereby; or |
| 17 (2) the contract involves cosponsored, cost-sharing |
| 18 or joint venture research or development and the con- |
| 19 tractor or other sponsor or joint venturer is required to |
| 20 make a substantial contribution of funds, facilities, or |
| 21 equipment to the work performed under the contract. |
| 22 (b) The agency shall maintain a record, which shall be |
| 23 made public and periodically updated, of determinations |
| 24 made under this section. |

| 1 (c) In making determinations under subsection (a)(1) of |
|--|
| 2 this section, the agency shall consider at least the following |
| 3 objectives: |
| 4 (1) encouraging wide availability to the public of |
| 5 the benefits of the experimental, developmental, or re- |
| 6 search programs in the shortest practiceable time; |
| 7 (2) promoting the commercial utilization of such |
| 8 inventions, |
| 9 (3) encouraging participation by private persons |
| 10 (including the most highly qualified persons) in the |
| 11 Government-sponsored experimental, developmental, or |
| 12 research programs; and |
| 13 (4) fostering competition and preventing the cre- |
| 14 ation or maintenance of situations inconsistent with |
| 15 the antitrust laws of the United States. |
| 16 MARCH-IN-RIGHTS |
| 17 SEC. 304. (a) Where a contractor has elected to retain |
| 18 title to a subject invention under section 302 of this title, the |
| 19 Federal agency shall have the right (unless waived under sec- |
| 20 tion 303 of this title), pursuant to policies, procedures, and |
| 21 guidelines of the Director and subject to the provisions of |
| 22 subsection (b) of this section, to grant or require the contrac- |
| 23 tor or his assignee to grant a nonexclusive, partially exclu- |
| 24 sive, or exclusive license to a responsible applicant or appli- |
| 25 cants, upon terms reasonable under the circumstances, if the |

| 1 head of the agency or his designee determines that such |
|--|
| 2 action is necessary— |
| 3 (1) because the contractor, assignee, or licensee |
| 4 has not taken, or is not expected to take within a rea- |
| 5 sonable time, effective steps to achieve practical appli- |
| 6 cation of the invention; |
| 7 (2) to alleviate serious health or safety needs |
| 8 which are not reasonably satisfied by the contractor, |
| 9 his assignees or licensees; or |
| 10 (3) to meet requirements for public use specified |
| 11 by Federal regulation which are not reasonably satis- |
| 12 fied by the contractor, his assignees or licensees. |
| 13 (b) A determination made pursuant to this section shall |
| 14 not be considered a contract dispute and shall not be subject |
| 15 to the Contract Disputes Act (41 U.S.C. 601 et seq.). Any |
| 16 contractor adversely affected by a determination under this |
| 17 section may, at any time within 60 days after the determina- |
| 18 tion is issued, file a petition in the United States Court of |
| 19 Claims, which shall have jurisdiction to determine the matter |
| 20 de novo and to affirm, reverse, or modify as appropriate, the |
| 21 determination of the Federal agency. |
| 22 GENERAL PROVISIONS |
| 23 SEC. 305. Each contract entered into by a Federal |
| 24 agency shall employ a patent right clause containing appro- |
| 25 priate provisions to provide— |

| 1 (1) that the contractor disclose each subject inven- |
|---|
| 2 tion to the Federal agency within a reasonable time |
| 3 after it becomes known to contractor personnel respon- |
| 4 sible for the administration of invention and patent |
| 5 matters, and that the Federal Government may receive |
| 6 title to any subject invention not disclosed to it within |
| 7. The same such time; and see a six in the same such time; |
| 8 (2) unless the Government acquires title to the |
| 9 subject invention under section 301(a) of this title, |
| 10 rāta kā $that_{rac{11}{12}}$ jam kaista a karanitā ir saltinis kā kā $ ho$ i. (1) |
| 11 (A) the contractor make a written election to |
| 12 the Federal agency within 2 years after disclosure |
| 13 and under paragraph (1) of this subsection or such ad- |
| 14 ditional time as may be approved by the Federal |
| 15 agency whether the contractor will retain title to a |
| subject invention pursuant to the provisions of |
| section 302 of this title: Provided, That, in any |
| 18 case where publication, on sale, or public use has |
| initiated the 1-year statutory period wherein valid |
| patent protection can still be obtained within the |
| United States, the period for election of title may |
| be shortened by the Federal agency to a date that |
| is no more than 60 days prior to the end of the |
| 24 . Ambiens $statutory$ $period$, a green relating this consider the second s |

| | (B) a contractor which elects rights in a sub- |
|------------------------------|--|
| 2 53 2 8 80.00 | ject invention agrees to file a patent application |
| in 3 ngan iliyance | prior to any statutory bar date that may occur |
| 4 344 A | under title 35, United States Code, due to publi- |
| n .5 0488 (14.00) - | cation, on sale, or public use, and shall thereafter |
| 1 6 /144, 20 m, 1 | file corresponding patent applications in other |
| 7 | countries in which it wishes to retain title within |
| 5 8 1 - 4 - 4 - 4 - 4 | reasonable times, and that the Federal Govern- |
| .9 | ment may receive title to any subject inventions |
| 10 | in the United States or other countries in which |
| 11 wywasia sa | the contractor has not filed patent applications on |
| 12 and balls not | the subject invention within such times; and |
| 13 9 January | (C) the contractor, in the event a United |
| 14 -860 oai y | States patent application is filed by or on its |
| 15 .) Althoroph | behalf or by any assignee of the contractor, will |
| 16 aminimiya | include within the specification of such applica- |
| 17 0 of LowY | tion and any patent issuing thereon a statement |
| 18 % cak bellar | specifying that the invention was made with Gov- |
| 19 493 yerunakar | ernment support and that the Government has |
| 20 : 1000 2 35 | certain rights in the invention. |
| 21 m 2000 io m | BACKGROUND RIGHTS |
| $oldsymbol{22}$. Sec. | 306. Nothing contained in this Act shall be con- |
| 23 strued to | deprive the owner of any background patent or of |
| 24 such right | s as the owner may have under such patent. |

| 1 | TITLE IV—MISCELLANEOUS | |
|------------|--|-------------|
| 2 | REPEAL OF EXISTING STATUTORY RESEARCH AND | ·. |
| 3 | DEVELOPMENT AUTHORIZATIONS | t A |
| 4 | SEC. 401. The following Acts are hereby amended | as |
| 5 | follows: The terms of the market market with the Armet Constitution of the second | |
| 6 | (1) Section 205(a) of the Act of August 14, 1946 | (7 |
| 7 - | U.S.C. 1624(a)), is amended by striking the last senten | ce |
| 8 | thereof. The state of the same of the state of the same of the sam | 3 |
| 9 | (2) Section 501(c) of the Federal Coal Mine Health ar | id |
| 10 | Safety Act of 1969 (30 U.S.C. 951(c)) is amended by stri | \vec{k} - |
| 11 | ing the last sentence thereof. | ž. |
| 12 | (3) Section 106(c) of the National Traffic and Mot | or |
| 13 | Vehicle Safety Act of 1966 (15 U.S.C. 1395(c)) is repeale | d. |
| 14 | (4) Section 12(a) of the National Science Foundation | n |
| 15 | Act of 1950 (42 U.S.C. 1871(a)) is repealed. |)] |
| 16 | (5)(A) Section 152 of the Atomic Energy Act of 192 | 54 |
| 17 | (42 U.S.C. 2182) is repealed. Provided, however, That such | ch |
| 18 | section shall continue to be effective with respect to any apple | li- |
| 19 | cation for a patent in which the statement under oath referre | ed |
| 20 | to in such section has been filed or requested to be filed by the | he |
| 21 | Commissioner of Patents and Trademarks prior to the effe | ् C- |
| 22 | tive date of this Act. | :6 |
| 23 | (B) The item relating to section 152 in the table of co | n- |
| 24 | tents of the Atomic Energy Act of 1954 is amended to red | xd |
| 25 | as follows: | |

32 700 8

| 1 (6) The National Aeronautics and Space Act of 1958 |
|--|
| 2 (42 U.S.C. 2451 et seq.) is amended by— |
| 3 (A) repealing section 305 thereof (42 U.S.C. |
| 4 2457): Provided, however, That subsections (c), (d), |
| 5 and (e) of such section shall continue to be effective |
| 6 with respect to any application for patents in which the |
| 7 written statement referred to in subsection (c) of such |
| 8 section has been filed or requested to be filed by the |
| 9 Commissioner of Patents and Trademarks prior to the |
| 10 effective date of this Act; |
| 11 (B) repealing section 306 thereof (42 U.S.C. |
| 12:18 (m.2458); it is not be to the model of the first |
| 13 (C) adding at the end of section 203 thereof (42 |
| 14 U.S.C. 2473) the following new subsection: |
| 15 "(d) For the purpose of chapter 17 of title 35, United |
| 16 States Code, the Administration shall be considered a defense |
| 17 agency of the United States."; |
| 18 the grand because the order of a state to be a like a distance of |
| 19 (D) striking "(including patents and rights there- |
| 20 under)" in section 203(c)(3) thereof (42 U.S.C. |
| 21 The was 2473(c)(3)) secretarily been streeted to remainstance to the |
| 22 (7) Section 6 of the Act of July 7, 1960 (30 U.S.C. |
| 23, 666), is repealed. |
| . एक उन्हांड की मेर सेक्सिक विकास पुरुष है है है है के बारकार्यकों उन तथ्यों |

neoming er dif

E1 1881 8 .

Make and from SAM

| 1 (8) Section 4 of the Helium Act Amendments of 1960 |
|--|
| 2 (50 U.S.C. 167b) is amended by striking all after "utiliza- |
| 3 tion" and inserting in lieu thereof a period. |
| 4 (9) Section 32 of the Arms Control and Disarmament |
| 5 Act (22 U.S.C. 2572) is repealed. |
| 6 (10) Subsection (e) of section 302 of the Appalachian |
| 7 Regional Development Act of 1965 (40 U.S.C. App. 302(e)) |
| 38 is repealed. And the second of the second |
| 9 (11) Subsections (a) through (k), (m), and (n) of section |
| 10 9 of the Federal Nonnuclear Energy Research and Develop- |
| 11 ment Act of 1974 (42 U.S.C. 5908) are repealed. |
| 12 (12) Section 5(d) of the Consumer Product Safety Act |
| 13 (15 U.S.C. 2054(d)) is repealed. |
| 14 (13) Section 3 of the Act of April 5, 1944 (30 U.S.C. |
| 15 323), is repealed was a find a library was the same with the same |
| 16 (14) Section 8001(c)(3) of the Solid Waste Disposal |
| 17 Act (42 U.S.C. 6981(c)(3)) is repealed. |
| 18 (15) Chapter 38 of title 35, United States Code, is |
| 19 ramended—as transparently find to this book the field of the contract of th |
| 20 (A) by adding "or any novel variety of plant |
| 21 which is or may be protectable under the Plant Variety |
| 22 Protection Act (7 U.S.C. 2321 et seq.)" immediately |
| 23 after "title" in section 201(d); |
| 24 (B) by adding ": Provided, That, in the case of a |

25 variety of plant, the date of determination (as defined

| in section 41(d) of the Plant Variety Protection Act (7 |
|---|
| 2 U.S.C. 2401(d)) must also occur during the period of |
| 3 contract performance" immediately after "agreement" |
| 4. Annual in section 201(e); which are to the reduced the section |
| 5 (C) in section 202(a), (i) by amending clause (i) |
| 6 to read as follows: "(i) when the contractor is not locat- |
| 7 ed in the United States or does not have a place of |
| 8 business located in the United States,", and (ii) by |
| 9 striking "or (iii)" and inserting in lieu thereof the fol- |
| 10 lowing: ", (iii) when the funding agreement is entered |
| into under a program that implements a formal inter- |
| 12 national agreement or arrangement of cooperation in |
| science and technology, and rights in the Government |
| 14 greater than a nonexclusive license are necessary for |
| the agency to fulfill its obligations under the interna- |
| 16 tional agreement or arrangement; or (iv)"; |
| 17 (D) by amending section 202(b) to read as fol- |
| 18 Res lows: Labert Labert Res Res Res Respect 1975 |
| 19 "(b)(1) The rights of the Government under paragraph |
| 20 (a) of this section shall not be exercised by a Federal agency |
| 21 unless it first determines that at least one of the conditions |
| 22 identified in subparagraphs (i) through (iv) of paragraph (a) |
| 23 exists. Except in the case of paragraph (a)(iv), the agency |
| 24 shall file with the Secretary of Commerce, within 30 days |
| 25 after the award of the applicable funding agreement, a state- |

설치 경제 포

- 1 ment stating such determination. In the case of a determina-
- 2 tion under paragraphs (a) (ii) or (iii), the statement shall
- 3 include an analysis justifying the determination. If the Sec-
- 4 retary of Commerce believes that any individual determina-
- 5 tion or pattern of determinations is contrary to the policies
- 6 and objectives of this chapter or otherwise not in conformance
- 7 with this chapter, the Secretary shall so advise the head of
- 8 the agency concerned and the Administrator of the Office of
- 9 Federal Procurement Policy, and recommend corrective ac-
- 10 setions. The former than all years marked to be been a significant
- 11 "(2) Whenever the Administrator of the Office of Feder-
- 12 al Procurement Policy has determined that one or more Fed-
- 13 eral agencies are utilizing the authority of subparagraphs (i)
- 14 through (iv) of paragraph (a) of this section in a manner that
- 15 is contrary to the policies and objectives of this chapter, the
- 16 Administrator is authorized to issue regulations describing
- 17 classes of situations in which agencies may not exercise the
- 18 authorities of those subparagraphs.";
- 19 (E) by amending subparagraphs (1), (2), and (3)
- 20 of section 202(c) to read as follows:
- 21 "(1) That the contractor disclose each subject invention
- 22 to the Federal agency within a reasonable time after it be-
- 23 comes known to contractor personnel responsible for the ad-
- 24 ministration of patent matters, and that the Federal Govern-

HE 1.11

- 1 ment may receive title to any subject invention not disclosed
- 2 to it within such time.
- 3 "(2) That the contractor make a written election within
- 4 2 years after disclosure to the Federal agency (or such addi-
- 5 tional time as may be approved by the Federal agency)
- 6 whether the contractor will retain title to a subject invention:
- 7 Provided, That, in any case where publication, on sale, or
- 8 public use, has initiated the 1 year statutory period in which
- 9 valid patent protection can still be obtained in the United
- 10 States, the period for election may be shortened by the Feder-
- 11 al agency to a date that is not more than sixty days prior to
- 12 the end of the statutory period: And provided further, That
- 13 the Federal Government may receive title to any subject in-
- 14 vention in which the contractor does not elect to retain rights
- 15 or fails to elect rights within such times.
- 16 "(3) That a contractor electing rights in a subject inven-
- 17 tion agrees to file a patent application prior to any statutory
- 18 bar date that may occur under this title due to publication, on
- 19 sale, or public use, and shall thereafter file corresponding
- 20 patent applications in other countries in which it wishes to
- 21 retain title within reasonable times, and that the Federal
- 22 Government may receive title to any subject inventions in the
- 23 United States or other countries in which the contractor has
- 24 not filed patent applications on the subject invention within
- 25 such times.";

| 1 (F) by adding the following new paragraph at the |
|---|
| 2 end of section 202: |
| 3 "(g) A Federal agency may at any time waive all or |
| 4 any part of the rights of the United States under paragraphs |
| 5 (c) (4) through (8) of this section, section 203, and section |
| 6 204 of this chapter, to any subject invention or class of sub- |
| 7 ject inventions made or which may be made under a funding |
| 8 agreement or class of funding agreements if the agency deter- |
| 9 mines (A) that the interests of the United States and the |
| 10 general public will be best served thereby; or (B) the funding |
| 11 agreement involves cosponsored, cost sharing or joint venture |
| 12 research or development when the contractor or other sponsor |
| 13 or joint venturer is required to make or has made a substan- |
| 14 tial contribution of funds, facilities, or equipment to the work |
| 15 performed under the funding agreement. The agency shall |
| 16 maintain a record, which shall be made public and periodi- |
| 17 cally updated, of determinaitons made under this paragraph. |
| 18 In making such determinations under clause (A) of this |
| 19 paragraph, the agency shall consider at least the following |
| 20 bobjectives: with the sold of the agent and make a familiary for |
| 21 "(1) encouraging the wide availability to the |
| 22 public of the benefits of the experimental, developmen- |
| 23 tal, or research programs in the shortest practicable |
| ·24 siddictime; gas so gove such as right recies contactareston. At |
| Bis days often the attendencions is lossed, file a postion to the |

25 TACE 8

| 5 1 ! 75 | "(2) promotin | g the commercial utilization of such |
|---------------------|---------------------------------|--|
| 2 | inventions; | 1.08 miljede ke beser i ki |
| :3 No | casco "(3) encourag | ing participation by private persons, |
| 4 , | including the mos | t highly qualified persons, in Gov- |
| 5000 | ernment-sponsored | experimental, developmental, or re- |
| -6 66 | search programs; a | nd – igan w populu vila 1914a D |
| 7 | (4) fostering | competition preventing the creation |
| - 8 :55 | or maintenance of | other situations inconsistent with the |
| 9 > | antitrust laws."; | Parameter has train (N) unnight () |
| 10 Am | (G) by striki | ng "may" in section 202(c)(5) and |
| 1:1 1:355 | inserting in lieu t | hereof "as well as any information |
| 12 555 | secon utilization or | efforts at obtaining utilization ob- |
| 13 | tained as part of a | proceeding under section 203 of this |
| 14 | chapter shall"; | t de sied des tel teltion of jundo, josellist |
| 15 | Agango (H) by striki | ng clause (B) in section 202(c)(7) |
| 16 | and redesignating | clauses (C) and (D) of such section |
| 17 (3.50) | as clauses (B) and | (C), respectively; A large states 1 |
| 18 | (I) by adding | at the end of section 203 the follow- |
| 19 , | Mal ing: beast to estima | in p <mark>oragraph</mark> , the special enest con |
| 20 | "A determination | pursuant to this section shall not be |
| 21 co | nsidered a contract di | spute and shall not be subject to the |
| 22 <i>C</i> | ontract Disputes Act (| $41\ U.S.C.$ 601 et seq.). Any contract |
| 23 to | r, assignee, or exclus | ive licensee adversely affected by a |
| $24 \;\; d\epsilon$ | etermination under this | s section may, at any time within 60 |
| 25 da | us after the determin | ation is issued, file a vetition in the |

- 1 United States Court of Claims, which shall have jurisdiction
- 2 to determine the matter de novo and to affirm, reverse, or
- 3 modify as appropriate, the determination of the Federal
- 4 (agency:"; and the little of the second of
- 5 (J) by amending section 209 by striking subsec-
- 6 tion (c)(2); by redesignating subsection (c)(3) as sub-
- 7 section (c)(2); and by striking all in paragraph (d)
- 8 after "objections" and inserting in lieu thereof a
- -9: if Period S. S. C. A. AMEN by the Appropriate Sec.
- 10 (16) Section 6(e) of the Stevenson-Wydler Technology
- 11 Innovation Act of 1980 (15 U.S.C. 3705(e)) is repealed.
- 12 (17) Section 10(a) of the Act of June 29, 1935 (7
- 13 U.S.C. 427i(a)) is amended by striking the last sentence
- 14 thereof.
- 15 (18) Section 427(b) of the Federal Mine Safety and
- 16 Health Act of 1977 (30 U.S.C. 937(b)) is amended by strik-
- 17 ing the last sentence thereof.
- 18 (19) Section 306(d) of the Surface Mining Control and
- 19 Reclamation Act of 1977 (30 U.S.C. 1226(d)) is amended
- 20 by striking the first two sentences thereof.
- 21 (20) Section 21(d) of the Federal Fire Prevention and
- 22 Control Act of 1974 (15 U.S.C. 2218(d)) is repealed.
- 23 (21) Section 6(b) of the Solar Photovoltaic Energy Re-
- 24 search, Development, and Demonstration Act of 1978 (42

by the disposition of rights in ambjed improduct, to office a

| :1 | U.S.C. 5585(b)) is amended by striking "7, 8, and 9" and | ıa |
|-------------|---|---------------------|
| 2 | inserting in lieu thereof "7 and 8". | .1 s. is 1, s |
| 3 | (22) Section 12 of the Native Latex Commercialization | m |
| 4 | and Economic Development Act of 1978 (7 U.S.C. 178j) | is |
| -5 | crepealed. | |
| 6 | (23) Section 408 of the Water Research and Develop | p- |
| .7 . | ment Act of 1978 (42 U.S.C. 7879) is repealed. | : |
| 8 | (24) (A) Section 173 of the United States Synthet | ic |
| 9 | Fuels Corporation Act of 1980 (42 U.S.C. 8773) is re | e- |
| 10 | opedled: who is a common the color of the contract (1931) | |
| 11 | (B) The item relating to section 173 in the table of con | n- |
| 12 | tents of the Energy Security Act (42 U.S.C. 8701 et seq.) | is |
| 13 | camended to read as follows: | 1 |
| | "Sec. 173. Repealed.". | |
| 14 | RELATIONSHIP TO ANTITRUST LAWS | |
| 15 | SEC. 402. Nothing in this Act shall be deemed | to |
| 16 | convey to any person immunity from civil or criminal liabil | i_{i} |
| 17 | ty, or to create any defenses to actions, under any antitru | si |
| 18 | law of the United States. | - Carrier |
| 19 | EFFECTIVE DATE | 48 |
| 20 | SEC. 403. (a) This Act shall take effect 6 months aft | er |
| 21 | the date of enactment of this Act. | |
| 22 | (b) After the effective date of this Act, each Feder | al |
| 23 | agency is authorized, notwithstanding any other law govern | n- |

24 ing the disposition of rights in subject inventions, to allow a

25 contractor or an inventor to retain title to subject inventions

- 1 made under contracts awarded prior to the effective date of
- 2 this Act, subject to the same terms and conditions as would
- 3 apply under this Act and the Director's implementing poli-
- 4 cies, procedures, and guidelines had the contract been entered
- 5 into after the effective date of this Act.

- I made until continues accorded goden to the affective date of
- it this item are field to the sense corns and conflictes as another
- Something and an idea of the end the Francisco inspired and and plants of public
- h sites prometivers and goldielims, had the combiner been endured
 - ें के हैं। के अपने के बहुति वर्ग के के के के के के के के

Takarkal bus voused postol on beliest. 880. Calidada pakiya dagaka saka

Calendar No. 541

97TH CONGRESS S. 1657

[Report No. 97-381]

A BILL

Entitled the "Uniform Science and Technology Research and Development Utilization Act".

MAY 5 (legislative day, APRIL 13), 1982 Reported with an amendment