STATE OF OKLAHOMA

2nd Session of the 47th Legislature (2000)

COMMITTEE SUBSTITUTE
FOR
SENATE BILL 1580 By: Snyder

COMMITTEE SUBSTITUTE

[ higher education - policies of higher education institutions on research and development in cooperation with private entities - requiring adherence to certain policies -

emergency ]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 2, Chapter 211, O.S.L. 1998 (70 O.S. Supp. 1999, Section 3206.3), is amended to read as follows:

Section 3206.3 The Oklahoma State Regents for Higher Education shall:

1. Establish, pursuant to the requirements of this paragraph, a model policy, which to the extent not inconsistent with this section may be adapted by the governing board of regents for each institution within The Oklahoma State System of Higher Education, regarding:

a. the use of facilities, whether consisting of real property, personal property, intangible personal property, or any combination of such properties, within The Oklahoma State System of Higher Education, for the purpose of conducting research, the principal purpose of which is to develop or refine a product, process or idea in cooperation with a private business

entity in order to market the product, process or idea for profit,

b. the investment of value available to institutions within The Oklahoma State System of Higher Education, in private business entities or the receipt of royalty income from a private business entity, or both, in conjunction with research and development conducted on the premises of or with the assistance of institutions within The Oklahoma State System of Higher Education, its faculty, staff or students,

c. a method to inform the faculty, staff, students and third parties conducting research on the premises of or with the assistance of the faculty, staff or students of an institution within The Oklahoma State System of Higher Education of the policies developed pursuant to this paragraph, and

d. the extent to which ~~professors and other~~ faculty, staff, and students at institutions within The Oklahoma State System of Higher Education may acquire property interests in technology developed on the premises of or with the assistance of an institution within The Oklahoma State System of Higher Education or a property interest in the revenues derived by the sale, marketing, licensing or other disposition of technology by an institution within The Oklahoma State System of Higher Education or by a private business entity conducting research or engaged in the development of technology on the premises of or with the assistance of an institution within The Oklahoma State System of Higher Education; and

2. Establish policies for institutions within The Oklahoma State System of Higher Education to:

a. encourage development of a product, process or idea, whether or not the product, process or idea is protectable under the intellectual property laws of the United States or of this state, and ~~to~~ encourage the institutions to take such actions as may be appropriate in order to promote the development of products, processes or ideas having a potential for the improvement or advancement of:

(1) medical technology,

(2) biotechnology,

(3) energy technology,

(4) telecommunications technology,

(5) chemical technology,

(6) industrial technology, and

(7) such other technologies as are deserving of the resources and assistance available through institutions and the faculty and students of institutions within The Oklahoma State System of Higher Education,

b. develop appropriate methods to maintain a system for recording the nature of research being conducted at institutions within The Oklahoma State System of Higher Education and the results of research having potential for protection pursuant to the intellectual property laws of the United States or of this state, and

c. develop a system to account for:

(1) expenses associated with research and development conducted on the premises of or with the assistance of an institution within The Oklahoma State System of Higher Education,

(2) the financial relationships, if any, established between those institutions and private business entities,

(3) the acquisition of equity interests in private business entities,

(4) the receipt of royalty income or other income related to the sale or other disposition of products, processes or ideas by institutions or private business entities with which the institution has established a financial arrangement,

(5) the gains or losses upon the sale or other disposition of equity interests in private business entities, and

(6) such other matters relating to the income and expenses associated with the research, development, intellectual property protection, marketing, distribution or other matters as the State Regents determine to be appropriate,

d. clarify that, except for interests conveyed to faculty, staff, and students pursuant to policy developed under the authority of this section, all products, processes, technology, or ideas resulting from research conducted by faculty, staff, students, or third parties on the premises of an institution or with the assistance of faculty, staff, or students using institutional resources are property of the State of Oklahoma and may not be sold, transferred, or otherwise conveyed except by the State of Oklahoma,

e. require faculty, staff, and students to disclose to the institution patentable products, processes,

technology, or ideas resulting from research as described in subparagraph d of this paragraph, and

f. prohibit an institution from transferring any rights or interest in a product, process, or idea, including intellectual property, that resulted from research as described in subparagraph d of this paragraph to any faculty, staff, or student who fails to disclose patentability as required in subparagraph d of this paragraph within one year of the date on which disclosure was required pursuant to institutional policy.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3206.3a of Title 70 , unless there is created a duplication in numbering, reads as follows:

A. No person, including faculty, staff, students, or third parties, shall acquire any right, title, or interest in a product, process, or idea, including intellectual property, that resulted from research conducted by faculty, staff, students, or third parties on the premises of an institution or with the assistance of faculty, staff, or students using institutional resources except through a conveyance made by the institution pursuant to institutional policy as provided in Section 3206.3 of Title 70 of the Oklahoma Statutes or through a conveyance from one who holds a valid right, title, or interest gained through a transaction in conformance with Section 3206.3 of Title 70 of the Oklahoma Statutes. Any transaction not in conformance with Section 3206.3 of Title 70 of the Oklahoma Statutes shall be void and shall not operate to convey any right, title, or interest in the product, process, or idea.

B. No right, title, or interest in a product, process, or idea, including intellectual property, that resulted from research conducted by faculty, staff, students, or third parties on the

premises of an institution or with the assistance of faculty, staff, or students using institutional resources shall pass to any purchaser from, assignee of, or grantee of any faculty, staff, students, or third parties who failed to disclose patentability of the product, process, or idea to the institution within one year from the time disclosure was required by institutional policy and Section 3206.3 of Title 70 of the Oklahoma Statutes.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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