

106TH CONGRESS
1ST SESSION

S. 1835

To restore Federal remedies for violations of intellectual property rights
by States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 1999

Mr. LEAHY introduced the following bill; which was read twice and referred
to the Committee on the Judiciary

A BILL

To restore Federal remedies for violations of intellectual
property rights by States, 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,*

3 **SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CON-**

4 **TENTS.**

5 (a) **SHORT TITLE.**—This Act may be cited as the
6 “Intellectual Property Protection Restoration Act of
7 1999”.

8 (b) **REFERENCES.**—Any reference in this Act to the
9 Trademark Act of 1946 shall be a reference to the Act
10 entitled “An Act to provide for the registration and protec-

1 tion of trade-marks used in commerce, to carry out the
 2 provisions of certain international conventions, and for
 3 other purposes”, approved July 5, 1946 (15 U.S.C. 1051
 4 et seq.).

5 (c) TABLE OF CONTENTS.—The table of contents for
 6 this Act is as follows:

Sec. 1. Short title; references; table of contents.

Sec. 2. Findings and purposes.

TITLE I—STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

SUBTITLE A—DEFINITIONS

Sec. 101. Definitions.

SUBTITLE B—PROCEDURES FOR STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Sec. 111. Opt-in procedure.

Sec. 112. Breach of assurance by a State.

Sec. 113. Consequences of breach of assurance by a State.

SUBTITLE C—ADMINISTRATION OF PROCEDURES FOR STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Sec. 121. Notification by court of State assertion of sovereign immunity.

Sec. 122. Confirmation by Commissioner of Patents and Trademarks of State
assertion of sovereign immunity.

Sec. 123. Publication by Commissioner of Patents and Trademarks of State as-
sertion of sovereign immunity.

Sec. 124. Rulemaking authority.

SUBTITLE D—AMENDMENTS TO THE FEDERAL INTELLECTUAL PROPERTY LAWS

Sec. 131. Conditions for State participation in the Federal patent system.

Sec. 132. Conditions for State participation in the Federal plant variety protec-
tion system.

Sec. 133. Conditions for State participation in the Federal copyright system.

Sec. 134. Conditions for State participation in the Federal mask work system.

Sec. 135. Conditions for State participation in the Federal original design sys-
tem.

Sec. 136. Conditions for State participation in the Federal trademark system.

Sec. 137. No retroactive effect.

TITLE II—RESTORATION OF PROTECTION FOR FEDERAL INTELLECTUAL PROPERTY RIGHTS

Sec. 201. Liability of States for patent violations.

Sec. 202. Liability of States for violation of plant variety protection.

- Sec. 203. Liability of States for copyright violations.
 Sec. 204. Liability of States for mask work violations.
 Sec. 205. Liability of States for original design violations.
 Sec. 206. Liability of States for trademark violations.
 Sec. 207. Rules of construction.

TITLE III—EFFECTIVE DATES

- Sec. 301. Effective dates.
 Sec. 302. Severability.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—Congress makes the following find-
 3 ings:

4 (1) The protection of Federal intellectual prop-
 5 erty rights is of critical importance to the Nation’s
 6 ability to compete in the global market.

7 (2) There is a strong Federal interest in the de-
 8 velopment of uniform and consistent law regarding
 9 Federal intellectual property rights, and in the ful-
 10 fillment of international treaty obligations that the
 11 Federal Government has undertaken.

12 (3) Prior to 1985 and the Supreme Court rul-
 13 ing in *Atascadero State Hospital v. Scanlon*, 473
 14 U.S. 234 (1985) (in this section referred to as
 15 “Atascadero”), owners of Federal intellectual prop-
 16 erty rights could fully protect their rights against in-
 17 fringement by States.

18 (4) Following *Atascadero*, a number of courts
 19 held that Federal patent, copyright and trademark
 20 laws failed to contain the clear statement of intent
 21 to abrogate State sovereign immunity necessary to

1 permit owners of Federal intellectual property rights
2 to protect their rights against infringement by
3 States.

4 (5) In 1990, Congress passed the Copyright
5 Remedy Clarification Act (Public Law 101–553), to
6 clarify its intent to abrogate State sovereign immu-
7 nity from suits for infringement of copyrights and
8 exclusive rights in mask works.

9 (6) In 1992, Congress passed the Patent and
10 Plant Variety Protection Remedy Clarification Act
11 (Public Law 102–206) and the Trademark Remedy
12 Clarification Act (Public Law 102–542) to clarify its
13 intent to abrogate State sovereign immunity from
14 suits for infringement of patents, protected plant va-
15 rieties and trademarks.

16 (7) In 1996, the Supreme Court held in *Semi-*
17 *nole Tribe of Florida v. Florida*, 517 U.S. 44 (1996)
18 (in this section referred to as “Seminole Tribe”)
19 that Congress may not abrogate State sovereign im-
20 munity under article I of the United States Con-
21 stitution. Under the Supreme Court decision in *Sem-*
22 *inole Tribe*, the Copyright Remedy Clarification Act,
23 the Patent and Plant Variety Protection Remedy
24 Clarification Act, and the Trademark Remedy Clari-
25 fication Act could not be sustained under clause 3

1 or 8 of section 8 of article I of the United States
2 Constitution.

3 (8) In 1999, the Supreme Court held in Florida
4 Prepaid Postsecondary Education Expense Board v.
5 College Savings Bank, 119 S. Ct. 2199 (1999) (in
6 this section referred to as “Florida Prepaid”) that
7 the Patent and Plant Variety Protection Remedy
8 Clarification Act could not be sustained as legisla-
9 tion enacted to enforce the guarantees of the due
10 process clause of the fourteenth amendment of the
11 United States Constitution.

12 (9) As a result of the Supreme Court’s decision
13 in Florida Prepaid, and absent remedial legislation,
14 a patent owner’s only remedy under the Federal pat-
15 ent laws against a State infringer of a patent is pro-
16 spective relief under the doctrine of *Ex parte Young*,
17 209 U.S. 123 (1908).

18 (10) On the same day that it decided Florida
19 Prepaid, the Supreme Court in *College Savings*
20 *Bank v. Florida Prepaid Postsecondary Education*
21 *Expense Board*, 119 S. Ct. 2219 (1999) (in this sec-
22 tion referred to as “College Savings Bank”) ex-
23 tended State sovereign immunity to purely commer-
24 cial activities of certain State entities.

1 (11) The Seminole Tribe, Florida Prepaid and
2 College Savings Bank decisions have the potential
3 to—

4 (A) deprive private intellectual property
5 owners of effective protection for both their
6 Federal intellectual property rights and their
7 constitutional rights under the fifth and four-
8 teenth amendments of the United States Con-
9 stitution; and

10 (B) compromise the ability of the United
11 States to fulfill its obligations under a variety
12 of international treaties.

13 (12) Article I of the United States Constitution
14 empowers, but does not require, Congress to offer
15 Federal intellectual property protection to any per-
16 son on such terms as appear reasonable and appro-
17 priate to serve the public interest by encouraging
18 scientific and artistic innovation and promoting com-
19 merce and fair competition.

20 (13) Congress can best accomplish the public
21 interests described under paragraph (12) by pro-
22 viding clear and certain national rules protecting
23 Federal intellectual property rights that establish a
24 level playing field for everyone, including States.

1 (14) In recent years, States have increasingly
2 elected to avail themselves of the benefits of the
3 Federal intellectual property system by obtaining
4 and enforcing Federal intellectual property rights.

5 (15) Any State should continue to enjoy the
6 benefits of the Federal intellectual property system,
7 if that State accepts the burdens with the benefits.

8 (16) A State should not enjoy the benefits of
9 the Federal intellectual property laws unless it is
10 prepared to have those same laws enforced against
11 that State.

12 (17) Limiting the ability of a State to enjoy the
13 benefits of the Federal intellectual property system
14 will neither prevent the State from providing any
15 services to citizens of that State, nor stop the State
16 from engaging in any commercial activity.

17 (18) If a State waives its sovereign immunity
18 from suit under the Federal intellectual property
19 laws, any constitutional violation resulting from its
20 infringement of a Federal intellectual property right
21 may be remedied in an infringement suit in Federal
22 court.

23 (19) If a State does not waive sovereign immu-
24 nity with respect to Federal intellectual property
25 laws, it is necessary and appropriate for Congress to

1 exercise its power under section 5 of the fourteenth
2 amendment to the United States Constitution to
3 protect the constitutional rights of owners of Federal
4 intellectual property rights, which are property inter-
5 ests protected by the fifth and fourteenth amend-
6 ments of the United States Constitution.

7 (20) According to the Supreme Court in *College*
8 *Savings Bank*, “The hallmark of a protected prop-
9 erty interest is the right to exclude others.”. Pat-
10 ents, copyrights, and trademarks are constitutionally
11 cognizable species of property because they secure
12 for their owners rights of exclusion against others.

13 (21) A State may not exercise any of the rights
14 conferred by a Federal intellectual property law
15 without the authorization of the right holder, except
16 in the manner and to the extent authorized by such
17 law. In *Goldstein v. California*, 412 U.S. 546
18 (1973), the Supreme Court stated “When Congress
19 grants an exclusive right or monopoly, its effects are
20 pervasive; no citizen or State may escape its reach.”.

21 (22) Because a State engaged in an infringing
22 use of a Federal intellectual property right is acting
23 outside the scope of its sovereign power, such State
24 fails to meet the public use requirement for a taking
25 of property imposed by the fifth amendment of the

1 United States Constitution (made applicable to the
2 States through the fourteenth amendment).

3 (23) According to the Supreme Court in Hawaii
4 Housing Authority v. Midkiff, 467 U.S. 229 (1984),
5 a claim for the taking of property in violation of the
6 public use requirement is ripe at the time of the tak-
7 ing.

8 (24) A violation of the Federal intellectual
9 property laws by a State may also constitute an un-
10 constitutional deprivation of property under the due
11 process clause of the fourteenth amendment of the
12 United States Constitution.

13 (25) In order to enforce Federal intellectual
14 property rights against States under the fifth and
15 fourteenth amendments of the United States Con-
16 stitution, it is appropriate to provide a right to en-
17 join any continuing or future constitutional violation
18 and a right to recover sufficient damages to make
19 the injured party whole.

20 (26) Violations of the Federal intellectual prop-
21 erty laws by States not only impair the constitu-
22 tional rights of the individual intellectual property
23 owner, but also discourage technological innovation
24 and artistic creation. Moreover, the potential for fu-
25 ture violations to go unremedied as a result of State

1 sovereign immunity prevents intellectual property
2 owners from securing fair and efficient fees in li-
3 censing negotiations.

4 (27) States and instrumentalities of States have
5 been involved in many intellectual property cases.
6 Some States have violated Federal intellectual prop-
7 erty rights and the constitutional provisions which
8 protect such rights and have refused to waive their
9 constitutional immunities, thereby securing unfair
10 economic advantages over other States and private
11 entities with whom such States may be in competi-
12 tion.

13 (28) States and instrumentalities of States have
14 become increasingly involved in commerce involving
15 intellectual property rights in recent years, and this
16 trend is likely to continue. As a result, violations of
17 Federal intellectual property rights by States have
18 become increasingly more widespread.

19 (29) It is not practical for Congress to engage
20 in an ongoing particularized inquiry as to which
21 States are violating the United States Constitution
22 at any given time. Accordingly, a national, uniform
23 remedy for constitutional violations is appropriate.

24 (b) PURPOSES.—The purposes of this Act are to—

1 (1) provide States an opportunity to participate
2 in the Federal intellectual property system on equal
3 terms with private entities;

4 (2) reaffirm the availability of prospective relief
5 to prevent State officials from violating Federal in-
6 tellectual property laws, and to allow challenges to
7 assertions by State officials of rights secured under
8 such laws, on the same terms and in the same man-
9 ner as if such State officials were private parties;

10 (3) provide other Federal remedies to owners of
11 Federal intellectual property rights as against the
12 States, State instrumentalities and State officials, to
13 the maximum extent permitted by the United States
14 Constitution; and

15 (4) abrogate State sovereign immunity in suits
16 alleging violations of Federal intellectual property
17 laws or challenging assertions of Federal intellectual
18 property rights by States to the maximum extent
19 permitted by the United States Constitution, pursu-
20 ant to Congress's powers under the fifth and four-
21 teenth amendments of the United States Constitu-
22 tion and any other applicable provisions.

1 **TITLE I—STATE PARTICIPATION**
2 **IN THE FEDERAL INTELLEC-**
3 **TUAL PROPERTY SYSTEM**

4 **Subtitle A—Definitions**

5 **SEC. 101. DEFINITIONS.**

6 In this title:

7 (1) FEDERAL INTELLECTUAL PROPERTY
8 LAW.—The term “Federal intellectual property law”
9 means a statute or regulation of the United States
10 that governs the creation or protection of any form
11 of intellectual property, including a patent, protected
12 plant variety, copyright, mask work, original design,
13 trademark, or service mark.

14 (2) FEDERAL INTELLECTUAL PROPERTY
15 RIGHT.—The term “Federal intellectual property
16 right” means any of the rights secured under a Fed-
17 eral intellectual property law.

18 (3) FEDERAL INTELLECTUAL PROPERTY SYS-
19 TEM.—The term “Federal intellectual property sys-
20 tem” means the system established under the Fed-
21 eral intellectual property laws for protecting and en-
22 forcing Federal intellectual property rights, includ-
23 ing through the award of damages, injunctions, and
24 declaratory relief.

1 **Subtitle B—Procedures for State**
2 **Participation in the Federal In-**
3 **tellectual Property System**

4 **SEC. 111. OPT-IN PROCEDURE.**

5 (a) IN GENERAL.—No State or any instrumentality
6 of that State may acquire a Federal intellectual property
7 right unless the State opts into the Federal intellectual
8 property system.

9 (b) AGREEMENT TO WAIVE SOVEREIGN IMMUN-
10 NITY.—A State opts into the Federal intellectual property
11 system by providing an assurance under the procedures
12 established in subtitle D of this title with respect to the
13 State’s agreement to waive sovereign immunity from suit
14 in Federal court in any action against the State or any
15 instrumentality or official of that State—

16 (1) arising under a Federal intellectual property
17 law; or

18 (2) seeking a declaration with respect to a Fed-
19 eral intellectual property right.

20 **SEC. 112. BREACH OF ASSURANCE BY A STATE.**

21 (a) IN GENERAL.—If a State asserts sovereign immu-
22 nity contrary to an assurance provided under the proce-
23 dures established in subtitle D of this title, such State
24 shall be deemed to have breached such assurance.

1 (b) ASSERTION OF IMMUNITY.—A State asserts sov-
2 ereign immunity for purposes of subsection (a) if—

3 (1) the State or any instrumentality or official
4 of that State is found to have asserted the State’s
5 sovereign immunity in an action against the State or
6 any instrumentality or official of that State—

7 (A) arising under a Federal intellectual
8 property law; or

9 (B) seeking a declaration with respect to a
10 Federal intellectual property right; and

11 (2) such State, instrumentality, or official does
12 not, within a period of 60 days after such finding,
13 withdraw such assertion of immunity and consent to
14 the continuation or refileing of the action in which
15 the finding was made.

16 (c) EFFECTIVE DATE OF BREACH OF ASSURANCE.—
17 A State shall be deemed to have breached an assurance
18 on the day after the end of the 60-day period provided
19 in subsection (b)(2).

20 **SEC. 113. CONSEQUENCES OF BREACH OF ASSURANCE BY A**
21 **STATE.**

22 (a) ABANDONMENT OF PENDING APPLICATIONS.—
23 Any application by or on behalf of a State or any instru-
24 mentality or official of that State for protection arising
25 under a Federal intellectual property law shall be regarded

1 as abandoned and shall not be subject to revival after the
2 date referred to under paragraph (2), if that application—

3 (1) contains an assurance provided under the
4 procedures established in subtitle D; and

5 (2) is pending on the date upon which such
6 State is deemed to have breached an assurance
7 under section 112.

8 (b) ESTABLISHMENT OF DEFENSE TO LIABILITY.—

9 (1) IN GENERAL.—No damages or other mone-
10 tary relief shall be awarded in any action to enforce
11 a Federal intellectual property right that is or has
12 been owned by or on behalf of a State or any instru-
13 mentality of that State at any time during the 5-
14 year period preceding the date upon which such
15 State is deemed to have breached an assurance
16 under section 122.

17 (2) NO RETROACTIVE EFFECT.—The defense
18 under paragraph (1) shall not be available in any ac-
19 tion to enforce a Federal intellectual property right
20 that was owned by or on behalf of a State or an in-
21 strumentality of a State before the effective date of
22 this title.

23 (c) ONE-YEAR BAR ON ACQUISITION OF NEW
24 RIGHTS.—

1 (1) IN GENERAL.—A State may not opt back
2 into the Federal intellectual property system under
3 section 111 during the 1-year period following the
4 date upon which that State was deemed to have
5 breached an assurance under section 112.

6 (2) NEW RIGHTS UNENCUMBERED.—Federal
7 intellectual property rights acquired by or on behalf
8 of a State or any instrumentality or official of that
9 State after the State has opted back into the Fed-
10 eral intellectual property system shall be
11 unencumbered by any prior breach of an assurance.

12 **Subtitle C—Administration of Pro-**
13 **cedures for State Participation**
14 **in the Federal Intellectual Prop-**
15 **erty System**

16 **SEC. 121. NOTIFICATION BY COURT OF STATE ASSERTION**
17 **OF SOVEREIGN IMMUNITY.**

18 Not later than 20 days after any finding by a Federal
19 court that a State or any instrumentality or official of that
20 State has asserted the State's sovereign immunity from
21 suit in that court in an action against the State or any
22 instrumentality or official of that State arising under a
23 Federal intellectual property law, or seeking a declaration
24 with respect to a Federal intellectual property right, the
25 clerk of the court shall notify the Commissioner of Patents

1 and Trademarks. The clerk shall send with the notification
 2 a copy of any order, judgment, or written opinion of the
 3 court.

4 **SEC. 122. CONFIRMATION BY COMMISSIONER OF PATENTS**
 5 **AND TRADEMARKS OF STATE ASSERTION OF**
 6 **SOVEREIGN IMMUNITY.**

7 Not later than 20 days after receiving a notification
 8 under section 121, the Commissioner of Patents and
 9 Trademarks shall—

10 (1) forward such notification to the attorney
 11 general of the State whose sovereign immunity has
 12 been found to have been asserted, together with a
 13 copy of this title; and

14 (2) inquire of the attorney general whether the
 15 State intends to withdraw such assertion of immu-
 16 nity and consent to the continuation or refiling of
 17 the action in which the finding was made within the
 18 60-day period provided in section 112(b)(2).

19 **SEC. 123. PUBLICATION BY COMMISSIONER OF PATENTS**
 20 **AND TRADEMARKS OF STATE ASSERTION OF**
 21 **SOVEREIGN IMMUNITY.**

22 (a) IN GENERAL.—The Commissioner of Patents and
 23 Trademarks, in consultation with the Secretary of Agri-
 24 culture and the Register of Copyrights, shall publish in
 25 the Federal Register and maintain on the Internet infor-

1 mation concerning the participation of each State in the
2 Federal intellectual property system.

3 (b) CONTENT OF INFORMATION.—The information
4 under subsection (a) shall include, for each State—

5 (1) whether the State’s sovereign immunity
6 from suit in Federal court has been asserted under
7 section 112(b); and

8 (2) the name of the case and court in which
9 such assertion of immunity was made.

10 **SEC. 124. RULEMAKING AUTHORITY.**

11 The Commissioner of Patents and Trademarks may,
12 pursuant to section 6 of title 35, United States Code, pro-
13 mulgate such rules as necessary to implement the provi-
14 sions of this subtitle.

15 **Subtitle D—Amendments to the**
16 **Federal Intellectual Property Laws**

17 **SEC. 131. CONDITIONS FOR STATE PARTICIPATION IN THE**
18 **FEDERAL PATENT SYSTEM.**

19 (a) APPLICATION FOR PATENT.—Section 111 of title
20 35, United States Code, is amended by adding at the end
21 the following:

22 “(c) APPLICATION BY OR ON BEHALF OF A STATE.—
23 When an application for patent or a provisional applica-
24 tion for patent is made by or on behalf of a State, an

1 instrumentality of a State, or a State official acting in an
2 official capacity, the Commissioner shall require—

3 “(1) an assurance that, during the pendency of
4 the application and the term of any patent resulting
5 from that application, the State’s sovereign immu-
6 nity from suit in Federal court will be waived in any
7 action against the State or any instrumentality or
8 official of that State—

9 “(A) arising under a Federal intellectual
10 property law; or

11 “(B) seeking a declaration with respect to
12 a Federal intellectual property right; and

13 “(2) a certification that, during the 1-year pe-
14 riod preceding the date of the application, the
15 State’s sovereign immunity from suit in Federal
16 court has not been asserted in any action described
17 in paragraph (1).”.

18 (b) ASSIGNMENT AND RECORDATION.—Section 261
19 of title 35, United States Code, is amended—

20 (1) by striking “Subject to the provisions of
21 this title” in the first sentence and inserting “(a) IN
22 GENERAL.—Subject to the provisions of this title”;
23 and

24 (2) by adding at the end the following:

1 “(b) RECORDATION BY OR ON BEHALF OF A
2 STATE.—When an assignment, grant, or conveyance of an
3 application for patent, patent, or any interest in that pat-
4 ent, is recorded in the Patent and Trademark Office by
5 or on behalf of a State, an instrumentality of a State, or
6 a State official acting in an official capacity, the Commis-
7 sioner shall require—

8 “(1) an assurance that, during the pendency of
9 the application and the term of any patent resulting
10 from that application, or during the remaining term
11 of the patent or any interest in that patent, the
12 State’s sovereign immunity from suit in Federal
13 court will be waived in any action against the State
14 or any instrumentality or official of that State—

15 “(A) arising under a Federal intellectual
16 property law; or

17 “(B) seeking a declaration with respect to
18 a Federal intellectual property right; and

19 “(2) a certification that, during the 1-year pe-
20 riod preceding the date of the recordation, the
21 State’s sovereign immunity from suit in Federal
22 court has not been asserted in any action described
23 in paragraph (1).”.

1 **SEC. 132. CONDITIONS FOR STATE PARTICIPATION IN THE**
2 **FEDERAL PLANT VARIETY PROTECTION SYS-**
3 **TEM.**

4 (a) APPLICATION FOR CERTIFICATE OF PROTEC-
5 TION.—Section 52 of the Plant Variety Protection Act (7
6 U.S.C. 2422) is amended—

7 (1) by striking “An application for a certifi-
8 cate” in the first sentence and inserting “(a) An ap-
9 plication for a certificate”; and

10 (2) by adding at the end the following:

11 “(b) When an application for plant variety protection
12 is made by or on behalf of a State, an instrumentality
13 of a State, or a State official acting in an official capacity,
14 the Secretary shall require—

15 “(1) an assurance that, during the pendency of
16 the application and the term of any plant variety
17 protection resulting from that application, the
18 State’s sovereign immunity from suit in Federal
19 court will be waived in any action against the State
20 or any instrumentality or official of that State—

21 “(A) arising under a Federal intellectual
22 property law; or

23 “(B) seeking a declaration with respect to
24 a Federal intellectual property right; and

25 “(2) a certification that, during the 1-year pe-
26 riod preceding the date of the application, the

1 State’s sovereign immunity from suit in Federal
2 court has not been asserted in any action described
3 in paragraph (1).”.

4 (b) ASSIGNMENT AND RECORDATION.—Section 101
5 of the Plant Variety Protection Act (7 U.S.C. 2531) is
6 amended by adding at the end the following:

7 “(e) When an assignment, grant, conveyance, or li-
8 cense of plant variety protection or application for plant
9 variety protection is filed for recording in the Plant Vari-
10 ety Protection Office by or on behalf of a State, an instru-
11 mentality of a State, or a State official acting in an official
12 capacity, the Secretary shall require—

13 “(1) an assurance that, during the remaining
14 term of the plant variety protection, or during the
15 pendency of the application and the term of any
16 plant variety protection resulting from that applica-
17 tion, the State’s sovereign immunity from suit in
18 Federal court will be waived in any action against
19 the State or any instrumentality or official of that
20 State—

21 “(A) arising under a Federal intellectual
22 property law; or

23 “(B) seeking a declaration with respect to
24 a Federal intellectual property right; and

1 “(i) arising under a Federal intellec-
2 tual property law; or

3 “(ii) seeking a declaration with re-
4 spect to a Federal intellectual property
5 right; and

6 “(B) a certification that, during the 1-year
7 period preceding the date of the application, the
8 State’s sovereign immunity from suit in Federal
9 court has not been asserted in any action de-
10 scribed in subparagraph (A); and”.

11 **SEC. 134. CONDITIONS FOR STATE PARTICIPATION IN THE**
12 **FEDERAL MASK WORK SYSTEM.**

13 Section 908 of title 17, United States Code, is
14 amended by adding at the end the following:

15 “(h) When an application for registration of a mask
16 work is made by or on behalf of a State or an instrumen-
17 tality of a State, the Register of Copyrights shall
18 require—

19 “(1) an assurance that, during the pendency of
20 the application and any term of protection resulting
21 from that application, the State’s sovereign immu-
22 nity from suit in Federal court will be waived in any
23 action against the State or any instrumentality or
24 official of that State—

1 “(A) arising under a Federal intellectual
2 property law; or

3 “(B) seeking a declaration with respect to
4 a Federal intellectual property right; and

5 “(2) a certification that, during the 1-year pe-
6 riod preceding the date of the application, the
7 State’s sovereign immunity from suit in Federal
8 court has not been asserted in any action described
9 in paragraph (1).”.

10 **SEC. 135. CONDITIONS FOR STATE PARTICIPATION IN THE**
11 **FEDERAL ORIGINAL DESIGN SYSTEM.**

12 Section 1310 of title 17, United States Code, is
13 amended by adding at the end the following:

14 “(k) APPLICATION BY OR ON BEHALF OF A STATE
15 OR AN INSTRUMENTALITY OF A STATE.—When an appli-
16 cation for registration of a design is made by or on behalf
17 of a State or an instrumentality of a State, the Adminis-
18 trator shall require—

19 “(1) an assurance that, during the pendency of
20 the application and any term of protection resulting
21 from that application, the State’s sovereign immu-
22 nity from suit in Federal court will be waived in any
23 action against the State or any instrumentality or
24 official of that State—

1 “(A) arising under a Federal intellectual
2 property law; or

3 “(B) seeking a declaration with respect to
4 a Federal intellectual property right; and

5 “(2) a certification that, during the 1-year pe-
6 riod preceding the date of the application, the
7 State’s sovereign immunity from suit in Federal
8 court has not been asserted in any action described
9 in paragraph (1).”.

10 **SEC. 136. CONDITIONS FOR STATE PARTICIPATION IN THE**
11 **FEDERAL TRADEMARK SYSTEM.**

12 (a) APPLICATION FOR USE OF TRADEMARK OR
13 SERVICE MARK.—Section 1 of the Trademark Act of 1946
14 (15 U.S.C. 1051) is amended by adding at the end the
15 following:

16 “(f) When an application under subsection (a) or (b)
17 of this section is made by or on behalf of a State or an
18 instrumentality of a State, the Commissioner shall
19 require—

20 “(1) an assurance that, during the pendency of
21 the application and for as long as the mark is reg-
22 istered, the State’s sovereign immunity from suit in
23 Federal court will be waived in any action against
24 the State or any instrumentality or official of that
25 State—

1 “(A) arising under a Federal intellectual
2 property law; or

3 “(B) seeking a declaration with respect to
4 a Federal intellectual property right; and

5 “(2) a certification that, during the 1-year pe-
6 riod preceding the date of the application, the
7 State’s sovereign immunity from suit in Federal
8 court has not been asserted in any action described
9 in paragraph (1).”.

10 (b) ASSIGNMENT AND RECORDATION.—Section 10 of
11 the Trademark Act of 1946 (15 U.S.C. 1060) is
12 amended—

13 (1) by inserting “(a)” before “A registered
14 mark”;

15 (2) by inserting “(b)” before “An assignee not
16 domiciled”; and

17 (3) by adding at the end the following:

18 “(c) When an assignment of a registered mark or a
19 mark for which an application to register has been filed
20 is recorded in the Patent and Trademark Office by or on
21 behalf of a State or an instrumentality of a State, the
22 Commissioner shall require—

23 “(1) an assurance that, during the pendency of
24 any application and for as long as any mark is reg-
25 istered, the State’s sovereign immunity from suit in

1 Federal court will be waived in any action against
2 the State or any instrumentality or official of that
3 State—

4 “(A) arising under a Federal intellectual
5 property law; or

6 “(B) seeking a declaration with respect to
7 a Federal intellectual property right; and

8 “(2) a certification that, during the 1-year pe-
9 riod preceding the date of the recordation, the
10 State’s sovereign immunity from suit in Federal
11 court has not been asserted in any action described
12 in paragraph (1).”.

13 **SEC. 137. NO RETROACTIVE EFFECT.**

14 The amendments made by this subtitle shall not
15 apply to—

16 (1) any application pending before the effective
17 date of this title; or

18 (2) any assertion of sovereign immunity made
19 before the effective date of this title.

1 **TITLE II—RESTORATION OF**
2 **PROTECTION FOR FEDERAL**
3 **INTELLECTUAL PROPERTY**
4 **RIGHTS**

5 **SEC. 201. LIABILITY OF STATES FOR PATENT VIOLATIONS.**

6 Section 296 of title 35, United States Code, is
7 amended to read as follows:

8 **“§ 296. Liability of States, instrumentalities of States,**
9 **and State officials for infringement of**
10 **patents**

11 “(a) REMEDY FOR STATUTORY VIOLATION.—In any
12 action against an officer or employee of a State for in-
13 fringement of a patent under section 271, or for any other
14 violation under this title, prospective relief is available
15 against the officer or employee in the same manner and
16 to the same extent as such relief is available in an action
17 against a private individual under like circumstances. Pro-
18 spective relief may include injunctions under section 283,
19 attorney fees under section 285, and declaratory relief
20 under section 2201 of title 28.

21 “(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

22 “(1) DEFINITION.—In this subsection, the term
23 ‘State’ includes a State, an instrumentality of a
24 State, and an officer or employee of a State acting
25 in an official capacity.

1 “(2) IN GENERAL.—

2 “(A) REMEDIES.—Any State that takes
3 any of the rights of exclusion secured under
4 this chapter in violation of the fifth amendment
5 of the United States Constitution, or deprives
6 any person of any of the rights of exclusion se-
7 cured under this chapter without due process of
8 law in violation of the fourteenth amendment—

9 “(i) shall be liable to the party injured
10 in a civil action against the State for the
11 recovery of that party’s reasonable and en-
12 tire compensation; and

13 “(ii) may be enjoined from continuing
14 or future constitutional violations, in ac-
15 cordance with the principles of equity and
16 upon such terms as the court may deter-
17 mine reasonable.

18 “(B) COMPENSATION.—Reasonable and
19 entire compensation may include damages, in-
20 terest, and costs under section 284, attorney
21 fees under section 285, and the additional rem-
22 edy for infringement of design patents under
23 section 289.

24 “(3) LIMITATIONS.—

1 “(A) IN GENERAL.—The remedy provided
2 under paragraph (2) is not available in an ac-
3 tion against—

4 “(i) a State that has waived its sov-
5 ereign immunity from suit in Federal court
6 for damages resulting from a violation of
7 this title; or

8 “(ii) a State official in an individual
9 capacity.

10 “(B) REMEDIES.—Remedies (including
11 remedies both at law and in equity) are avail-
12 able against such State or State official in the
13 same manner and to the same extent as such
14 remedies are available in an action against a
15 private entity or individual under like cir-
16 cumstances.

17 “(4) BURDEN OF PROOF.—If a claimant pro-
18 duces prima facie evidence to support a claim under
19 paragraph (2), the burden of proof shall be on the
20 State, except as to any elements of the claim that
21 would have to be proved if the action were brought
22 under another provision of this title. The burden of
23 proof shall be unaffected with respect to any such
24 element.

1 “(b)(1) In this subsection, the term ‘State’ includes
2 a State, an instrumentality of a State, and an officer or
3 employee of a State acting in an official capacity.

4 “(2)(A) Any State that takes any of the rights of ex-
5 clusion secured under this chapter in violation of the fifth
6 amendment of the United States Constitution, or deprives
7 any person of any of the rights of exclusion secured under
8 this chapter without due process of law in violation of the
9 fourteenth amendment—

10 “(i) shall be liable to the party injured in a civil
11 action against the State for the recovery of that par-
12 ty’s reasonable and entire compensation; and

13 “(ii) may be enjoined from continuing or future
14 constitutional violations, in accordance with the prin-
15 ciples of equity and upon such terms as the court
16 may determine reasonable.

17 “(B) Reasonable and entire compensation may in-
18 clude damages, interest, and costs under section 124, and
19 attorney fees under section 125.

20 “(3)(A) The remedy provided under paragraph (2) is
21 not available in an action against—

22 “(i) a State that has waived its sovereign im-
23 munity from suit in Federal court for damages re-
24 sulting from a violation of this chapter; or

25 “(ii) a State official in an individual capacity.

1 “(B) Remedies (including remedies both at law and
2 in equity) are available against such State or State official
3 in the same manner and to the same extent as such rem-
4 edies are available in an action against a private entity
5 or individual under like circumstances.

6 “(4) If a claimant produces prima facie evidence to
7 support a claim under paragraph (2), the burden of proof
8 shall be on the State, except as to any elements of the
9 claim that would have to be proved if the action were
10 brought under another provision of this chapter. The bur-
11 den of proof shall be unaffected with respect to any such
12 element.

13 “(c) No State may exercise any rights of the owner
14 of a plant variety protected by a certificate of plant variety
15 protection under this chapter without the authorization or
16 consent of such owner, except in the manner and to the
17 extent authorized by Federal law.”.

18 **SEC. 203. LIABILITY OF STATES FOR COPYRIGHT VIOLA-**
19 **TIONS.**

20 Section 511 of title 17, United States Code, is
21 amended to read as follows:

1 **“§ 511. Liability of States, instrumentalities of States,**
2 **and State officials for infringement of**
3 **copyright**

4 “(a) REMEDY FOR STATUTORY VIOLATION.—In any
5 action against an officer or employee of a State for viola-
6 tion of any rights of a copyright owner as provided in sec-
7 tions 106 through 121 or of an author as provided in sec-
8 tion 106A, or for any other violation under this title, pro-
9 spective relief is available against the officer or employee
10 in the same manner and to the same extent as such relief
11 is available in an action against a private individual under
12 like circumstances. Prospective relief may include injunc-
13 tions under section 502, impounding and disposition of in-
14 fringing articles under section 503, costs and attorney fees
15 under section 505, and declaratory relief under section
16 2201 of title 28.

17 “(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

18 “(1) DEFINITION.—In this subsection, the term
19 ‘State’ includes a State, an instrumentality of a
20 State, and an officer or employee of a State acting
21 in an official capacity.

22 “(2) IN GENERAL.—

23 “(A) REMEDIES.—Any State that takes
24 any of the rights of exclusion secured under
25 this title in violation of the fifth amendment of
26 the United States Constitution, or deprives any

1 person of any of the rights of exclusion secured
2 under this title without due process of law in
3 violation of the fourteenth amendment—

4 “(i) shall be liable to the party injured
5 in a civil action against the State for the
6 recovery of that party’s reasonable and en-
7 tire compensation; and

8 “(ii) may be enjoined from continuing
9 or future constitutional violations, in ac-
10 cordance with the principles of equity and
11 upon such terms as the court may deter-
12 mine reasonable.

13 “(B) COMPENSATION.—Reasonable and
14 entire compensation may include actual dam-
15 ages and profits or statutory damages under
16 section 504, and costs and attorney fees under
17 section 505.

18 “(3) LIMITATIONS.—

19 “(A) IN GENERAL.—The remedy provided
20 under paragraph (2) is not available in an ac-
21 tion against—

22 “(i) a State that has waived its sov-
23 ereign immunity from suit in Federal court
24 for damages resulting from a violation of
25 this title; or

1 “(ii) a State official in an individual
2 capacity.

3 “(B) REMEDIES.—Remedies (including
4 remedies both at law and in equity) are avail-
5 able against such State or State official in the
6 same manner and to the same extent as such
7 remedies are available in an action against a
8 private entity or individual under like cir-
9 cumstances.

10 “(4) BURDEN OF PROOF.—If a claimant pro-
11 duces prima facie evidence to support a claim under
12 paragraph (2), the burden of proof shall be on the
13 State, except as to any elements of the claim that
14 would have to be proved if the action were brought
15 under another provision of this title. The burden of
16 proof shall be unaffected with respect to any such
17 element.

18 “(c) PREEMPTION.—No State may exercise any
19 rights of a copyright owner protected under this title with-
20 out the authorization or consent of such owner, except in
21 the manner and to the extent authorized by Federal law.”.

22 **SEC. 204. LIABILITY OF STATES FOR MASK WORK VIOLA-**
23 **TIONS.**

24 (a) IN GENERAL.—Chapter 9 of title 17, United
25 States Code, is amended—

1 (1) in section 911, by striking subsection (g);

2 and

3 (2) by adding at the end the following:

4 **“§ 915. Liability of States, instrumentalities of States,**
5 **and State officials for violation of mask**
6 **works**

7 “(a) REMEDY FOR STATUTORY VIOLATION.—In any
8 action against an officer or employee of a State for in-
9 fringement of any rights in a mask work protected under
10 this chapter, or for any other violation under this chapter,
11 prospective relief is available against the officer or em-
12 ployee in the same manner and to the same extent as such
13 relief is available in an action against a private individual
14 under like circumstances. Prospective relief may include
15 injunctive relief under section 911(a), impounding and de-
16 struction of infringing products under section 911(e),
17 costs and attorney fees under section 911(f), and declara-
18 tory relief under section 2201 of title 28.

19 “(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

20 “(1) DEFINITION.—In this subsection, the term
21 ‘State’ includes a State, an instrumentality of a
22 State, and an officer or employee of a State acting
23 in an official capacity.

24 “(2) IN GENERAL.—

1 “(A) REMEDIES.—Any State that takes
2 any of the rights of exclusion secured under
3 this chapter in violation of the fifth amendment
4 of the United States Constitution, or deprives
5 any person of any of the rights of exclusion se-
6 cured under this chapter without due process of
7 law in violation of the fourteenth amendment—

8 “(i) shall be liable to the party injured
9 in a civil action against the State for the
10 recovery of that party’s reasonable and en-
11 tire compensation; and

12 “(ii) may be enjoined from continuing
13 or future constitutional violations, in ac-
14 cordance with the principles of equity and
15 upon such terms as the court may deter-
16 mine reasonable.

17 “(B) COMPENSATION.—Reasonable and
18 entire compensation may include actual dam-
19 ages and profits under section 911(b) or statu-
20 tory damages under section 911(c), and costs
21 and attorney fees under section 911(f).

22 “(3) LIMITATIONS.—

23 “(A) IN GENERAL.—The remedy provided
24 under paragraph (2) is not available in an ac-
25 tion against—

1 “(i) a State that has waived its sov-
2 ereign immunity from suit in Federal court
3 for damages resulting from a violation of
4 this title; or

5 “(ii) a State official in an individual
6 capacity.

7 “(B) REMEDIES.—Remedies (including
8 remedies both at law and in equity) are avail-
9 able against such State or State official in the
10 same manner and to the same extent as such
11 remedies are available in an action against a
12 private entity or individual under like cir-
13 cumstances.

14 “(4) BURDEN OF PROOF.—If a claimant pro-
15 duces prima facie evidence to support a claim under
16 paragraph (2), the burden of proof shall be on the
17 State, except as to any elements of the claim that
18 would have to be proved if the action were brought
19 under another provision of this chapter. The burden
20 of proof shall be unaffected with respect to any such
21 element.

22 “(c) PREEMPTION.—No State may exercise any
23 rights of the owner of a mask work protected under this
24 chapter without the authorization or consent of such

1 owner, except in the manner and to the extent authorized
2 by Federal law.”.

3 (b) CONFORMING AMENDMENT.—The table of sec-
4 tions for chapter 9 of title 17, United States Code, is
5 amended by adding at the end the following:

“915. Liability of States, instrumentalities of States, and State officials for vio-
lation of mask works.”.

6 **SEC. 205. LIABILITY OF STATES FOR ORIGINAL DESIGN**
7 **VIOLATIONS.**

8 (a) IN GENERAL.—Chapter 13 of title 17, United
9 States Code, is amended—

10 (1) in section 1309(a), by adding at the end the
11 following: “In this subsection, the term ‘any person’
12 includes any State, any instrumentality of a State,
13 and any officer or employee of a State or instrumen-
14 tality of a State acting in an official capacity. Any
15 State, and any such instrumentality, officer, or em-
16 ployee, shall be subject to the provisions of this
17 chapter in the same manner and to the same extent
18 as any nongovernmental entity.”; and

19 (2) by adding at the end the following:

20 **“§ 1333. Liability of States, instrumentalities of**
21 **States, and State officials for violation of**
22 **original designs**

23 “(a) REMEDY FOR STATUTORY VIOLATION.—In any
24 action against an officer or employee of a State for in-

1 fringement of any rights in a design protected under this
2 chapter, or for any other violation under this chapter, pro-
3 spective relief is available against the officer or employee
4 in the same manner and to the same extent as such relief
5 is available in an action against a private individual under
6 like circumstances. Prospective relief may include injunc-
7 tions under section 1322, attorney fees under section
8 1323(d), disposition of infringing and other articles under
9 section 1323(e), and declaratory relief under section 2201
10 of title 28.

11 “(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

12 “(1) DEFINITION.—In this subsection, the term
13 ‘State’ includes a State, an instrumentality of a
14 State, and an officer or employee of a State acting
15 in an official capacity.

16 “(2) IN GENERAL.—

17 “(A) REMEDIES.—Any State that takes
18 any of the rights of exclusion secured under
19 this chapter in violation of the fifth amendment
20 of the United States Constitution, or deprives
21 any person of any of the rights of exclusion se-
22 cured under this chapter without due process of
23 law in violation of the fourteenth amendment—

24 “(i) shall be liable to the party injured
25 in a civil action against the State for the

1 recovery of that party's reasonable and en-
2 tire compensation; and

3 “(ii) may be enjoined from continuing
4 or future constitutional violations, in ac-
5 cordance with the principles of equity and
6 upon such terms as the court may deter-
7 mine reasonable.

8 “(B) COMPENSATION.—Reasonable and
9 entire compensation may include damages, prof-
10 its, and attorney fees under section 1323.

11 “(3) LIMITATIONS.—

12 “(A) IN GENERAL.—The remedy provided
13 under paragraph (2) is not available in an ac-
14 tion against—

15 “(i) a State that has waived its sov-
16 ereign immunity from suit in Federal court
17 for damages resulting from a violation of
18 this title; or

19 “(ii) a State official in an individual
20 capacity.

21 “(B) REMEDIES.—Remedies (including
22 remedies both at law and in equity) are avail-
23 able against such State or State official in the
24 same manner and to the same extent as such
25 remedies are available in an action against a

1 private entity or individual under like cir-
2 cumstances.

3 “(4) BURDEN OF PROOF.—If a claimant pro-
4 duces prima facie evidence to support a claim under
5 paragraph (2), the burden of proof shall be on the
6 State, except as to any elements of the claim that
7 would have to be proved if the action were brought
8 under another provision of this chapter. The burden
9 of proof shall be unaffected with respect to any such
10 element.

11 “(c) PREEMPTION.—No State may exercise any
12 rights of the owner of a design protected under this chap-
13 ter without the authorization or consent of such owner,
14 except in the manner and to the extent authorized by Fed-
15 eral law.”.

16 (b) CONFORMING AMENDMENT.—The table of sec-
17 tions for chapter 13 of title 17, United States Code, is
18 amended by adding at the end the following:

“1333. Liability of States, instrumentalities of States, and State officials for vio-
lation of original designs.”.

19 **SEC. 206. LIABILITY OF STATES FOR TRADEMARK VIOLA-**
20 **TIONS.**

21 Section 40 of the Trademark Act of 1946 (15 U.S.C.
22 1122) is amended to read as follows:

1 **“SEC. 40. LIABILITY OF STATES, INSTRUMENTALITIES OF**
2 **STATES, AND STATE OFFICIALS FOR IN-**
3 **FRINGEMENT OF TRADEMARKS.**

4 “(a) REMEDY FOR STATUTORY VIOLATION.—In any
5 action against an officer or employee of a State for in-
6 fringement of a trademark under section 32, or for any
7 other violation under this Act, prospective relief is avail-
8 able against the officer or employee in the same manner
9 and to the same extent as such relief is available in an
10 action against a private individual under like cir-
11 cumstances. Prospective relief may include injunctive re-
12 lief under section 34, costs and attorney fees under section
13 35, destruction of infringing articles under section 36, and
14 declaratory relief under section 2201 of title 28, United
15 States Code.

16 “(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

17 “(1) DEFINITION.—In this subsection, the term
18 ‘State’ includes a State, an instrumentality of a
19 State, and an officer or employee of a State acting
20 in an official capacity.

21 “(2) IN GENERAL.—

22 “(A) REMEDIES.—Any State that takes
23 any of the rights of exclusion secured under
24 this Act in violation of the fifth amendment of
25 the United States Constitution, or deprives any
26 person of any of the rights of exclusion secured

1 under this Act without due process of law in
2 violation of the fourteenth amendment—

3 “(i) shall be liable to the party injured
4 in a civil action against the State for the
5 recovery of that party’s reasonable and en-
6 tire compensation; and

7 “(ii) may be enjoined from continuing
8 or future constitutional violations, in ac-
9 cordance with the principles of equity and
10 upon such terms as the court may deter-
11 mine reasonable.

12 “(B) COMPENSATION.—Reasonable and
13 entire compensation may include actual dam-
14 ages and profits or statutory damages, and
15 costs and attorney fees under section 35.

16 “(3) LIMITATIONS.—

17 “(A) IN GENERAL.—The remedy provided
18 under paragraph (2) is not available in an ac-
19 tion against—

20 “(i) a State that has waived its sov-
21 ereign immunity from suit in Federal court
22 for damages resulting from a violation of
23 this title; or

24 “(ii) a State official in an individual
25 capacity.

1 “(B) REMEDIES.—Remedies (including
2 remedies both at law and in equity) are avail-
3 able against such State or State official in the
4 same manner and to the same extent as such
5 remedies are available in an action against a
6 private entity or individual under like cir-
7 cumstances.

8 “(4) BURDEN OF PROOF.—If a claimant pro-
9 duces prima facie evidence to support a claim under
10 paragraph (2), the burden of proof shall be on the
11 State, except as to any elements of the claim that
12 would have to be proved if the action were brought
13 under another provision of this Act. The burden of
14 proof shall be unaffected with respect to any such
15 element.

16 “(c) PREEMPTION.—No State may use a federally
17 registered mark for the same or similar goods or service
18 without the authorization or consent of the owner of the
19 mark, except in the manner and to the extent authorized
20 by Federal law.”.

21 **SEC. 207. RULES OF CONSTRUCTION.**

22 (a) JURISDICTION.—The district courts shall have
23 original jurisdiction of any action arising under this title
24 and the amendments made by this title under section 1338
25 of title 28, United States Code.

1 (b) BROAD CONSTRUCTION.—This title and the
2 amendments made by this title shall be construed in favor
3 of a broad protection of Federal intellectual property
4 rights, to the maximum extent permitted by this title and
5 the United States Constitution.

6 **TITLE III—EFFECTIVE DATES**

7 **SEC. 301. EFFECTIVE DATES.**

8 (a) TITLE I.—Title I of this Act and the amendments
9 made by that title shall take effect 90 days after the date
10 of enactment of this Act.

11 (b) TITLE II.—The amendments made by title II of
12 this Act shall take effect with respect to violations that
13 occur on or after the date of enactment of this Act.

14 **SEC. 302. SEVERABILITY.**

15 If any provision of this Act or of an amendment made
16 by this Act, or any application of such provision to any
17 person or circumstance, is held to be unconstitutional, the
18 remainder of this Act, the amendments made by this Act,
19 and the application of the provision to any other person
20 or circumstance shall not be affected.

○