

4729

2009-2010 Regular Sessions

I N A S S E M B L Y

February 5, 2009

Introduced by M. of A. MORELLE, MAGNARELLI, DESTITO -- Multi-Sponsored
by -- M. of A. BENJAMIN, BOYLAND, CANESTRARI, GOTTFRIED, HEASTIE,
LAVINE, V. LOPEZ, ROBINSON, SWEENEY -- read once and referred to the
Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the public authorities law, in relation to creating the
intellectual property asset management advisory council; and providing
for the repeal of such provisions upon expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative intent. The legislature finds and declares
2 that the intellectual property generated by state-funded research
3 represents a great opportunity to return social and economic value to
4 the New York taxpayer in return for public investment in research. It is
5 further found and declared that the public interest in research outcomes
6 needs to be protected both by the state and by the beneficiaries of such
7 awards, including research bodies who are the grant recipients. It is
8 further found and declared that the dissemination, application and
9 utilization of the results of research grants can play a significant
10 role in the development of new consumer and industrial products, of new
11 industrial processes, and in the enhancement of the productivity and
12 competitiveness of business involved in the production of existing
13 products. The legislature further finds that the state needs to manage
14 its intellectual property effectively so that it is best utilized for
15 the benefit of the state, the taxpayers, and the private sector. It is
16 further found and declared that state agency and public authority poli-
17 cies should be appropriately formed and upheld in practice to ensure all
18 participants in research and in commercialization of research discover-
19 ies understand their obligations and responsibilities. Therefore, the
20 legislature hereby declares the creation of the New York state intellec-
21 tual property asset management advisory council.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 S 2. The public authorities law is amended by adding a new section
2 3154-a to read as follows:

3 S 3154-A. INTELLECTUAL PROPERTY ASSET MANAGEMENT ADVISORY COUNCIL. 1.
4 DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE
5 FOLLOWING MEANINGS UNLESS OTHERWISE SPECIFIED:

6 (A) "ATTORNEY GENERAL" SHALL MEAN THE ATTORNEY GENERAL OF THE STATE OF
7 NEW YORK.

8 (B) "COMPTROLLER" SHALL MEAN THE COMPTROLLER OF THE STATE OF NEW YORK.

9 (C) "PATENTABLE INVENTIONS" SHALL MEAN INVENTIONS THAT FALL WITHIN THE
10 SCOPE OF PATENTABLE SUBJECT MATTER UNDER THE LAWS OF THE UNITED STATES
11 BUT ARE NOT YET THE SUBJECT OF AN ISSUED PATENT.

12 (D) "PATENTED INVENTIONS" SHALL MEAN THOSE RIGHTS REFLECTED IN
13 SUBSISTING PATENTS ISSUED BY ANY GOVERNMENT, INCLUDING THE UNITED
14 STATES.

15 (E) "STATE-OWNED INTELLECTUAL PROPERTY RIGHTS" SHALL MEAN ANY AND ALL
16 INTELLECTUAL PROPERTY THAT IS OWNED BY THE STATE, INCLUDING ALL TRADE-
17 MARKS AND SERVICE MARKS, COLLECTIVE MARKS AND CERTIFICATION MARKS, ALL
18 COPYRIGHTS, ALL TRADE SECRETS, ALL PATENTABLE INVENTIONS, AND ALL
19 PATENTED INVENTIONS.

20 2. THERE IS HEREBY CREATED THE INTELLECTUAL PROPERTY ASSET MANAGEMENT
21 ADVISORY COUNCIL TO DEVELOP RECOMMENDATIONS TO THE BOARD ON HOW THE
22 STATE SHOULD TREAT STATE-OWNED INTELLECTUAL PROPERTY CREATED UNDER STATE
23 CONTRACTS, GRANTS, AND AGREEMENTS. THE ADVISORY COUNCIL SHALL CONSIST OF
24 ELEVEN MEMBERS TO BE APPOINTED AS FOLLOWS: ONE SHALL BE THE COMMISSIONER
25 OF ECONOMIC DEVELOPMENT; ONE SHALL BE THE PRESIDENT OF THE NEW YORK
26 STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY; ONE SHALL BE A TRUSTEE
27 OF THE STATE UNIVERSITY OF NEW YORK; ONE SHALL BE A TRUSTEE OF THE CITY
28 UNIVERSITY OF NEW YORK; ONE SHALL BE A MEMBER OF THE BOARD OF GOVERNORS
29 OF THE COMMISSION ON INDEPENDENT COLLEGES AND UNIVERSITIES; AND SEVEN
30 SHALL BE MEMBERS OF THE PUBLIC WITH THREE APPOINTED BY THE GOVERNOR WITH
31 THE ADVICE AND CONSENT OF THE SENATE, WITH TWO APPOINTED BY THE SPEAKER
32 OF THE ASSEMBLY, AND WITH TWO APPOINTED BY THE TEMPORARY PRESIDENT OF
33 THE SENATE. THE SEVEN PUBLIC MEMBERS SHALL BE INDIVIDUALS WITH OUTSTAND-
34 ING KNOWLEDGE AND LEADERSHIP IN ONE OF THE FOLLOWING FIELDS: HIGH-RISK
35 VENTURE INVESTMENTS IN NEW SCIENTIFIC OR TECHNOLOGICAL BUSINESSES OR NEW
36 SCIENTIFIC OR TECHNOLOGICAL PRODUCT DEVELOPMENT; PROFESSIONAL AND BUSI-
37 NESS SERVICES WITH MORE THAN TEN YEARS OF EXPERIENCE IN THE LICENSING OF
38 INTELLECTUAL PROPERTY; PATENT, TRADEMARK, COPYRIGHT, AND TRADE SECRETS
39 LAW OF THE UNITED STATES; INTERNATIONAL PATENT LAW INCLUDING PATENT
40 COOPERATION TREATIES; OR UNIVERSITY TECHNOLOGY TRANSFER AND COMMERCIALI-
41 ZATION. THE GOVERNOR SHALL APPOINT A CHAIRPERSON FROM AMONG THE MEMBERS
42 OF THE ADVISORY COUNCIL.

43 3. ALL MEMBERS OF THE ADVISORY COUNCIL SHALL SERVE FOR A TWO-YEAR
44 TERM OR UNTIL SUCH TIME AS THE ADVISORY COUNCIL HAS COMPLETED ITS RECOM-
45 MENDATIONS TO THE BOARD.

46 4. THE MEMBERS OF THE ADVISORY COUNCIL SHALL RECEIVE NO COMPENSATION
47 FOR THEIR SERVICES, BUT SHALL BE REIMBURSED FOR THE ACTUAL AND NECESSARY
48 EXPENSES INCURRED BY THEM IN THE PERFORMANCE OF THEIR DUTIES UNDER THIS
49 ARTICLE.

50 5. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF ANY GENERAL, SPECIAL
51 OR LOCAL LAW, ORDINANCE, RESOLUTION OR CHARTER, NO OFFICER, MEMBER OR
52 EMPLOYEE OF THE STATE OR OF ANY PUBLIC CORPORATION SHALL FORFEIT HIS OR
53 HER OFFICE OR EMPLOYMENT BY REASON OF HIS OR HER ACCEPTANCE OF APPOINT-
54 MENT AS A MEMBER OF THE ADVISORY COUNCIL, NOR SHALL SERVICE ON SUCH
55 ADVISORY COUNCIL BE DEEMED INCOMPATIBLE OR IN CONFLICT WITH SUCH OFFICE
56 OR EMPLOYMENT.

6. THE ADVISORY COUNCIL SHALL MEET REGULARLY AND AT LEAST FOUR TIMES PER YEAR. SPECIAL MEETINGS MAY BE CALLED BY THE CHAIRPERSON OF THE ADVISORY COUNCIL AND SHALL BE CALLED BY HIM OR HER AT THE REQUEST OF THE EXECUTIVE DIRECTOR OF THE FOUNDATION.

7. THE ADVISORY COUNCIL SHALL SUBMIT ITS RECOMMENDATIONS IN WRITING TO THE BOARD WITHIN TWO YEARS AFTER THE FIRST MEETING OF ALL ELEVEN MEMBERS. THE ADVISORY COUNCIL'S RECOMMENDATIONS SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING:

(A) WHETHER ALL, NONE, OR SOME OF THE RIGHTS ARISING OUT OF THE CREATION OF INTELLECTUAL PROPERTY SHOULD BE DEDICATED TO THE PUBLIC DOMAIN.

(B) HOW THE STATE SHOULD MAXIMIZE THE PROTECTION OF INTELLECTUAL PROPERTY THAT IT OWNS.

(C) HOW STATE EMPLOYEES AND OFFICIALS SHOULD BE MADE AWARE OF THE OBLIGATIONS, RESTRICTIONS, REQUIREMENTS, AND OPPORTUNITIES REGARDING THE PROTECTION AND MANAGEMENT OF STATE-OWNED INTELLECTUAL PROPERTY.

(D) HOW STATE EMPLOYEES AND OFFICIALS SHOULD BE INFORMED ON DISCLOSURE AND WHETHER A UNIFORM SYSTEM OF DISCLOSURE SHOULD BE DEVELOPED AND IMPLEMENTED.

(E) WHAT ACTIONS ARE BEING TAKEN BY STATE AGENCIES, AUTHORITIES, DEPARTMENTS, BOARDS, AND COMMISSIONS TO MANAGE STATE-OWNED INTELLECTUAL PROPERTY.

(F) HOW OWNERSHIP RIGHTS SHOULD BE DETERMINED WHEN INTELLECTUAL PROPERTY IS CREATED BY STATE EMPLOYEES IN THE COURSE OF THEIR STATE EMPLOYMENT.

8. BASED ON THE RECOMMENDATIONS OF THE ADVISORY COUNCIL, THE BOARD SHALL SUBMIT A REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, AND THE TEMPORARY PRESIDENT OF THE SENATE PROVIDING GUIDANCE ON HOW TO:

(A) PROMOTE THE UTILIZATION OF INTELLECTUAL PROPERTY ARISING FROM STATE-SUPPORTED CONTRACTS, GRANTS, AND AGREEMENTS.

(B) ENCOURAGE MAXIMUM PARTICIPATION OF SMALL-BUSINESS FIRMS IN LICENSING STATE-OWNED INTELLECTUAL PROPERTY.

(C) PROMOTE COLLABORATION BETWEEN COMMERCIAL CONCERNS AND STATE ENTITIES IN COMMERCIALIZING STATE-OWNED INTELLECTUAL PROPERTY.

(D) ENSURE THAT THERE ARE MECHANISMS IN PLACE THAT ALLOW THE STATE TO OBTAIN CERTAIN MINIMAL RIGHTS IN STATE-SUPPORTED INTELLECTUAL PROPERTY TO MEET THE NEEDS OF THE STATE AND PROTECT THE PUBLIC AGAINST NONUSE OR UNREASONABLE USE OF SUCH INTELLECTUAL PROPERTY.

S 3. This act shall take effect on the one hundred twentieth day after it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such date and provided, further, that this act shall remain in effect until one hundred twenty days after the New York state foundation for science, technology and innovation board submits the report required by subdivision 8 of section 3154-a of the public authorities law to the governor, the temporary president of the senate, and the speaker of the assembly, at which time this act shall expire and be deemed repealed.