UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 21 1981

OFFICE OF
GENERAL COUNSEL

MEMORANDUM

SUBJECT: A BILL -- "Uniform Science and Technology Research and Development Utilization Act" (July 22, 1981) Office of Management and Budget Request for Comments

FROM: Benjamin H. Bochenek, Patent Counsel
Contracts & General Administration Branch (A-134)

TO: Deeohn Ferris
Office of Legislation (A-102)

I offer the following comments and/or suggestions for change:

1ST met

Section 103(3), line 15, cancel "or", and in line 14, after "electrical" add "or other relevant". Since patenting of microorganisms and computer programs is now a possibility, this definition should be expanded,

2ND met
no change

Section 103 (11) & (12). Since the terms "Small business firm" and "nonprofit organization" do not appear elsewhere in the Act, there does not appear to be a need for these definitions.

3RD met

Section 201(b)(2). First, does the authority of OFPP dominate? Second, why will the Secretary "recommend to the President?" This raises the following questions:

- Who will issue the rules, etc? Will it be the Secretary, the President, or each agency? Also, why is it necessary to "recommend" to the President with regard to matters of this sort? This seems to suggest that the President will issue the regulation.

4TH

Section 201(c)(2). Does the use of the word "accept" mean, upon voluntary submission to the Secretary or does "accept" really mean "acquire"? In other words, must an agency turn over its inventions either automatically or upon demand? This subparagraph needs clarification.

Section 301(a)(2) and (a)(3). These subparagraphs do not "flow" clearly from the preamble paragraph of Section 301.

Section 304(a)(1), lines 21-23. Perhaps this phrase should be made a separate subparagraph under 304(a), since it deals with a problem quite distinct from the rest of 304(a)(1).

Section 305(a)(2). As now worded, this provision seems to reserve to the United States a right to make, use and sell the invention not just on its own behalf, but also by acting on behalf of "States" and domestic municipal governments, unless the Agency - - - - - - - -." Was it really intended that the United States act on behalf of "States and municipal governments"? It is presumed that the intention was to include a right to sublicense such governments. This should be clarified. However, more to the point, is that automatic inclusion of this condition (subject to the trouble of case by case removal) may be counterproductive to the Act's overall objective of stimulating technology development and utilization. This condition on the contractor's rights could materially reduce his potential for profit where, for example, pollution control technology is involved, since local governments often represent a significant segment of the market.

Section 305(a). It is suggested that the sequence of of subparagraphs be rearranged to more accurately reflect the usual sequence of events. Specifically, subparagraphs 1-6 should be renumbered, respectively as 5, 6, 1, 2, 3, and 4. In addition it is urged that a subparagraph be added that would require an election as to whether the contractor will retain title.

Section 305. It is urged that another subparagraph be added that would be essentially identical to section 207 of P.L. 96-517. This section deals with placing

authority in federal agencies to seek domestic and foreign patent protection.

Section 307. It is suggested that a paragraph be added specifically authorizing nonexclusive licenses. Since 307(a) is permissive ("may grant"), it is vague as to nonexclusive licenses.

Section 401(l). 42 U.S.C. 3253(c) has already been repealed.

Section 401(s). "Section 8001" should be changed to Section 8001(c)(3) and "42 U.S.C. 6981" should be changed to 42 U.S.C. 6981(c). In its present form, this subparagraph would repeal the entire research authority of the Solid Waste Disposal Act. Also, change "90 Stat. 2892" to 90 Stat. 2829.