
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1440 Session of
2014

INTRODUCED BY TOMLINSON AND DINNIMAN, JUNE 26, 2014

REFERRED TO EDUCATION, JUNE 26, 2014

AN ACT

1 Amending the act of July 5, 2012 (P.L.1102, No.132), entitled
2 "An act authorizing the State System of Higher Education and
3 its employees to enter into certain economic development
4 agreements; providing for approval and notice, for reports
5 and for limitations; and making an inconsistent repeal"
6 further providing for short title, for definitions, for
7 authorization, for approval and notice and for reports.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. The title and sections 1, 3, 4, 5(a) and 6 of the
11 act of July 5, 2012 (P.L.1102, No.132), known as the State
12 System of Higher Education Intellectual Property Act, are
13 amended to read:

14 AN ACT

15 Authorizing [the State System of Higher Education and its]
16 State-owned universities and employees of State-owned
17 universities to enter into certain economic development
18 agreements; providing for approval and notice, for reports
19 and for limitations; and making an inconsistent repeal.

20 Section 1. Short title.

21 This act shall be known and may be cited as the [State System

1 of Higher Education] State-owned University Intellectual
2 Property and Services Act.

3 Section 3. Definitions.

4 The following words and phrases when used in this act shall
5 have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 "Economic development agreement." An agreement that allows a
8 State-owned university to develop and market intellectual
9 property owned or created by a State System of Higher Education
10 employee.

11 "Employee." An individual employed by a State-owned
12 university.

13 "Services." Any agreement between a State-owned university
14 and an organization that benefits students attending the State-
15 owned university.

16 "State-owned university." One of the 14 institutions under
17 the State System of Higher Education or any other institution
18 that may be admitted to the State System of Higher Education
19 subsequent to the enactment of this act in accordance with the
20 provisions of the act of March 10, 1949 (P.L.30, No.14), known
21 as the Public School Code of 1949.

22 ["System employee." An individual employed by the State
23 System of Higher Education or one of its constituent
24 universities.]

25 Section 4. Authorization.

26 (a) Economic development and service agreements.--State-
27 owned universities and system employees may enter into economic
28 development and service agreements that inure to the benefit of
29 the State-owned universities and [system] employees, with only
30 the approval of the Council of Trustees. No approval from the

1 State System of Higher Education is required.

2 (b) Employee retained as officer or director.--Employees may
3 retain a position as a result of economic development agreements
4 as an officer or director of a company formed pursuant to that
5 agreement.

6 (c) Intellectual property products.--State-owned
7 universities shall be permitted to contract for an intellectual
8 property product with a company that employs an employee who has
9 developed an intellectual property product.

10 (d) Service agreements.--State-owned universities shall be
11 permitted to contract for services with a company or
12 organization that employs an employee of a State-owned
13 university or for which an employee of a State-owned university
14 serves as an officer or director.

15 Section 5. Approval and notice.

16 (a) [Review and approval.--Agreements entered into under
17 this act shall be reviewed and approved in accordance with the
18 form and legality reviews of the act of October 15, 1980
19 (P.L.950, No.164), known as the Commonwealth Attorneys Act.]
20 (Reserved).

21 * * *

22 Section 6. Reports.

23 [The State System of Higher Education and each] Each State-
24 owned university shall monitor and report agreements entered
25 into under this act on an annual basis to the Education
26 Committee of the Senate and the Education Committee of the House
27 of Representatives. The information shall be reported in
28 compliance with any legal protections provided by copyright or
29 trademark laws or other Federal or State law.

30 Section 2. This act shall take effect in 60 days.