97TH CONGRESS H.R. 4564

To establish a uniform Federal system for management, protection, and utilization of the results of federally sponsored scientific and technological research and development; and to further the public interest of the United States domestically and abroad, and for other related purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 1981

Mr. Ertel (for himself, Mr. Fuqua, Mr. Walgren, Mr. Brown of California, Mr. Hollenbeck, Mr. Lafalce, Mr. AuCoin, Mr. Murphy, Mrs. Heckler, Mr. Hughes, and Mr. Winn) introduced the following bill; which was referred jointly to the Committees on the Judiciary and Science and Technology

A BILL

To establish a uniform Federal system for management, protection, and utilization of the results of federally sponsored scientific and technological research and development; and to further the public interest of the United States domestically and abroad, and for other related purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That this Act may be cited as the "Uniform Federal Re-
- 4 search and Development Utilization Act of 1981".

TITLE I—POLICY

- Sec. 101. Findings.
- Sec. 102. Declaration of purpose.
- TITLE II—FUNCTIONS OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY AND THE FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY
- Sec. 201. Federal Coordinating Council for Science, Engineering, and Technology.
- TITLE III—ALLOCATION OF PROPERTY RIGHTS IN INVENTIONS RESULTING FROM FEDERALLY SPONSORED RESEARCH AND DEVELOPMENT
- Sec. 301. Ownership and rights of the Government.
- Sec. 302. Rights of the contractor.
- Sec. 303. Waiver.
- Sec. 304. March-in-rights.
- Sec. 305. General provisions.
- Sec. 306. Judicial review.
- Sec. 307. Contractor's payments to the Government.
- Sec. 308. Background rights.

TITLE IV—DOMESTIC AND FOREIGN PROTECTION AND LICENSING OF FEDERALLY OWNED INVENTIONS

- Sec. 401. Authority of Federal agencies.
- Sec. 402. Authority of the Secretary of Commerce in cooperation with other Federal agencies.
- Sec. 403. Authority of Administrator of General Services.
- Sec. 404. Grants of an exclusive or partially exclusive license.

TITLE V-MISCELLANEOUS

CHAPTER 1-DEFINITIONS; RELATIONSHIP TO OTHER LAWS

- Sec. 511. Definitions.
- Sec. 512. Relationship to other laws.

CHAPTER 2—AMENDMENTS TO OTHER ACTS

Sec. 521. Identified Acts amended.

CHAPTER 3—EFFECTIVE DATE PROVISION

1

Sec. 531. Effective date.

1	TITLE I—POLICY
2	FINDINGS
3	SEC. 101. The Congress, recognizing the profound
4	impact of science and technology on society and the interrela-
5	tions of scientific, technological, economic, social, political,
6	and institutional factors, hereby finds that-
7	(1) inventions in scientific and technological fields
8	resulting from work performed under Federal research
9	and development programs constitute a valuable na-
10	tional resource;
11	(2) Federal policy on the allocations of rights to
12	inventions resulting from federally sponsored research
13	and development should stimulate inventors, meet the
14	needs of the Federal Government, and serve the public
15	interest; and
16	(3) the public interest would be better served if
17	greater efforts were made to promote the commercial
18	use of new technology resulting from federally spon-
19	sored research and development, both in the United
20	States and foreign countries, as appropriate.
21	DECLARATION OF PURPOSE
22	SEC. 102. It is the purpose of this Act to—
23	(1) establish a uniform Federal system for the
24	management and use of the results of federally spon-

1	sored scientific and technological research and develop-
2	ment;
3	(2) provide for uniform implementation of the pro-
4	visions of this Act, and to make a continuing effort to
5	monitor such implementation;
6	(3) allocate rights to inventions by contractors
7	which result from federally sponsored research and de-
8	velopment so as to—
9	(A) encourage the participation of the most
10	qualified and competent contractors,
11	(B) foster competition,
12	(C) reduce the administrative burdens, both
13	for the Federal agencies and its contractors, and
14	(D) protect the public investment in research
15	and development by promoting the widespread
16	utilization of inventions;
17	(4) provide for a domestic and foreign protection
18	and licensing program to obtain commercial utilization
19	of federally owned inventions, with the objective of
20	strengthening the Nation's economy and expanding its
21	domestic and foreign markets; and
22	(5) amend or repeal other Acts and Executive
23	orders regarding the allocation of rights to inventions
24	which result from federally sponsored research and de-
25	velopment and the licensing of federally owned patents.

1	TITLE II—FUNCTIONS OF THE OFFICE OF SCI-
2	ENCE AND TECHNOLOGY POLICY AND THE
3	FEDERAL COORDINATING COUNCIL FOR SCI-
4	ENCE, ENGINEERING, AND TECHNOLOGY
5	FEDERAL COORDINATING COUNCIL FOR SCIENCE,
6	ENGINEERING, AND TECHNOLOGY
7	SEC. 201. (a) The Federal Coordinating Council for Sci-
8	ence, Engineering, and Technology (established by section
9	401 of the National Science and Technology Policy, Organi-
10	zation, and Priorities Act of 1976 (42 U.S.C. 6651)) (herein-
11	after in this Act referred to as the "Council") shall make
12	recommendations to the Director of the Office of Science and
13	Technology Policy (hereinafter in this title referred to as the
14	"Director"), with regard to—
15	(1) uniform and effective planning and administra-
16	tion of Federal programs pertaining to inventions, pat-
17	ents, trademarks, copyrights, rights in technical data,
18	and matters connected therewith;
19	(2) uniform policies, regulations, guidelines, and
20	practices to carry out the provisions of this Act and
21	other Federal Government objectives in the field of in-
22	tellectual property; and
23	(3) uniformity and effectiveness of interpretation
24	and implementation by individual Federal agencies of

1	the provisions of this Act and other related Federal
2	Government policies, regulations, and practices.
3	(b) Recommendations regarding matters set forth in sub-
4	section (a) which are made by the Council and adopted by the
5	Director shall be transmitted to Federal agencies through ap-
6	propriate channels.
7	(c) In order to carry out the responsibilities set forth in
8	subsections (a) and (b), the Council is authorized to-
9	(1) acquire data and reports from Federal agencies
10	on the interpretation and implementation of this Act
11	and related policies, regulations, and practices;
12	(2) review on its own initiative, or upon request
13	by a Federal agency, Federal agency implementation
14	of the provisions of this Act;
15	(3) analyze on a continuing basis data acquired by
16	the Council;
17	(4) consider problems and developments in the
18	fields of inventions, patents, trademarks, copyrights,
19	rights in technical data, and matters connected there-
20	with and the impact thereof on Federal Government
21	policy or uniform accommodation or implementation by
22	Federal agencies; and
23	(5) publish annually a report on Council efforts,
24	findings, and recommendations made under this sec-
25	tion.

1	TITLE III—ALLOCATION OF PROPERTY RIGHTS
2	IN INVENTIONS RESULTING FROM FEDERAL-
3	LY SPONSORED RESEARCH AND DEVELOP-
4	MENT
5	OWNERSHIP AND RIGHTS OF THE GOVERNMENT
6	SEC. 301. (a) Each Federal agency shall acquire on
7	behalf of the Federal Government, at the time of entering
8	into a contract, title to any invention made under the con-
9	tract of a Federal agency if the agency determines that-
10	(1) the services of the contractor are for the oper-
11	ation of Federal research and development centers, in-
12	cluding Government-owned research or production
13	facilities;
14	(2) the restriction or elimination of the right to
15	retain title to any subject invention is necessary to pro-
16	tect the national security nature of such activities;
17	(3) because of exceptional circumstances, acquisi-
18	tion of title by the Government is necessary to assure
19	the adequate protection of the public health, safety, or
20	welfare; or
21	(4) the principal purpose of the contract is to de-
22	velop or improve products, processes, or methods
23	which will be required for use by Government regula-
24	tions: Provided, however, That the Federal agency may
25	subsequently waive all or any part of the rights of the

- 1 Federal Government, under this section to such inven-
- 2 tion in conformity with the provisions of section 303.
- 3 (b) In other situations not covered by subsection (a) each
- 4 Federal agency shall acquire on behalf of the Federal Gov-
- 5 ernment, at the time of contracting—

- (1) an agreement that, if the contractor elects not to file a patent application on a subject invention in any country, title to such an invention shall be assigned to the Federal Government, subject to the rights retained by the contractor under section 302; and
 - (2) an agreement that, if the contractor elects to file a patent application in accordance with section 302—
 - (A) the Federal agency shall have the right to require periodic written reports at reasonable intervals and, when specifically requested by such agency, reports on the commercial use or other form of utilization by the public that is being made or is intended to be made of any subject invention: *Provided*, That any such information shall be treated by the Federal agency as commercial or financial information obtained from a person and privileged or confidential and not sub-

(B) the Government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced any subject invention throughout the world by or on behalf of the Federal Government, and may, if provided in such agreement, have additional rights to sublicense any State or domestic local government or to sublicense any foreign government pursuant to foreign policy considerations, or any existing or future treaty or agreement, when it is determined to be in the national interest to acquire such additional rights.

RIGHTS OF THE CONTRACTOR

SEC. 302. (a) Whenever a contractor enters into a contract with a Federal agency other than in those circum-stances identified in section 301, the contractor or inventor shall have the option of retaining title to any invention made under the contract. Such rights shall be subject to the limita-tions set forth in section 304 and the provisions of section 305. Such option shall be exercised by notifying the Govern-ment at the time of disclosure of the invention or within such time thereafter as may be provided in the contract. The Gov-

- 1 ernment shall obtain title to any invention for which this 2 option is not exercised.
- 3 (b) When the Government obtains title to an invention 4 under section 301, the contractor shall retain a nonexclusive, 5 royalty-free license which shall be revocable only to the 6 extent necessary for the Government to grant an exclusive

8 WAIVER

license.

9 Sec. 303. A Federal agency may at any time waive all or any part of the rights of the United States under this title to any invention or class of inventions made or which may be 11 made by any person or class of persons under the contract of 12 the agency if the agency determines that the condition justi-13 fying acquisition of title by the Government under section 301 no longer exists or the interests of the United States and 15 16 the general public will be best served thereby. The agency shall maintain a record, which shall be made public and peri-17 18 odically updated, of determinations made under this section. 19 In making such determinations, the agency shall consider the following objectives: 20

- (1) encouraging the wide availability to the public of the benefits of the experimental, developmental, or research programs in the shortest practicable time;
- 24 (2) promoting the commercial utilization of such inventions:

21

22

1	(3) encouraging participation by private persons in
2	the Government-sponsored experimental, developmen-
3	tal, or research programs; and
4	(4) fostering competition and preventing undue
5	market concentration or the creation or maintenance of
6	other situations inconsistent with the antitrust laws.
7	MARCH-IN-RIGHTS
8	Sec. 304. (a) Where a contractor has elected to retain
9	title to an invention under section 302 or 303, the Federal
10	agency shall have the right, pursuant to regulations and sub-
11	ject to the provisions of subsection (b), to grant, or require
12	the contractor to grant, a nonexclusive, partially exclusive,
13	or exclusive license to a responsible applicant or applicants,
14	upon terms reasonable under the circumstances, if the agency
15	determines such action is necessary—
16	(1) because the contractor has not taken, or is not
17	expected to take within a reasonable time, effective
18	steps to achieve practical application of the subject in-
19	vention;
20	(2) to alleviate serious health, safety, or welfare
21	needs which are not reasonably satisfied by the con-
22	tractor or its licensees or otherwise required for the
23	protection of national security;

- 1 (3) to meet requirements for public use specified 2 by Federal regulation which are not reasonably satis-3 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 the technology relates, or to create and maintain other situations inconsistent with the antitrust laws.
- 11 (b) The determinations required under subsection (a)
 12 shall be made upon the basis of such information as may be
 13 presented by the contractor, an interested party, or any Fed14 eral agency. Such determination shall be made after public
 15 notice and opportunity for hearing if such a hearing is re16 quested by any interested person justifying such a hearing.

17 GENERAL PROVISIONS

18 Sec. 305. (a) The allocation of property rights in sub-19 ject inventions shall be determined by uniform regulations, 20 issued by the Administrator of General Services and the Sec-21retary of Defense, employing a single patent rights clause in 22all instances except as may be provided in such regulations, subject to the minimum rights acquired under section 2324301(b)(2), or as provided in paragraph (5). Such a patent rights clause shall include the provisions required by sections 25

4

5

6

7

8

9

1	301, 302, and 304, and each contract entered into by the
2	Federal agency shall include provisions to-
3	(1) require a prompt disclosure by the contractor
4	of each subject invention which is or may be patentable
5	under the laws of the United States;
6	(2) require an election whether the contractor in-
7	tends to file a patent application on the subject inven-
8	tion;
9	(3) require, if the contractor elects to file, a decla-
10	ration of the contractor's intent to commercialize or
11.	otherwise achieve the widespread utilization of the in-
12	vention by the public;
13	(4) require an obligation on the part of the con-
14	tractor, in the event a United States patent application
15	is filed by or on its behalf or by any assignee of the
16	contractor, to include within the specification of such
17	application, and any patent issuing thereon, a state-
18	ment specifying that the invention was made with
19	Government support and that the Government has cer-
20	tain rights in the invention; and
21	(5) permit deviation to the minimum rights ac-
22	quired under sections 301(b)(2) and 304(a) on a class
23	basis in—
24	(A) contracts involving cosponsored, cost

sharing, or joint venture research when the con-

1	tractor is required to make a substantial contribu-
2	tion of funds, facilities, or equipment to the work
3	performed under the contract; and
4	(B) special contracting situations such as
5	Federal price or purchase supports and Federal
6	loan or loan guarantees.
7	No deviation under this subsection shall waive, in whole or in
8	part, the minimum rights to be secured for the Federal Gov-
9	ernment set forth in section 304(a)(4). The Federal Govern-
10	ment shall withhold publication or release to the public of
11	information disclosing any invention subject to the uniform
12	regulations issued under this subsection for a reasonable time
13	in order for a United States or foreign patent application to
14	be filed.
15	(b) When it is determined that the right to require li-
16	censing or the right of the Federal agency to license should
17	be exercised pursuant to section 304(a), the Federal agency
18	may specify terms and conditions, including royalties to be
19	charged, if any, and the duration and field of use of the li-
20	cense, if appropriate. Agency determinations as to the rights
21	to inventions under this title shall be made in an expeditious
22	manner without unnecessary delay.
23	JUDICIAL REVIEW
24	Sec. 306. Any person adversely affected by a Federal
)5	agency determination made under section 201(a) or 205(b)

- 1 may, at any time within sixty days after the determination is
- 2 issued, file a petition to the United States Court of Claims
- 3 which shall have jurisdiction to determine the matter de novo
- 4 and to affirm, reverse, or modify as appropriate, the determi-
- 5 nation of the Federal agency.
- 6 CONTRACTOR'S PAYMENTS TO THE GOVERNMENT
- 7 SEC. 307. (a) The Administrator of the General Serv-
- 8 ices Administration and the Secretary of Defense shall issue
- 9 regulations which will provide payment to the Government
- 10 for Federal funding of research and development activities
- 11 through the sharing of royalties or revenues or both with the
- 12 contractor. Such regulations shall provide, to the extent ap-
- 13 propriate, a standard contractual clause to be included in all
- 14 Federal research and development contracts.
- 15 (b) Such regulations may allow the agency to waive all
- 16 or part of the payment set forth in subsection (a) above at the
- 17 time of contracting or at the request of the contractor where
- 18 the agency determines that—
- 19 (1) the probable administrative costs are likely to
- be greater than the expected amount of payment; or
- 21 (2) the Federal Government's contribution to the
- technology as licensed or utilized is insubstantial com-
- pared with private investment made or to be made in
- 24 the technology; or

1	(3) the contractor is a small business, educational
2	institution, or nonprofit organization; or
3	(4) the total Government funding of the technol-
4	ogy with the contractor is less than \$500,000; or
5	(5) the payment would place the contractor at a
6	competitive disadvantage or would stifle commercial
7	utilization of the technology; or
8	(6) it is otherwise in the best interests of the Gov-
9	ernment and the general public.
10	(c) Such regulations shall be promulgated within twelve
11	months of enactment of this section, but will not take effect
12	for a period of sixty days subject to disapproval by either
13	House of Congress. Such disapproval resolution shall be con-
14	sidered a preferential resolution and may be brought up with-
15	out committee approval.
16	(d) Until such regulations become effective, each agency
17	shall obtain payment on behalf of the Federal Government
18	for its research and development activities on a contract-by-
19	contract basis in a manner consistent with the provisions of
20	subsection (b) above.
21	BACKGROUND RIGHTS
22	SEC. 308. Nothing contained in this Act shall be con-
23	strued to deprive the owner of any background patent or to
24	such rights as the owner may have thereunder.

1	TITLE IV—DOMESTIC AND FOREIGN PROTEC-
2	TION AND LICENSING OF FEDERALLY
3	OWNED INVENTIONS
4	AUTHORITY OF FEDERAL AGENCIES
5	Sec. 401. Federal agencies are authorized to—
6	(1) apply for, obtain, and maintain patents or
7	other forms of protection in the United States and in
8	foreign countries on inventions in which the Federal
9	Government owns a right, title, or interest;
10	(2) promote the licensing of inventions covered by
11	federally owned patent applications, patents, or other
12	forms of protection obtained with the objective of maxi-
13	mizing utilization by the public of the inventions cov-
14	ered thereby;
15	(3) grant nonexclusive, exclusive, or partially ex-
16	clusive licenses under federally owned patent applica-
17	tions, patents, or other forms of protection obtained,
18	royalty free or for royalties or other consideration, and
19	on such terms and conditions, including the grant to
20	the licensee of the right of enforcement pursuant to the
21	provisions of chapter 28 of title 35, United States
22	Code, as deemed appropriate in the public interest;
23	(4) make market surveys and other investigations
24	for determining the potential of inventions for domestic
25	and foreign licensing and other forms of utilization; ac-

- quire technical information and engage in negotiations and other activities for promoting the licensing and for the purpose of enhancing their marketability and public utilization:
 - (5) withhold publication or release to the public information disclosing any invention in which the Federal Government owns or may own a right, title, or interest for a reasonable time in order for a patent application to be filed;
 - (6) undertake the above and all other suitable and necessary steps to protect and administer rights to inventions on behalf of the Federal Government either directly or through contract;
 - (7) transfer custody and administration, in whole or in part, to the Department of Commerce or to other Federal agencies, of the right, title, or interest in any invention for the purpose of administering the authorities set forth in paragraphs (1) through (4), without regard to the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471); and
 - (8) designate the Department of Commerce as recipient of any or all funds received from fees, royalties, or other management of federally owned inventions authorized under this Act.

1	AUTHORITY OF THE SECRETARY OF COMMERCE IN
2	COOPERATION WITH OTHER FEDERAL AGENCIES
3	Sec. 402. The Secretary of Commerce is authorized in
4	cooperation with other Federal agencies to—
5	(1) coordinate a program for assisting all Federal
6	agencies in carrying out the authority set forth in sec-
7	tion 401;
8	(2) publish notification of all federally owned in-
9	ventions that are available for licensing;
10	(3) evaluate inventions referred by Federal agen-
11	cies, and patent applications filed thereon, in order to
12	identify those inventions with the greatest commercial
13	potential and to insure promotion and utilization by the
14	public of inventions so identified;
15	(4) assist the Federal agencies in seeking and
16	maintaining protection on inventions in the United
17	States and in foreign countries, including the payment
18	of fees and costs connected therewith;
19	(5) accept custody and administration, in whole or
20	in part, of the right, title, and interest in any invention
21	for the purposes set forth in section 401 (1) through
22	(4), with the approval of the Federal agency concerned
23	without regard to the provisions of the Federal Proper-
24	ty and Administrative Service Act of 1949 (40 U.S.C.
25	471);

1	(6) receive funds from fees, royalties, or other
2	management of federally owned inventions authorized
3	under this Act, but such funds shall be used only for
4	the purpose of this Act; and
5	(7) undertake these and such other functions
6	either directly or through such contracts as are neces-
7	sary and appropriate to accomplish the purposes of this
8	title.
9	AUTHORITY OF THE ADMINISTRATOR OF GENERAL
10	SERVICES
11	Sec. 403. The Administrator of General Services is au-
12	thorized to promulgate regulations specifying the terms and
13	conditions upon which any federally owned invention may be
14	licensed on a nonexclusive, partially exclusive, or exclusive
15	basis.
16	GRANTS OF AN EXCLUSIVE OR PARTIALLY EXCLUSIVE
17	LICENSE
18	Sec. 404. (a) Federal agencies may grant exclusive or
19	partially exclusive licenses in any invention covered by a fed-
20	erally owned domestic patent or patent application only if,
21	after public notice and opportunity for filing written objec-
22	tions, it is determined that—
23	(1) the interests of the Federal Government and
24	the public will best be served by the proposed license,
25	in view of the applicant's intentions, plans, and ability

- to bring the invention to practical application or otherwise promote the invention's utilization by the public;
 - (2) the desired practical application has not been achieved, or is not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;
 - (3) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth the investment of risk capital and expenditures to bring the invention to practical application or otherwise promote the invention's utilization by the public; and
 - (4) the proposed terms and scope of exclusivity are not greater than reasonably necessary to provide the incentive for bringing the invention to practical application or otherwise promote the invention's utilization by the public;
- except that a Federal agency shall not grant such exclusive or partially exclusive license if it determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates, or to create or maintain other situations inconsistent with the antitrust laws.
- (b) After consideration of whether the interests of theFederal Government or United States industry in foreign

- 1 commerce will be enhanced, Federal agencies may grant ex-
- 2 clusive or partially exclusive licenses in any invention cov-
- 3 ered by a foreign patent application or patent after public
- 4 notice and opportunity for filing written objections except
- 5 that, a Federal agency shall not grant such exclusive or par-
- 6 tially exclusive license if it determines that the grant of such
- 7 license will tend substantially to lessen competition or result
- 8 in undue concentration in any section of the country in any
- 9 line of commerce to which the technology to be licensed re-
- 10 lates, or to create or maintain other situations inconsistent
- 11 with the antitrust laws.
- 12 (c) The Federal agency shall maintain a record of deter-
- 13 minations to grant exclusive or partially exclusive licenses.
- 14 (d) Any grant of an exclusive or partially exclusive li-
- 15 cense shall contain such terms and conditions as the Federal
- 16 agency may determine to be appropriate for the protection of
- 17 the interests of the Federal Government and the public, in-
- 18 cluding provisions for the following:
- 19 (1) periodic written reports at reasonable intervals
- 20 including, when specifically requested by the Federal
- agency, the extent of the commercial or other use by
- the public that is being made or is intended to be made
- of the invention:
- 24 (2) a nonexclusive, nontransferable, irrevocable,
- paid-up license to practice or have practiced for the

Federal Government the licensed invention throughout the world by or on behalf of the Federal Government (including any Federal agency), and the additional right to sublicense any State or domestic local government or to sublicense any foreign government pursuant to foreign policy considerations, or any existing or future treaty or agreement if the Federal agency determines it would be in the national interest to retain such additional rights;

- (3) the right of the Federal agency to terminate such license in whole or in part unless the licensee demonstrates to the satisfaction of the Federal agency that the licensee has taken effective steps, or within a reasonable time is expected to take such steps, to accomplish substantial commercial or other use of the invention by the public; and
- (4) the right of the Federal agency, commmencing three years after the grant of a license, to require the licensee to grant a nonexclusive or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, and in appropriate circumstances to terminate the license in whole or in part, after public notice and opportunity for a hearing, upon a petition by an interested person justifying such hearing, if the Federal agency determines,

1 upon review of such material as it deems relevant, and $\mathbf{2}$ after the licensee, or other interested person, has had 3 the opportunity to provide such relevant and material information as the Federal agency may require, that 4 such license has tended substantially to lessen competi-5 6 tion or to result in undue concentration in any section of the country in any line of commerce to which the 7 8 technology relates, or to create or maintain other situ-9 ations inconsistent with the antitrust laws.

TITLE V—MISCELLANEOUS

CHAPTER 1—DEFINITIONS; RELATIONSHIP TO OTHER

12 Laws

10

11

14

15

16

17

18

19

20

21

22

23

24

25

13 DEFINITIONS

SEC. 511. As used in this Act—

- (1) The term "Federal agency" means an "executive agency" as defined by section 105 of title 5, United States Code, and the military departments defined by section 102 of title 5, United States Code.
- (2) The term "contract" means any contract, grant, or agreement entered into between any Federal agency and any person for the performance of experimental, developmental, or research work substantially funded by the Federal Government. Such term includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experi-

- mental, developmental, or research work under a contract.
 - (3) The term "contractor" means any person (as defined in section 1 of title 1, United States Code) that is a party to the contract.
 - (4) The term "invention" means any invention or discovery and includes any art, method, process, machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plant, which is or may be patentable or otherwise protectable under the laws of the United States.
 - (5) The term "subject invention" means any invention or discovery of the contractor conceived or first actually reduced to practice in the course of or under a contract.
 - (6) The term "practical application" means to manufacture in the case of a composition or product, to practice in the case of a process, or to operate in the case of a machine or system, and, in each case, under such conditions as to establish that the invention is being worked and that its benefits are available to the public either on reasonable terms or through reasonable licensing arrangements.

1	(7) The term "person" means any individual
2	partnership, corporation, association, institution, or
3	other entity.
4	(8) The term "made", when used in relation to
5	any invention, means the conception or first actual re-
6	duction to practice of such invention.
7	(9) The term "antitrust law" means—
8	(A) the Act entitled "An Act to protect trade
9	and commerce against unlawful restraints and mo-
10	nopolies", approved July 2, 1890 (15 U.S.C. 1 et
11.	seq.), as amended;
12	(B) the Act entitled "An Act to supplement
13	existing laws against unlawful restraints and mo-
14	nopolies, and for other purposes", approved Octo-
15	ber 15, 1914 (15 U.S.C. 12 et seq.), as amended;
16	(C) the Federal Trade Commission Act (15
17	U.S.C. 41 et seq.), as amended;
18	(D) sections 73 and 74 of the Act entitled
19	"An Act to reduce taxation to provide revenue for
20	the Federal Government, and for other purposes",
21	approved August 27, 1894 (15 U.S.C. 8 and 9),
22	as amended; and
23	(E) the Act of June 19, 1936 (15 U.S.C. 13,
24	13a, 13b, and 21a).

1	RELATIONSHIP TO OTHER LAWS
2	SEC. 512. Nothing in this Act shall be deemed to
3	convey to any individual, corporation, or other business orga-
4	nization immunity from civil or criminal liability, or to create
5	defenses to actions, under any antitrust law.
6	CHAPTER 2—AMENDMENTS TO OTHER ACTS
7	IDENTIFIED ACTS AMENDED
8	Sec. 521. The following Acts are hereby amended as
9	follows:
10	(1) Section 205(a) of the Act of August 14, 1946
11	(7 U.S.C. 1624(a); 60 Stat. 1090), is amended by
12	striking out the last sentence thereof.
13	(2) Section 501(c) of the Federal Coal Mine
14	Health and Safety Act of 1969 (30 U.S.C. 951(c); 83
15	Stat. 742) is amended by striking out the last sentence
16	thereof.
17	(3) Section 106(c) of the National Traffic and
18	Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395(c);
19	80 Stat. 721) is repealed.
20	(4) Section 12 of the National Science Foundation
21	Act of 1950 (42 U.S.C. 1871(a); 82 Stat. 360) is re-
22	pealed.
23	(5) Section 152 of the Atomic Energy Act of
24	1954 (42 U.S.C. 2182; 68 Stat. 943) is repealed.

1	(6) The National Aeronautics and Space Act of
2	1958 (42 U.S.C. 2451 et seq.; 72 Stat. 426) is amend-
3	ed —
4	(A) by repealing section 305 thereof (42
5	U.S.C. 2457): Provided, however, That subsec-
6	tions (c), (d), and (e) of such section shall continue
7	to be effective with respect to any application for
8	patents in which the written statement referred to
9	in subsection (c) of such section has been filed or
10	requested to be filed by the Commissioner of Pat-
11	ents and Trademarks prior to the effective date of
12	this Act;
13	(B) by inserting the following new section
14	305:
15	"Sec. 305. Inventions and Contributions
16	BOARD.—Each proposal for any waiver of patent rights held
17	by the Administrator shall be referred to an Inventions and
18	Contributions Board which shall be established by the Ad-
19	ministrator within the Administration. Such Board shall
20	accord to each interested party an opportunity for a hearing,
21	and shall transmit to the Administrator its findings of fact
22	with respect to such proposal and its recommendations for
23	action to be taken with respect thereto.";
24	(C) by repealing section 306 thereof (42
25	U.S.C. 2458);

1	(D) by inserting at the end of section 203(c)
2	thereof (42 U.S.C. 2473(c)) the following new
3	paragraph:
4	"(14) to provide effective contractual provisions
5	for the reporting of the results of the activities of the
6	Administration, including full and complete technical
.7	reporting of any innovation made in the course of or
8	under any contract of the Administration.";
9	(E) by inserting at the end of section 203
10	thereof (42 U.S.C. 2478) the following new sub-
11	section:
12	"(d) For the purposes of chapter 17 of title 35 of the
13	United States Code the Administration shall be considered a
14	defense agency of the United States."; and
15	(F) by striking out the following in section
16	203(c)(3) thereof (42 U.S.C. 2473(c)(3)): "(includ-
17	ing patents and rights thereunder)".
18	(7) Section 6 of the Coal Research and Develop-
19	ment Act of July 7, 1960 (30 U.S.C. 666; 74 Stat.
20	337), is repealed.
21	(8) Section 4 of the Helium Act Amendments of
22	1960 (50 U.S.C. 167b; 74 Stat. 920) is amended by
23	striking out both provisos at the end thereof.
24	(9) Section 32 of the Arms Control and Disarm-
25	ament Act (22 U.S.C. 2572; 75 Stat. 634) is repealed.

1	(10) Subsection (e) of the section 302 of the Ap-
2	palachian Regional Development Act of 1965 (40
3	U.S.C. App. 302(e); 79 Stat. 5) is repealed.
4	(11) Except for paragraph (1) of section 9 of the
5	Federal Nonnuclear Energy Research and Develop-
6	ment Act of 1974 (42 U.S.C. 5908; 88 Stat. 1887) is
7	repealed.
8	(12) Section 5(i) of the Tennessee Valley Authori-
9	ty Act of 1933 (16 U.S.C. 831d(i); 48 Stat. 61) is
10	amended by striking both proviso clauses at the end
11	thereof.
12	(13) Section 5(d) of the Consumer Product Safety
13	Act (15 U.S.C. 2054(d); 88 Stat. 1211) is repealed.
14	(14) Section 3 of the Act of April 5, 1944 (30
15	U.S.C. 323; 58 Stat. 191), is repealed.
16	(15) Section 8001 of the Solid Waste Disposal
17	Act (42 U.S.C. 6981; 90 Stat. 2829) is repealed.
18	(16) Section 6 of the Patent and Trademark
19	Amendment of 1980 (35 U.S.C. 38; 94 Stat. 3018) is
20	repealed.
21	(17) Section 6e (1) and (2) of the Stevenson-
22	Wydler Technology Innovation Act of 1980 (15
23	U.S.C. 3705(e) (1) and (2); 94 Stat. 2313) is repealed.

1	CHAPTER 3.—EFFECTIVE DATE PROVISION
2	EFFECTIVE DATE
3	SEC. 531. This Act shall take effect on the first day of
4	the seventh month beginning after the date of enactment of
5	this Act, except that regulations implementing this Act may
6	be issued prior to such day.