

99<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3773

[Report No. 99-283]

---

## IN THE SENATE OF THE UNITED STATES

DECEMBER 11 (legislative day, DECEMBER 9), 1985

Received; read twice and referred to the Committee on Commerce, Science, and  
Transportation

APRIL 21, 1986

Reported by Mr. DANFOETH, with amendment

[Strike out all after the enacting clause and insert the part printed in italic]

APRIL 21, 1986

Sequentially referred to the Committee on the Judiciary for a period not to extend  
beyond thirty calendar days, for the purpose of considering sections 4, 5, 6,  
and 7, pursuant to the order of March 20, 1986

---

## AN ACT

To amend the Stevenson-Wydler Technology Innovation Act of 1980 to promote technology transfer by authorizing Government-operated laboratories to enter into cooperative research agreements and by establishing a Federal Laboratory Consortium for Technology Transfer within the National Science Foundation, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Federal Technology  
3 Transfer Act of 1985".

4 SEC. 2. COOPERATIVE RESEARCH AND DEVELOPMENT  
5 AGREEMENTS.

6 The Stevenson-Wydler Technology Innovation Act of  
7 1980 is amended by redesignating sections 12 through 15 as  
8 sections 15 through 18, and by inserting immediately after  
9 section 11 the following new section:

10 "SEC. 12. COOPERATIVE RESEARCH AND DEVELOPMENT  
11 AGREEMENTS.

12 "(a) GENERAL AUTHORITY.—Each Federal agency  
13 may permit the director of any of its Government-operated  
14 Federal laboratories—

15 "(1) to enter into cooperative research and devel-  
16 opment agreements on behalf of such agency (subject  
17 to subsection (c) of this section) with other Federal  
18 agencies; units of State or local government; industrial  
19 organizations including corporations, partnerships, and  
20 limited partnerships; industrial development organiza-  
21 tions; public and private foundations; nonprofit organi-  
22 zations including universities; licensees of Federal in-  
23 ventions; or other persons; and

24 "(2) to negotiate licensing agreements under sec-  
25 tion 207 of title 35, United States Code, or under  
26 other authorities.

1       “(b) **ENUMERATED AUTHORITY.**—Under agreements  
2 described in subsection (a)(1), a Government-operated Feder-  
3 al laboratory shall have the authority (subject to subsection  
4 (c) of this section)—

5               “(1) to grant or agree to grant in advance, to a  
6 collaborating party, patent licenses or assignments, or  
7 options thereto, in any invention made by a Federal  
8 employee, or made jointly by a Federal employee and  
9 an employee of the collaborating party, under the  
10 agreement, retaining such rights as the Federal labora-  
11 tory deems appropriate; and

12               “(2) to waive in advance, in whole or in part, any  
13 right of ownership which the Federal Government may  
14 have to any subject invention made by a collaborating  
15 party or employee of a collaborating party under the  
16 agreement.

17       “(c) **AGENCY PLAN.**—(1)(A) Within 180 days after the  
18 election by any Federal agency to implement subsection (a),  
19 revised regulations or instructions for that agency’s coopera-  
20 tive research and development program shall be drafted or  
21 modified. The revised regulations or instructions need not  
22 apply to cooperative agreements entered into prior to the ef-  
23 fective date of such regulations or instructions. Such revised  
24 regulations or instructions shall—

1           “(i) if they give the head of the agency or his des-  
2           ignee an opportunity to disapprove or require the modi-  
3           fication of any such agreement, provide a 30-day  
4           period beginning on the date the agreement is present-  
5           ed to him or her by the head of the laboratory con-  
6           cerned within which such action must be taken;

7           “(ii) give special consideration to small business  
8           firms, and consortia involving small business firms;

9           “(iii) give preference to business units located in  
10          the United States which agree that products embody-  
11          ing inventions made under the cooperative research  
12          and development agreement or produced through the  
13          use of such invention will be manufactured substantial-  
14          ly in the United States;

15          “(iv) establish employee standards of conduct for  
16          resolving potential conflicts of interest, including but  
17          not limited to cases where present or former employees  
18          or their partners negotiate licenses or assignments of  
19          titles to inventions or negotiate cooperative research  
20          and development agreements with Federal agencies  
21          (including the agency with which the employee in-  
22          volved is or was formerly employed); and

23          “(v) contain other elements deemed appropriate  
24          by the agency.

1       “(B) In any case in which the head of an agency or his  
2 designee disapproves or requires the modification of an agree-  
3 ment presented under this section, the head of the agency or  
4 such designee shall transmit a written explanation of such  
5 disapproval or modification to the head of the laboratory  
6 concerned.

7       “(C) If, in implementing subparagraph (A)(iv), an  
8 agency is unable to resolve potential conflicts of interest  
9 within its current statutory framework, it shall propose nec-  
10 essary statutory changes to be forwarded to its authorizing  
11 committees in Congress.

12       “(2) Each agency shall maintain a record of all agree-  
13 ments entered into under this section.

14       “(d) DEFINITION.—As used in this section, the term  
15 ‘cooperative research and development agreement’ means  
16 any agreement between one or more Federal laboratories and  
17 one or more non-Federal parties under which the laboratory  
18 or laboratories will provide personnel, services, facilities,  
19 equipment, or other resources (but not funds to non-Federal  
20 parties) and the non-Federal party or parties will provide  
21 funds, personnel, services, facilities, equipment, or other re-  
22 sources toward the conduct of specified research or develop-  
23 ment efforts which are consistent with the missions of the  
24 agency; except that such term does not include a procure-  
25 ment contract as that term is used in section 6303 of title 31,

1 United States Code, or a cooperative agreement as that term  
2 is used in section 6305 of such title.

3 “(e) RELATIONSHIP TO OTHER LAWS.—Nothing in  
4 this section is intended to limit or diminish existing authori-  
5 ties of any agency.”

6 **SEC. 3. ESTABLISHMENT OF FEDERAL LABORATORY CONSOR-**  
7 **TIUM FOR TECHNOLOGY TRANSFER.**

8 Section 11 of the Stevenson-Wydler Technology Inno-  
9 vation Act of 1980 (15 U.S.C. 3710) is amended—

10 (1) by redesignating subsection (e) as subsection  
11 (f); and

12 (2) by inserting after subsection (d) the following  
13 new subsection:

14 “(e) ESTABLISHMENT OF FEDERAL LABORATORY  
15 CONSORTIUM FOR TECHNOLOGY TRANSFER.—(1) There is  
16 hereby established the Federal Laboratory Consortium for  
17 Technology Transfer (hereinafter referred to as the ‘Consorti-  
18 um’) which shall be within the National Science Foundation  
19 and which, in cooperation with Federal laboratories and the  
20 private sector, shall—

21 “(A) develop and administer techniques, training  
22 courses, and materials concerning technology transfer  
23 to increase the awareness of Federal laboratory em-  
24 ployees regarding the commercial potential of laborato-  
25 ry technology and innovations, except that such tech-

1 niques, courses, and materials may be administered  
2 only with the consent of the Federal laboratory  
3 concerned;

4 “(B) furnish advice and assistance requested by  
5 Federal agencies and laboratories for use in their tech-  
6 nology transfer programs (including the planning of  
7 seminars for small business and other industry);

8 “(C) provide a clearinghouse for requests for tech-  
9 nical assistance from States and units of local govern-  
10 ments, businesses, industrial development organiza-  
11 tions, not-for-profit organizations including universities,  
12 Federal agencies and laboratories, and other persons,  
13 and—

14 “(i) to the extent that such requests can be  
15 responded to with published information available  
16 to the National Technical Information Service,  
17 refer such requests to that Service; and

18 “(ii) otherwise refer these requests to the  
19 appropriate Federal laboratories and agencies;

20 “(D) facilitate communication and coordination  
21 between Offices of Research and Technology Applica-  
22 tions of Federal laboratories;

23 “(E) utilize (with the consent of the agency in-  
24 volved) the expertise and services of the National Sci-  
25 ence Foundation, the Department of Commerce, the

1 National Aeronautics and Space Administration, and  
2 other Federal agencies, as necessary;

3 “(F) with the consent of any Federal laboratory,  
4 facilitate the use by such laboratory of appropriate  
5 technology transfer mechanisms such as personnel ex-  
6 changes and computer-based systems;

7 “(G) with the consent of any Federal laboratory,  
8 assist such laboratory to establish technical volunteer  
9 service programs for the purpose of providing technical  
10 assistance to communities related to such laboratory;

11 “(H) facilitate communication and cooperation be-  
12 tween Offices of Research and Technology Applica-  
13 tions of Federal laboratories and regional, State, and  
14 local technology transfer organizations; and

15 “(I) establish advisory committees in each Federal  
16 laboratory consortium region composed of representa-  
17 tives from State and local governments, large and  
18 small business, universities, and other appropriate per-  
19 sons to advise on the effectiveness of the program (and  
20 the members of any such advisory committee shall  
21 serve at no expense to the government).

22 “(2) The membership of the Consortium shall consist of  
23 the Federal laboratories described in clause (1) of subsection  
24 (b) and such other laboratories as may choose to join the  
25 Consortium. The representatives to the Consortium shall in-



1 elude a senior staff member of each Federal laboratory which  
2 is a member of the Consortium and a representative appoint-  
3 ed from each Federal agency with one or more member  
4 laboratories.

5       “(3) The representatives to the Consortium shall elect a  
6 Chairman of the Consortium.

7       “(4) The Director of the National Science Foundation  
8 shall provide the Consortium on a reimbursable basis with  
9 administrative services, such as office space, personnel, and  
10 support services of the Foundation, as requested by the Con-  
11 sortium and approved by such Director.

12       “(5) Not later than one year after the date of the enact-  
13 ment of this subsection, and every year thereafter, the Chair-  
14 man of the Consortium shall submit a report to the President,  
15 to the appropriate authorization and appropriation commit-  
16 tees of both Houses of the Congress, and to each agency with  
17 respect to which a transfer of funding is made (for the fiscal  
18 year or years involved) under paragraph (6), concerning the  
19 activities of the Consortium and the expenditures made by it  
20 under this subsection during the year for which the report is  
21 made.

22       “(6)(A) Subject to subparagraph (B), an amount equal to  
23 0.005 percent of that portion of the research and develop-  
24 ment budget of each Federal agency that is to be utilized by  
25 the laboratories of such agency for a fiscal year referred to in

1 subparagraph (B)(ii) shall be transferred by such agency to  
 2 the National Science Foundation at the beginning of the  
 3 fiscal year involved. Amounts so transferred shall be provided  
 4 by the Foundation to the Consortium for the purpose of ear-  
 5 rying out activities of the Consortium under this subsection.

6 “(B) A transfer may be made by any Federal agency  
 7 under subparagraph (A), for any fiscal year, only if—

8 “(i) the amount so transferred by that agency (as  
 9 determined under such subparagraph) would exceed  
 10 \$10,000; and

11 “(ii) such transfer is made with respect to the  
 12 fiscal year 1987, 1988, 1989, 1990, or 1991.

13 “(C) The heads of Federal agencies and their designees,  
 14 and the directors of Federal laboratories, are authorized to  
 15 provide such additional support for operations of the Consor-  
 16 tium as they deem appropriate.”

17 **SEC. 4. UTILIZATION OF FEDERAL TECHNOLOGY.**

18 (a) **RESPONSIBILITY FOR TECHNOLOGY TRANSFER.—**

19 Section 11(a) of the Stevenson-Wydler Technology Innova-  
 20 tion Act of 1980 (15 U.S.C. 3710(a)) is amended—

21 (1) by inserting “(1)” after “POLICY.—”; and

22 (2) by adding at the end thereof the following new  
 23 paragraphs:

1       “(2) Technology transfer, consistent with mission re-  
2 sponsibilities, is a responsibility of each laboratory science  
3 and engineering professional.

4       “(3) Each laboratory director shall ensure that efforts to  
5 transfer technology are considered positively in laboratory job  
6 descriptions, employee promotion policies, and evaluation of  
7 the job performance of scientists and engineers in the  
8 laboratory.”.

9       (b) RESEARCH AND TECHNOLOGY APPLICATIONS OF-  
10 FICES.—(1) Section 11(b) of such Act (15 U.S.C. 3710(b)) is  
11 amended—

12           (A) by striking out “a total annual budget exceed-  
13 ing \$20,000,000 shall provide at least one professional  
14 individual full-time” and inserting in lieu thereof “200  
15 or more full-time scientific, engineering, and related  
16 technical positions shall provide one or more full-time  
17 equivalent positions”;

18           (B) by inserting immediately before the next to  
19 last sentence the following new sentence: “Further-  
20 more, individuals filling positions in an Office of Re-  
21 search and Technology Applications shall be included  
22 in the overall laboratory/agency management develop-  
23 ment program so as to ensure that highly competent  
24 technical managers are full participants in the technol-  
25 ogy transfer process.”;

1           (C) by striking out “requirements set forth in (1)  
2           and/or (2) of this subsection” in the next to last sen-  
3           tence and inserting in lieu thereof “requirement set  
4           forth in clause (2) of the preceding sentence”; and

5           (D) by striking out “either requirement (1) or (2)”  
6           in the last sentence and inserting in lieu thereof “such  
7           requirement”.

8           (2) Section 11(e) of such Act (15 U.S.C. 3710(e)) is  
9           amended—

10           (A) by striking out paragraph (1) and inserting in  
11           lieu thereof the following:

12           “(1) to prepare application assessments for select-  
13           ed research and development projects in which that  
14           laboratory is engaged and which in the opinion of the  
15           laboratory may have potential commercial applica-  
16           tions;”;

17           (B) by inserting “all” before “federally owned” in  
18           paragraph (2);

19           (C) by striking out “the Center for the Utilization  
20           of Federal Technology” in paragraph (3) and inserting  
21           in lieu thereof “the National Technical Information  
22           Service, the Federal Laboratory Consortium for Tech-  
23           nology Transfer,”; and

24           (D) by striking out “in response to requests from  
25           State and local government officials” in paragraph (4)

1 and inserting in lieu thereof "to State and local gov-  
2 ernment officials".

3 (e) DISSEMINATION OF TECHNICAL INFORMATION.—

4 Section 11(d) of such Act (15 U.S.C. 3710(d)) is amended—

5 (1) by striking out "(d)" and all that follows down  
6 through "shall—" and inserting in lieu thereof the  
7 following:

8 "~~(d) DISSEMINATION OF TECHNICAL INFORMATION.—~~

9 The National Technical Information Service shall—";

10 (2) by striking out paragraph (2);

11 (3) by striking out "existing" in paragraph (3),  
12 and redesignating such paragraph as paragraph (2);

13 (4) by striking out paragraph (4) and inserting in  
14 lieu thereof the following:

15 "~~(3)~~ receive requests for technical assistance from  
16 State and local governments, respond to such requests  
17 with published information available to the Service,  
18 and refer such requests to the Federal Laboratory Con-  
19 sortium for Technology Transfer to the extent that  
20 such requests need a response involving more than the  
21 published information available to the Service;";

22 (5) by redesignating paragraphs (5) and (6) as  
23 paragraphs (4) and (5), respectively; and

24 (6) by striking out "~~(e)(4)~~" in subsection (4) as so  
25 redesignated and inserting in lieu thereof "~~(e)(3)~~".

1 (d) AGENCY REPORTING.—Section 11(f) of such Act  
2 (15 U.S.C. 3710(e)) (as redesignated by section 3(1) of this  
3 Act) is amended—

4 (1) by striking out “prepare biennially a report  
5 summarizing the activities” in the first sentence and  
6 inserting in lieu thereof “report annually to the Con-  
7 gress, as part of the agency’s annual budget submis-  
8 sion, on the activities”; and

9 (2) by striking out the second sentence.

10 (e) FUNCTIONS OF THE SECRETARY.—Section 11 of  
11 such Act (as amended by the preceding provisions of this Act)  
12 is further amended by adding at the end thereof the follow-  
13 ing new subsection:

14 “(g) FUNCTIONS OF THE SECRETARY.—The Secretary,  
15 in consultation with other Federal agencies, may—

16 “(1) make available to interested agencies the ex-  
17 pertise of the Department of Commerce regarding the  
18 commercial potential of inventions and methods and  
19 options for commercialization which are available to  
20 the Federal laboratories, including research and devel-  
21 opment limited partnerships;

22 “(2) develop and disseminate to appropriate  
23 agency and laboratory personnel model provisions for  
24 use on a voluntary basis in cooperative research and  
25 development arrangements; and

1           “(3) furnish advice and assistance, upon request,  
2           to Federal agencies concerning their cooperative re-  
3           search and development program and projects.”

4 **SEC. 5. REWARDS FOR SCIENTIFIC, ENGINEERING, AND TECH-**  
5 **NICAL PERSONNEL OF FEDERAL AGENCIES.**

6           The Stevenson-Wydler Technology Innovation Act of  
7 1980 (as amended by the preceding provisions of this Act) is  
8 further amended by inserting after section 12 the following  
9 new section:

10 **“SEC. 13. REWARDS FOR SCIENTIFIC, ENGINEERING, AND**  
11 **TECHNICAL PERSONNEL OF FEDERAL AGEN-**  
12 **CIES.**

13           “The head of each Federal agency that is making ex-  
14 penditures at a rate of more than \$50,000,000 per fiscal year  
15 for research and development in its Government-operated  
16 laboratories shall use the appropriate statutory authority to  
17 develop and implement a cash awards program to reward its  
18 scientific, engineering, and technical personnel for—

19           “(1) inventions, innovations, or other outstanding  
20 scientific or technological contributions of value to the  
21 United States due to commercial applications or due to  
22 contributions to missions of the Federal agency or the  
23 Federal government, or

24           “(2) exemplary activities that promote the domes-  
25 tic transfer of science and technology developed within

1 the Federal Government and result in utilization of  
2 such science and technology by American industry or  
3 business, universities, State or local governments, or  
4 other non-Federal parties.”.

5 **SEC. 6. DISTRIBUTION OF ROYALTIES RECEIVED BY FEDERAL**  
6 **AGENCIES.**

7 The Stevenson-Wydler Technology Innovation Act of  
8 1980 (as amended by the preceding provisions of this Act) is  
9 further amended by inserting after section 13 the following  
10 new section:

11 **“SEC. 14. DISTRIBUTION OF ROYALTIES RECEIVED BY FEDER-**  
12 **AL AGENCIES.**

13 **“(a) IN GENERAL.—(1) Except as provided in para-**  
14 **graph (2), any royalties or other income received by a Feder-**  
15 **al agency from the licensing or assignment of inventions**  
16 **under agreements entered into under section 12, and from**  
17 **inventions of Government-operated Federal laboratories li-**  
18 **censed under section 207 of title 35, United States Code, or**  
19 **under any other provision of law shall be retained by the**  
20 **agency involved in the production of the income. Such funds**  
21 **shall be transferred by the agency to its Government-operat-**  
22 **ed laboratories, with the major share of the royalties or other**  
23 **income from any invention going to the laboratory where the**  
24 **invention occurred; and the funds so transferred to any such**  
25 **laboratory may be used or obligated by that laboratory during**



1 the fiscal year in which they are received or during the suc-  
2 ceeding fiscal year—

3           “(A) for payment of expenses incidental to the ad-  
4 ministration and licensing of inventions by that labora-  
5 tory or by the agency with respect to inventions which  
6 occurred at that laboratory, including the fees or other  
7 costs for the services of other agencies, persons, or or-  
8 ganizations for invention management and licensing  
9 services;

10           “(B) to reward scientific, engineering, and techni-  
11 cal employees of that laboratory as part of the  
12 agency’s reward program established pursuant to the  
13 preceding section of this Act; provided that any pay-  
14 ment made under this paragraph shall be in addition to  
15 the regular pay of the employee involved and to any  
16 other awards made to that employee, and shall not  
17 affect the entitlement of the employee to any regular  
18 pay, annuity, or award to which he is otherwise enti-  
19 tled or for which he is otherwise eligible or limit the  
20 amount thereof;

21           “(C) to further scientific exchange among the gov-  
22 ernment-operated laboratories of the agency; or

23           “(D) for scientific research and development, for  
24 education and training of employees of that consistent  
25 with the research and development mission and objec-

1       tives of the agency, and for other activities that in-  
2       crease the licensing potential for transfer of the tech-  
3       nology of the Government-operated laboratories of the  
4       agency.

5       Any of such funds not so used or obligated by the end of the  
6       fiscal year succeeding the fiscal year in which they are re-  
7       ceived shall be paid into the Treasury of the United States.

8       “(2) If the royalties received by an agency in any fiscal  
9       year exceed 5 percent of the budget of the Government-oper-  
10      ated laboratories of the agency for that year, 75 percent of  
11      such excess shall be paid to the Treasury of the United  
12      States and the remaining 25 percent may be used or obligat-  
13      ed for the purposes described in subparagraphs (A) through  
14      (C) of paragraph (1) during that fiscal year or the succeeding  
15      fiscal year. Any funds not so used or obligated shall be paid  
16      into the Treasury of the United States.

17      “(b) ~~CERTAIN ASSIGNMENTS~~.—In the event that the  
18      invention involved was one assigned to the Federal agency—

19              “(1) by a contractor, grantee, or party to a coop-  
20      erative agreement with the agency, or

21              “(2) by an employee of the agency who was not  
22      working in a Government-operated laboratory at the  
23      time the invention was made,

1 the agency unit that funded or employed the entity that made  
2 such assignment shall be considered to be a Government-  
3 operated laboratory for purposes of this section.

4       “(c) **REPORTS.**—In making their annual budget submis-  
5 sions Federal agencies shall submit, to the appropriate au-  
6 thorization and appropriation committees of both Houses of  
7 the Congress, summaries of the amount of royalties or other  
8 income received and expenditures made (including inventor  
9 awards) under this section.”.

10 **SEC. 7. MISCELLANEOUS AND CONFORMING AMENDMENTS.**

11       (a) **REPEAL OF NATIONAL INDUSTRIAL TECHNOLOGY**  
12 **BOARD.**—Section 10 of the Stevenson-Wydler Technology  
13 Innovation Act of 1980 (15 U.S.C. 3709) is repealed.

14       (b) **CHANGES IN TERMINOLOGY OR ADMINISTRATIVE**  
15 **STRUCTURE.**—(1) Section 3(2) of the Stevenson-Wydler  
16 Technology Innovation Act of 1980 is amended by striking  
17 out “centers for industrial technology” and inserting in lieu  
18 thereof “cooperative research centers”.

19       (2) Section 4 of such Act is amended—

20               (A) by striking out “Industrial Technology” in  
21 paragraph (1) and inserting in lieu thereof “Productivi-  
22 ty, Technology, and Innovation”;

23               (B) by striking out “ ‘Director’ means the Direc-  
24 tor of the Office of Industrial Technology” in para-  
25 graph (2) and inserting in lieu thereof “ ‘Assistant Sec-

1       retary' means the Assistant Secretary for Productivity,  
2       Technology, and Innovation";

3           (C) by striking out "Centers for Industrial Tech-  
4       nology" in paragraph (4) and inserting in lieu thereof  
5       "Cooperative Research Centers";

6           (D) by striking out paragraph (6), and redesignat-  
7       ing paragraphs (7) and (8) as paragraphs (6) and (7),  
8       respectively; and

9           (E) by striking out "owned and funded" in para-  
10      graph (6) as so redesignated and inserting in lieu there-  
11      of "owned, leased, or otherwise used by a Federal  
12      agency and funded".

13       (3) Section 5(a) of such Act is amended by striking out  
14      "Industrial Technology" and inserting in lieu thereof "Pro-  
15      ductivity, Technology, and Innovation".

16       (4) Section 5(b) of such Act is amended by striking out  
17      "DIRECTOR" and inserting in lieu thereof "ASSISTANT SEC-  
18      RETARY", and by striking out "a Director of the Office" and  
19      all that follows and inserting in lieu thereof "an Assistant  
20      Secretary for Productivity, Technology, and Innovation".

21       (5) Section 5(e) of such Act is amended by striking out  
22      "the Director" each place it appears and inserting in lieu  
23      thereof "the Assistant Secretary".

24       (6) The heading of section 6 of such Act is amended to  
25      read as follows:

1 **"SEC. 6. COOPERATIVE RESEARCH CENTERS."**

2 (7) Section 6(a) of such Act is amended by striking out  
3 "Centers for Industrial Technology" and inserting in lieu  
4 thereof "Cooperative Research Centers".

5 (8) Section 6(b)(1) of such Act is amended by striking  
6 out "basic and applied".

7 (9) Section 6(e) of such Act is amended to read as  
8 follows:

9 **"(e) RESEARCH AND DEVELOPMENT UTILIZATION.—**  
10 In the promotion of technology from research and develop-  
11 ment efforts by Centers under this section, chapter 18 of title  
12 35, United States Code, shall apply to the extent not incon-  
13 sistent with this section."

14 (10) Section 6(f) of such Act is repealed.

15 (11) The heading of section 8 of such Act is amended by  
16 striking out "CENTERS FOR INDUSTRIAL TECHNOLOGY" and  
17 inserting in lieu thereof "COOPERATIVE RESEARCH GEN-  
18 TERS".

19 (12) Section 8(a) of such Act is amended by striking out  
20 "Centers for Industrial Technology" and inserting in lieu  
21 thereof "Cooperative Research Centers".

22 **(e) RELATED CONFORMING AMENDMENT.—**Section  
23 210 of title 35, United States Code, is amended by adding at  
24 the end thereof the following new subsection:

25 **"(e)** The provisions of the Stevenson-Wydler Technolo-  
26 gy Innovation Act of 1980, as amended by the Federal Tech-

1 nology Transfer Act of 1985, shall take precedence over the  
2 provisions of this chapter to the extent that they permit or  
3 require a disposition of rights in subject inventions which is  
4 inconsistent with such chapter.”.

5 (d) **ADDITIONAL DEFINITIONS.**—Section 4 of such Act  
6 (as amended by subsection (b)(2) of this section) is further  
7 amended by adding at the end thereof the following new  
8 paragraphs:

9 “(8) ‘Federal agency’ means any executive agency  
10 as defined in section 105 of title 5, United States  
11 Code, and the military departments as defined in sec-  
12 tion 102 of such title.

13 “(9) ‘Invention’ means any invention or discovery  
14 which is or may be patentable or otherwise protected  
15 under title 35, United States Code, or any novel  
16 variety of plant which is or may be protectable under  
17 the Plant Variety Protection Act (7 U.S.C. 2321 et  
18 seq.).

19 “(10) ‘Made’ when used in conjunction with any  
20 invention means the conception or first actual reduction  
21 to practice of such invention.

22 “(11) ‘Small business firm’ means a small busi-  
23 ness concern as defined in section 2 of Public Law 85-  
24 536 (15 U.S.C. 632) and implementing regulations of

1 the Administrator of the Small Business Administra-  
2 tion.”

3 (c) REDESIGNATION OF SECTIONS TO REFLECT  
4 CHANGES MADE BY PRECEDING PROVISIONS.—(1) Such  
5 Act (as amended by the preceding provisions of this Act) is  
6 further amended by redesignating sections 11 through 18 as  
7 sections 10 through 17, respectively.

8 (2)(A) Section 5(d) of such Act is amended by inserting  
9 “(as then in effect)” after “sections 5, 6, 8, 11, 12, and 13 of  
10 this Act”.

11 (B) Section 8(a) of such Act is amended by striking out  
12 the last sentence.

13 (C) Section 9(d) of such Act is amended by striking out  
14 “or 13” and inserting in lieu thereof “or 12”.

15 (3) Section 13(a)(1) of such Act (as redesignated by  
16 paragraph (1) of this subsection) is amended by striking out  
17 “section 12” in the matter preceding subparagraph (A) and  
18 inserting in lieu thereof “section 11”.

19 *That this Act may be cited as the “Federal Technology*  
20 *Transfer Act of 1986”.*

21 *UTILIZATION OF FEDERAL TECHNOLOGY*

22 *SEC. 2. (a) Section 11(a) of the Stevenson-Wydler*  
23 *Technology Innovation Act of 1980 (15 U.S.C. 3710(a)) is*  
24 *amended—*

25 (1) *by inserting “(1)” after “POLICY.—”; and*

26 (2) *by adding at the end thereof the following:*

1       “(2) Each laboratory director shall ensure that efforts to  
2 transfer technology are considered positively in laboratory job  
3 descriptions, employee promotion policies, and evaluation of  
4 the job performance of scientists and engineers in the labora-  
5 tory.”.

6       (b)(1) Section 11(b) of such Act (15 U.S.C. 3710(b)) is  
7 amended—

8           (A) by striking “a total annual budget exceeding  
9 \$20,000,000 shall provide at least one professional in-  
10 dividual full-time” and inserting in lieu thereof “200  
11 or more full-time scientific, engineering, and related  
12 technical positions shall provide one or more full-time  
13 equivalent positions”;

14           (B) by striking “requirements set forth in (1)  
15 and/or (2) of this subsection” and inserting in lieu  
16 thereof “requirement set forth in clause (2) of the pre-  
17 ceding sentence”; and

18           (C) by striking “either requirement (1) or (2)” in  
19 the last sentence and inserting in lieu thereof “such re-  
20 quirement”.

21       (2) Section 11(c) of such Act (15 U.S.C. 3710(c)) is  
22 amended—

23           (A) by amending paragraph (1) to read as fol-  
24 lows:



1           “(1) to prepare application assessments for select-  
2 ed research and development projects in which that lab-  
3 oratory is engaged and which in the opinion of the lab-  
4 oratory may have potential commercial applications;”;

5           (B) by striking “the Center for the Utilization of  
6 Federal Technology” in paragraph (3) and inserting in  
7 lieu thereof “the National Technical Information Serv-  
8 ice, the Federal Laboratory Consortium for Technology  
9 Transfer,” and by striking “; and” and inserting in  
10 lieu thereof a semicolon;

11           (C) by striking “in response to requests from  
12 State and local government officials.” in paragraph (4)  
13 and inserting in lieu thereof “to State and local gov-  
14 ernment officials; and”; and

15           (D) by adding after paragraph (4) the following:

16           “(5) to participate, where feasible, in regional,  
17 State, and local government programs designed to fa-  
18 cilitate or stimulate the transfer of technology for the  
19 benefit of the region, State, or local jurisdiction in  
20 which the Federal laboratory is located.”.

21           (c) Section 11(d) of such Act (15 U.S.C. 3710(d)) is  
22 amended—

23           (1) by striking all from “(d)” through “shall—”  
24 and inserting in lieu thereof the following:

1           “(d) *DISSEMINATION OF TECHNICAL INFORMA-*  
2 *TION.—The National Technical Information Service*  
3 *shall—*”;

4                   (2) *by striking paragraph (2);*

5                   (3) *by striking “existing” in paragraph (3), and*  
6 *redesignating such paragraph as paragraph (2);*

7                   (4) *by striking paragraph (4) and inserting in*  
8 *lieu thereof the following:*

9                   “(3) *receive requests for technical assistance from*  
10 *State and local governments, respond to such requests*  
11 *with published information available to the Service,*  
12 *and refer such requests to the Federal Laboratory Con-*  
13 *sortium for Technology Transfer to the extent that such*  
14 *requests require a response involving more than the*  
15 *published information available to the Service;*”;

16                   (5) *by redesignating paragraphs (5) and (6) as*  
17 *paragraphs (4) and (5), respectively; and*

18                   (6) *by striking “(c)(4)” in paragraph (4), as so*  
19 *redesignated, and inserting in lieu thereof “(c)(3)”.*

20           (d) *Section 11(e) of such Act (15 U.S.C. 3710(e)) is*  
21 *amended by striking “Center for the Utilization of Federal*  
22 *Technology” and inserting in lieu thereof “Secretary”.*

1 *ESTABLISHMENT OF FEDERAL LABORATORY CONSORTIUM*  
2 *FOR TECHNOLOGY TRANSFER*

3 *SEC. 3. Section 11 of the Stevenson-Wydler Technolo-*  
4 *gy Innovation Act of 1980 (15 U.S.C. 3710), as amended*  
5 *by section 2 of this Act, is further amended—*

6 *(1) by redesignating subsection (e) as subsection*  
7 *(f); and*

8 *(2) by inserting after subsection (d) the following:*

9 *“(e) ESTABLISHMENT OF FEDERAL LABORATORY*  
10 *CONSORTIUM FOR TECHNOLOGY TRANSFER.—(1) There is*  
11 *established the Federal Laboratory Consortium for Technolo-*  
12 *gy transfer (hereinafter referred to as the ‘Consortium’)*  
13 *which, in cooperation with Federal laboratories and private*  
14 *sector, shall—*

15 *“(A) develop and, with the consent of the Federal*  
16 *laboratory concerned, administer techniques, training*  
17 *courses, and materials concerning technology transfer*  
18 *to increase the awareness of Federal laboratory em-*  
19 *ployees regarding the commercial potential of laborato-*  
20 *ry technology and innovations;*

21 *“(B) furnish advice and assistance requested by*  
22 *Federal agencies and laboratories for use in their tech-*  
23 *nology transfer programs (including the planning of*  
24 *seminars for small business and other industry);*

1           “(C) provide a clearinghouse, at the laboratory  
2 level, for requests for technical assistance from States  
3 and units of local governments, businesses, industrial  
4 development organizations, not-for-profit organizations  
5 (including universities), Federal agencies and laborato-  
6 ries, and other persons, and—

7           “(i) to the extent that a response to such re-  
8 quests can be made with published information  
9 available to the National Technical Information  
10 Service, refer such requests to that Service; and

11           “(ii) otherwise refer such requests to the ap-  
12 propriate Federal laboratories and agencies;

13           “(D) facilitate communication and coordination  
14 between Offices of Research and Technology Applica-  
15 tions of Federal laboratories;

16           “(E) utilize (with the consent of the agency in-  
17 volved) the expertise and services of the National Sci-  
18 ence Foundation, the Department of Commerce, the  
19 National Aeronautics and Space Administration, and  
20 other Federal agencies, as necessary;

21           “(F) with the consent of any Federal laboratory,  
22 facilitate the use by such laboratory of appropriate  
23 technology transfer mechanisms such as personnel ex-  
24 changes and computer-based systems;

1           “(G) with the consent of any Federal laboratory,  
2           assist such laboratory to establish programs, such as  
3           technical volunteer services, for the purpose of provid-  
4           ing technical assistance to communities related to such  
5           laboratory; and

6           “(H) facilitate communication and cooperation be-  
7           tween Offices of Research and Technology Applications  
8           of Federal laboratories and regional, State, and local  
9           technology transfer organizations.

10          “(2) The membership of the Consortium shall consist of  
11          the Federal laboratories described in clause (1) of subsection  
12          (b) and such other laboratories as may choose to join the  
13          Consortium. The representatives to the Consortium shall in-  
14          clude a senior staff member of each Federal laboratory which  
15          is a member of the Consortium and a representative appoint-  
16          ed from each Federal agency with one or more member  
17          laboratories.

18          “(3) The representatives to the Consortium shall elect a  
19          Chairman of the Consortium.

20          “(4) The Director of the National Bureau of Standards  
21          shall provide the Consortium, on a reimbursable basis, with  
22          administrative services, such as office space, personnel, and  
23          support services of the Bureau, as requested by the Consorti-  
24          um and approved by such Director.

1           “(5) Not later than 1 year after the date of the enact-  
2 ment of this subsection, and every year thereafter, the Chair-  
3 man of the Consortium shall submit a report to the President,  
4 to the appropriate authorization and appropriation commit-  
5 tees of both Houses of the Congress, and to each agency with  
6 respect to which a transfer of funding is made (for the fiscal  
7 year or years involved) under paragraph (6), concerning the  
8 activities of the Consortium and the expenditures made by it  
9 under this subsection during the year for which the report is  
10 made.

11           “(6)(A) Subject to subparagraph (B), an amount equal  
12 to 0.005 percent of that portion of the research and develop-  
13 ment budget of each Federal agency that is to be utilized by  
14 the laboratories of such agency for a fiscal year referred to in  
15 subparagraph (B)(ii) shall be transferred by such agency to  
16 the National Bureau of Standards at the beginning of the  
17 fiscal year involved. Amounts so transferred shall be provided  
18 by the Bureau to the Consortium for the purpose of carrying  
19 out activities of the Consortium under this subsection.

20           “(B) A transfer may be made by any Federal agency  
21 under subparagraph (A), for any fiscal year, only if—

22           “(i) the amount so transferred by that agency (as  
23 determined under such subparagraph) would exceed  
24 \$10,000; and

1           “(ii) such transfer is made with respect to the  
2           fiscal year 1987, 1988, 1989, 1990, or 1991.

3           “(C) The heads of Federal agencies and their designees,  
4 and the directors of Federal laboratories, may provide such  
5 additional support for operations of the Consortium as they  
6 consider appropriate.”.

7           FUNCTIONS OF THE SECRETARY OF COMMERCE

8           SEC. 4. Section 11 of such Act (15 U.S.C. 3710), as  
9 amended by this Act, is further amended by adding at the  
10 end thereof the following:

11           “(g) FUNCTIONS OF THE SECRETARY.—(1) The Sec-  
12 retary, in consultation with other Federal agencies, may—

13           “(A) make available to interested agencies the ex-  
14 pertise of the Department of Commerce regarding the  
15 commercial potential of inventions and methods and  
16 options for commercialization which are available to  
17 Federal laboratories, including research and develop-  
18 ment limited partnerships;

19           “(B) develop and disseminate to appropriate  
20 agency and laboratory personnel model provisions for  
21 use on a voluntary basis in cooperative research and  
22 development arrangements; and

23           “(C) furnish advice and assistance, upon request,  
24 to Federal agencies concerning their cooperative re-  
25 search and development programs and projects.

1       “(2) Two years after the date of enactment of this sub-  
2 section, and every 2 years thereafter, the Secretary shall  
3 submit a report to the President and the Congress on the use  
4 by the agencies and the Secretary of the authorities specified  
5 in this Act. Other Federal agencies shall, to the extent per-  
6 mitted by law, provide the Secretary with all information  
7 necessary to prepare such reports.”.

8           **COOPERATIVE RESEARCH AND DEVELOPMENT**

9                           **AGREEMENTS**

10       **SEC. 5.** *The Stevenson-Wydler Technology Innovation*  
11 *Act of 1980 is amended by redesignating sections 12 through*  
12 *15 as sections 15 through 18, respectively, and by inserting*  
13 *after section 11 the following:*

14       **“SEC. 12. COOPERATIVE RESEARCH AND DEVELOPMENT**  
15                           **AGREEMENTS.**

16       **“(a) GENERAL AUTHORITY.—(1) Each Federal agency**  
17 *may permit the director of any of its Government-operated*  
18 *Federal laboratories—*

19                   **“(A) to enter into cooperative research and devel-**  
20 *opment arrangements (subject to such regulations or*  
21 *review procedures as the agency considers appropriate)*  
22 *with other Federal agencies, units of State or local*  
23 *government, industrial organizations (including corpo-*  
24 *rations, partnerships and limited partnerships), public*  
25 *and private foundations, non-profit organizations (in-*  
26 *cluding universities), or other persons (including li-*



1 *censees of inventions owned by the Federal agency);*  
2 *and*

3 *“(B) to negotiate licensing agreements under sec-*  
4 *tion 207 of title 35, United States Code, or other au-*  
5 *thorities for Government-owned inventions made at the*  
6 *laboratory and other inventions of Federal employees*  
7 *that may be voluntarily assigned to the Government.*

8 *“(2) Under arrangements entered into pursuant to para-*  
9 *graph (1), a laboratory may—*

10 *“(A) accept funds, services, and property from col-*  
11 *laborating parties and provide services and property to*  
12 *collaborating parties;*

13 *“(B) grant or agree to grant in advance to a col-*  
14 *laborating party patent licenses, assignments, or op-*  
15 *tions thereto, in any invention made by a Federal em-*  
16 *ployee under the arrangement, retaining such rights as*  
17 *the Federal agency considers appropriate;*

18 *“(C) waive, in whole or in part, any right of*  
19 *ownership which the Government may have under any*  
20 *other statute to any inventions made by a collaborating*  
21 *party or employee of a collaborating party under the*  
22 *arrangement; and*

23 *“(D) to the extent consistent with any applicable*  
24 *agency requirements, permit employees or former em-*  
25 *ployees of the laboratory to participate in efforts to*

1       *commercialize inventions they made while in the serv-*  
2       *ice of the United States.*

3       “(3) *Each agency shall maintain a record of all agree-*  
4       *ments entered into under this section.*

5       “(b) *DEFINITION.—As used in this section, the term—*

6               “(1) *‘cooperative research and development agree-*  
7       *ment’ means any agreement between one or more Fed-*  
8       *eral laboratories and one or more non-Federal parties*  
9       *under which the Government provides personnel, serv-*  
10       *ices, facilities, equipment, or other resources (but not*  
11       *funds to non-Federal parties) and the non-Federal par-*  
12       *ties provide funds, personnel, services, facilities, equip-*  
13       *ment, or other resources toward the conduct of specified*  
14       *research or development efforts which are consistent*  
15       *with the missions of the agency, except that such term*  
16       *does not include a procurement contract or cooperative*  
17       *agreement as those terms are used in sections 6303,*  
18       *6304, and 6305 of title 31, United States Code; and*

19               “(2) *‘laboratory’ means a facility or group of fa-*  
20       *ilities owned, leased, or otherwise used by a Federal*  
21       *agency, a substantial purpose of which is the perform-*  
22       *ance of research and development by employees of the*  
23       *Federal Government.”.*

1       “(c) *RELATIONSHIP TO OTHER LAWS.*—Nothing in  
2 *this section is intended to limit or diminish existing authori-*  
3 *ties of any agency.*”

4       *REWARDS FOR SCIENTIFIC, ENGINEERING, AND*  
5       *TECHNICAL PERSONNEL OF FEDERAL AGENCIES*

6       *SEC. 6. The Stevenson-Wydler Technology Innovation*  
7 *Act of 1980, as amended by this Act, is further amended by*  
8 *inserting after section 12 the following:*

9       “*Sec. 13. REWARDS FOR SCIENTIFIC, ENGINEERING, AND TECHNICAL*  
10       *PERSONNEL OF FEDERAL AGENCIES.*”

11       “(a) *CASH AWARDS PROGRAM.*—The head of each  
12 *Federal agency that is making expenditures at a rate of more*  
13 *than \$50,000,000 per fiscal year for research and develop-*  
14 *ment in its Government-operated laboratories shall use the*  
15 *appropriate statutory authority to develop and implement a*  
16 *cash awards program to reward its scientific, engineering,*  
17 *and technical personnel for—*

18               “(1) *inventions, innovations, or other outstanding*  
19 *scientific or technological contributions of value to the*  
20 *United States due to commercial applications or due to*  
21 *contributions to missions of the Federal agency or the*  
22 *Federal Government; and*

23               “(2) *exemplary activities that promote the domes-*  
24 *tic transfer of science and technology developed within*  
25 *the Federal Government and result in utilization of*  
26 *such science and technology by American industry or*

1       *business, universities, State or local governments, or*  
2       *other non-Federal parties.*

3       “(b) *PAYMENT OF ROYALTIES.*—*Any royalties or*  
4       *other income received by an agency from the licensing or as-*  
5       *signment of inventions under this section or under section*  
6       *207 of title 35, United States Code, or other authority shall*  
7       *be retained by the agency whose laboratory produced the in-*  
8       *vention, except that beginning with fiscal year 1988, such*  
9       *royalties or other income shall be subject to appropriations,*  
10      *and shall be disposed of as follows:*

11               “(1) *At least 15 percent of the royalties or other*  
12      *income received each year by the agency on account of*  
13      *any invention shall be paid to the inventor or coinven-*  
14      *tors if they were employees of the agency at the time*  
15      *the invention was made. Payments made under this*  
16      *paragraph are in addition to the regular pay of the em-*  
17      *ployee and to any awards made to that employee, and*  
18      *such payments shall not affect the entitlement or limit*  
19      *the amount of the regular pay, annuity, or other*  
20      *awards to which the employee is otherwise entitled or*  
21      *for which the employee is otherwise eligible.*

22               “(2) *The balance of any royalties or related*  
23      *income earned during any fiscal year after paying the*  
24      *inventors' portions under paragraph (1) shall be trans-*  
25      *ferred to the agency's Government-operated laboratories*

1       *with a substantial percentage being returned to the lab-*  
2       *oratories whose inventions produced the royalties or*  
3       *income. Such royalties or income may be retained by*  
4       *the laboratory up to the limits specified in this para-*  
5       *graph, and used—*

6               “(A) for mission-related research and devel-

7               *opment of the laboratory;*

8               “(B) to support development and education

9               *programs for employees of the laboratory;*

10              “(C) to reward employees of the laboratory

11              *for contributing to the development of new technol-*

12              *ogies and assisting in the transfer of technology to*

13              *the private sector, and for inventions of value to*

14              *the Government that will not produce royalties;*

15              “(D) to further scientific exchange to and

16              *from the laboratory; and*

17              “(E) for payment of patenting costs and fees

18              *and other expenses incidental to promoting, ad-*

19              *ministering, and licensing inventions, including*

20              *the fees or costs for services of other agencies or*

21              *other persons or organizations for invention man-*

22              *agement and licensing services.*

23       *If the balance for any laboratory after paying the in-*

24       *ventors' shares under paragraph (1) exceeds 5 percent*

25       *of the annual budget of the laboratory, 75 percent of*



1 *“SEC. 14. EMPLOYEE ACTIVITIES.*

2       *“(a) IN GENERAL.—If a Federal agency which has the*  
3 *right of ownership to an invention under this Act does not*  
4 *intend to file for a patent application or otherwise to promote*  
5 *commercialization of such invention, the agency may allow*  
6 *the inventor, if the inventor is a Government employee or*  
7 *former employee who made the invention during the course of*  
8 *employment with the Government, to retain title to the inven-*  
9 *tion (subject to reservation by the Government of a nonexclu-*  
10 *sive, nontransferrable, irrevocable, paid up license to practice*  
11 *or have practiced the invention throughout the world by or on*  
12 *behalf of the Government). In addition, the agency may con-*  
13 *dition the inventor’s right to title on the timely filing of a*  
14 *patent application in cases when the Government determines*  
15 *that it has or may have a need to practice the invention.*

16       *“(b) DEFINITION.—For purposes of this section, Feder-*  
17 *al employees include ‘special Government employees’ as de-*  
18 *finied in section 202 of title 18, United States Code.*

19       *“(c) RELATIONSHIP TO OTHER LAWS.—Nothing in*  
20 *this section is intended to limit or diminish existing authori-*  
21 *ties of any agency.”.*

22 *MISCELLANEOUS AND CONFORMING AMENDMENTS*

23       *SEC. 8. (a) Section 10 of the Stevenson-Wydler Tech-*  
24 *nology Innovation Act of 1980 (15 U.S.C. 3709) is repealed.*

1       **(b)(1)** *Section 3(2) of such Act (15 U.S.C. 3702(2)) is*  
2 *amended by striking “centers for industrial technology” and*  
3 *inserting in lieu thereof “cooperative research centers”.*

4       **(2)** *Section 4 of such Act (15 U.S.C. 3703) is*  
5 *amended—*

6           **(A)** *by striking “Industrial Technology” in para-*  
7 *graph (1) and inserting in lieu thereof “Productivity,*  
8 *Technology, and Innovation”;*

9           **(B)** *by striking “‘Director’ means the Director*  
10 *of the Office of Industrial Technology” in paragraph*

11           **(3)** *and inserting in lieu thereof “‘Assistant Secre-*  
12 *tary’ means the Assistant Secretary for Productivity,*  
13 *Technology, and Innovation”;*

14           **(C)** *by striking “Centers for Industrial Technolo-*  
15 *gy” in paragraph (4) and inserting in lieu thereof*  
16 *“Cooperative Research Centers”;*

17           **(D)** *by striking paragraph (6), and redesignating*  
18 *paragraphs (7) and (8) as paragraphs (6) and (7), re-*  
19 *spectively; and*

20           **(E)** *by striking “owned and funded” in para-*  
21 *graph (6), as so redesignated, and inserting in lieu*  
22 *thereof “owned, leased, or otherwise used by a Federal*  
23 *agency and funded”.*



1       (3) *Section 5(a) of such Act (15 U.S.C. 3704(a)) is*  
2 *amended by striking “Industrial Technology” and inserting*  
3 *in lieu thereof “Productivity, Technology, and Innovation”.*

4       (4) *Section 5(b) of such Act (15 U.S.C. 3704(b)) is*  
5 *amended by striking “DIRECTOR” and inserting in lieu*  
6 *thereof “ASSISTANT SECRETARY”, and by striking all from*  
7 *“a Director of the Office” and inserting in lieu thereof “an*  
8 *Assistant Secretary for Productivity, Technology, and*  
9 *Innovation.”.*

10       (5) *Section 5(c) of such Act (15 U.S.C. 3704(c)) is*  
11 *amended by striking “the Director” each place it appears and*  
12 *inserting in lieu thereof “the Assistant Secretary”.*

13       (6) *The heading of section 6 of such Act is amended to*  
14 *read as follows:*

15       **“SEC. 6. COOPERATIVE RESEARCH CENTERS.”.**

16       (7) *Section 6(a) of such Act (15 U.S.C. 3705(a)) is*  
17 *amended by striking “Centers for Industrial Technology”*  
18 *and inserting in lieu thereof “Cooperative Research*  
19 *Centers”.*

20       (8) *Section 6(b)(1) of such Act (15 U.S.C. 3705(b)(1))*  
21 *is amended by striking “basic and applied”.*

22       (9) *Section 6(e) of such Act (15 U.S.C. 3705(e)) is*  
23 *amended to read as follows:*

24       **“(e) RESEARCH AND DEVELOPMENT UTILIZATION.—**  
25 *In the promotion of technological innovation and commercial-*

1 ization of research and development efforts by Centers under  
2 this section, chapter 18 of title 35, United States Code, shall  
3 apply.”.

4 (10) Section 6(f) of such Act (15 U.S.C. 3705(f)) is  
5 repealed.

6 (11) The heading of section 8 of such Act is amended by  
7 striking “CENTERS FOR INDUSTRIAL TECHNOLOGY” and  
8 inserting in lieu thereof “COOPERATIVE RESEARCH  
9 CENTERS”.

10 (12) Section 8(a) of such Act (15 U.S.C. 3707(a)) is  
11 amended by striking “Centers for Industrial Technology”  
12 and inserting in lieu thereof “Cooperative Research  
13 Centers”.

14 (c) Section 4 of such Act (15 U.S.C. 3703), as amend-  
15 ed by subsection (b)(2) of this section, is further amended by  
16 adding at the end thereof the following:

17 “(8) ‘Federal agency’ means any executive  
18 agency as defined in section 105 of title 5, United  
19 States Code, and the military departments, as defined  
20 in section 102 of such title.

21 “(9) ‘Invention’ means any invention or discovery  
22 which is or may be patentable or otherwise protected  
23 under title 35, United States Code, or any novel varie-  
24 ty of plant which is or may be protectable under the  
25 Plant Variety Protection Act (7 U.S.C. 2321 et seq.).

1           “(10) ‘Made’, when used in conjunction with any  
2           invention, means the conception or first actual reduc-  
3           tion to practice of such invention.”.

4           (d)(1) Such Act (as amended by this Act) is further  
5           amended by redesignating sections 11 through 18 as sections  
6           10 through 17, respectively.

7           (2)(A) Section 5(d) of such Act (15 U.S.C. 3704(d)) is  
8           amended by inserting “(as then in effect)” after “Act” the  
9           second time it appears.

10          (B) Section 8(a) of such Act (15 U.S.C. 3707(a)) is  
11          amended by striking the last sentence.

12          (C) Section 9(d) of such Act (15 U.S.C. 3708(d)) is  
13          amended by striking “or 13” and inserting in lieu thereof  
14          “10, or 14”.

○