

"SEC. 204. RETURN OF GOVERNMENT INVESTMENT.--(a) If a nonprofit organization or small business firm receives \$2,500,000 from the licensing of a patent claiming a subject invention within a period of ten years following disclosure of such invention, the United States shall be entitled to a share, to be negotiated, of up to 10 per centum of such income during said period from licensing of such patent received by the contractor above \$2,500,000; Provided, however, Whether such share is predicated on one or more patents, in no event shall the United States be entitled to an amount greater in the aggregate than that portion of the Federal funding under the funding agreement under which a subject invention or inventions were made which was expended on activities related to the making of the invention or inventions.

"(b) In addition, if a nonprofit organization or small business firm receives income in excess of \$20,000,000 on commercial product sales attributable to an unexpired patent claiming a subject invention embodied in or used in the manufacture of commercial products during a period of ten years following disclosure of the subject invention, the United States shall be entitled to a share, to be negotiated, of up to 10 per centum of all additional income accruing from such sales up to the amount of the portion of the Federal funding under the funding agreement under which a subject invention or inventions were made which was expended on activities related to the making of an invention or inventions less any amounts received by the United States in accordance with paragraph (a) of this section. Provided, however, that whether such share to the United States is predicated upon one or more patents

claiming a subject invention, in no event shall the United States be entitled to an amount greater in the aggregate than the aforesaid portion of government funding.

"(c) An agreement negotiated pursuant to paragraphs (a) or (b) for the return of the United States investment, may designate, in lieu of a percentage of income, a fair and reasonable fixed amount, not to exceed the Federal funding amounts determined pursuant to the paragraph; And such amount may be made payable to the United States in one payment or in installments payable during the ten year period.

"(d) The Director of the Office of Federal Procurement Policy is authorized and directed to revise the figures of \$2,500,000 and \$20,000,000 in paragraphs (a) and (b) of this section at least every three years in light of changes to the Consumer Price Index or other indices which he considers reasonable to use.