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652-2504

United States Senate

SELECT COMMITTEE ON SMALL BUSINESS
WASHINGTON, D.C. 20510

2218

January 19, 1981

Mr. David Stockman
Director
Office of Management and Budget
Executive Building
Washington, D. C. 20503

Dear Mr. Stockman:

As you know, there has been a great deal of concern about America's lagging rate of industrial innovation and productivity. It has also been noted that while small businesses have the best track record for innovation of any segment of our economy, they receive less than 4 percent of the government's research and development contracts. To help address these concerns, Congress passed Public Law 96-517, the Patent Law Act of 1980, which provides that small businesses and universities conducting government-supported research and development be allowed to own and commercialize resulting inventions while protecting the rights of the government and the public.

The Act authorizes the Office of Federal Procurement Policy to issue ~~out~~ the implementing regulations. The legislative history of the Act makes it clear that these regulations are to be tailored to the specific circumstances of small businesses. Because agencies have frequently been insensitive to the concerns of small companies, Congress deliberately withheld authority for drafting the implementing regulations from them and granted this responsibility to OFPP.

It is, therefore, with some concern that I have learned that the OFPP has apparently waived this responsibility and is allowing an interagency task force to begin drafting the regulations. I also understand that many of those on the drafting committee are representatives from the very agencies whose cumbersome and ineffective patent policies made this legislation necessary.

I hope that you will take this opportunity to review this situation and to make sure that this important new law is implemented as Congress intended with a minimum of red tape.

I wish you the best of success in your new job.

Sincerely,

LOWELL WEICKER, Jr.
Chairman