

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1440 Session of 2014

INTRODUCED BY TOMLINSON AND DINNIMAN, JUNE 26, 2014

SENATOR CORMAN, APPROPRIATIONS, RE-REPORTED AS AMENDED, OCTOBER 8, 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 title of act, for short title, for~~
7 ~~definitions, for authorization, for approval and notice and~~
8 ~~for reports.~~

9 AMENDING THE ACT OF JULY 5, 2012 (P.L.1102, NO.132), ENTITLED <--
10 "AN ACT AUTHORIZING THE STATE SYSTEM OF HIGHER EDUCATION AND
11 ITS EMPLOYEES TO ENTER INTO CERTAIN ECONOMIC DEVELOPMENT
12 AGREEMENTS; PROVIDING FOR APPROVAL AND NOTICE, FOR REPORTS
13 AND FOR LIMITATIONS; AND MAKING AN INCONSISTENT REPEAL,"
14 FURTHER PROVIDING FOR TITLE OF ACT, FOR SHORT TITLE, FOR
15 DEFINITIONS AND FOR REPEAL.

16 The General Assembly of the Commonwealth of Pennsylvania
17 hereby enacts as follows:

18 ~~Section 1. The title and sections 1, 3, 4, 5(a) and 6 of the~~ <--
19 ~~act of July 5, 2012 (P.L.1102, No.132), known as the State~~
20 ~~System of Higher Education Intellectual Property Act, are~~
21 ~~amended to read:~~

AN ACT

23 ~~Authorizing [the State System of Higher Education and its]~~
24 ~~State owned universities and employees of State owned~~

1 ~~universities to enter into certain economic development~~
2 ~~agreements; providing for approval and notice, for reports~~
3 ~~and for limitations; and making an inconsistent repeal.~~

4 ~~Section 1. Short title.~~

5 ~~This act shall be known and may be cited as the [State System~~
6 ~~of Higher Education] State owned University Intellectual~~
7 ~~Property and Services Act.~~

8 ~~Section 3. Definitions.~~

9 ~~The following words and phrases when used in this act shall~~
10 ~~have the meanings given to them in this section unless the~~
11 ~~context clearly indicates otherwise:~~

12 ~~"Economic development agreement." An agreement that allows a~~
13 ~~State owned university to develop and market intellectual~~
14 ~~property owned or created by a State System of Higher Education~~
15 ~~employee.~~

16 ~~"Employee." An individual employed by a State owned~~
17 ~~university.~~

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

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

27 ~~Section 4. Authorization.~~

28 ~~(a) Economic development and service agreements. State~~
29 ~~owned universities and [system] employees may enter into~~
30 ~~economic development and service agreements that inure to the~~

1 ~~benefit of the State owned universities and [system] employees,~~
2 ~~with only the approval of the Council of Trustees. No approval~~
3 ~~from the State System of Higher Education is required.~~

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

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

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

17 Section 5. Approval and notice.

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

23 * * *

24 Section 6. Reports.

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

1 ~~trademark laws or other Federal or State law.~~

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

3 SECTION 1. THE TITLE AND SECTIONS 1 AND 8 OF THE ACT OF JULY <--
4 5, 2012 (P.L.1102, NO.132), KNOWN AS THE STATE SYSTEM OF HIGHER
5 EDUCATION INTELLECTUAL PROPERTY ACT, ARE AMENDED TO READ:

6 AN ACT

7 AUTHORIZING [THE STATE SYSTEM OF HIGHER EDUCATION AND ITS]

8 STATE-OWNED UNIVERSITIES AND EMPLOYEES OF STATE-OWNED

9 UNIVERSITIES TO ENTER INTO CERTAIN ECONOMIC DEVELOPMENT

10 AGREEMENTS; PROVIDING FOR APPROVAL AND NOTICE, FOR REPORTS

11 AND FOR LIMITATIONS; AND MAKING [AN] INCONSISTENT [REPEAL]

12 REPEALS.

13 SECTION 1. SHORT TITLE.

14 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE [STATE SYSTEM

15 OF HIGHER EDUCATION] STATE-OWNED UNIVERSITY INTELLECTUAL

16 PROPERTY ACT.

17 SECTION 8. [REPEAL] REPEALS.

18 REPEALS ARE AS FOLLOWS:

19 (1) THE GENERAL ASSEMBLY DECLARES THAT THE [REPEAL]

20 REPEALS UNDER [PARAGRAPH (2) IS] PARAGRAPHS (2) AND (3) ARE

21 NECESSARY TO EFFECTUATE THIS ACT.

22 (2) THE ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN

23 AS THE STATE ADVERSE INTEREST ACT, IS REPEALED INsofar AS IT

24 IS INCONSISTENT WITH THIS ACT.

25 (3) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND

26 FINANCIAL DISCLOSURE) IS REPEALED INsofar AS IT IS

27 INCONSISTENT WITH THIS ACT.

28 SECTION 2. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.