

6333

2009-2010 Regular Sessions

I N S E N A T E

December 7, 2009

Introduced by Sen. KLEIN -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

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 ASSEMBLY, 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.
22 S 2. The public authorities law is amended by adding a new section
23 3154-a to read as follows:

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

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

4 (A) "ATTORNEY GENERAL" SHALL MEAN THE ATTORNEY GENERAL OF THE STATE OF
5 NEW YORK.

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

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

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

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

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

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

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

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

55 6. THE ADVISORY COUNCIL SHALL MEET REGULARLY AND AT LEAST FOUR TIMES
56 PER YEAR. SPECIAL MEETINGS MAY BE CALLED BY THE CHAIRPERSON OF THE ADVI-

1 SORY COUNCIL AND SHALL BE CALLED BY HIM OR HER AT THE REQUEST OF THE
2 EXECUTIVE DIRECTOR OF THE FOUNDATION.

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

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

10 (B) HOW THE STATE SHOULD MAXIMIZE THE PROTECTION OF INTELLECTUAL PROP-
11 ERTY THAT IT OWNS.

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

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

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

21 (F) HOW OWNERSHIP RIGHTS SHOULD BE DETERMINED WHEN INTELLECTUAL PROP-
22 ERTY IS CREATED BY STATE EMPLOYEES IN THE COURSE OF THEIR STATE EMPLOY-
23 MENT.

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

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

29 (B) ENCOURAGE MAXIMUM PARTICIPATION OF SMALL-BUSINESS FIRMS IN LICENS-
30 ING STATE-OWNED INTELLECTUAL PROPERTY.

31 (C) PROMOTE COLLABORATION BETWEEN COMMERCIAL CONCERNS AND STATE ENTI-
32 TIES IN COMMERCIALIZING STATE-OWNED INTELLECTUAL PROPERTY.

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

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