Patent Public Advisory Committee
Quarterly Meeting

Legislative/Governmental Affairs Update

Dana Robert Colarulli
Director, Office of Governmental Affairs

February 1, 2018
Nominee for Director of USPTO: Andrei Iancu
115th Congress, second session

• Pending USPTO Director Nomination
  • Nomination hearing before the Senate Judiciary Committee (November 29, 2017)
  • Chairman Grassley (R-IA) and Sen. Coons (D-DE) questioned Mr. Iancu
  • 55 QFRs
• On December 14, 2017, the Senate Judiciary Committee approved Mr. Iancu’s nomination by unanimous consent
• Awaiting Vote by the Full Senate
  • 150 nominations maintained in status quo at end of the session (100 returned to WH)
• Mr. Iancu met with staff from Majority Leader McConnell (R-KY) and Minority Leader Schumer (D-NY) in January 2018
Congressional Activity – Calendar
115th Congress, second session

• **Federal Budget FY2018:** Operating under a Continuing Resolution (CR) until February 8, 2018 for FY2018.

• **Current Legislative Focus Areas:**
  • Budget / FY 2018 Appropriations
  • FY 2019 President’s Budget
  • Immigration/Deferred Action for Childhood Arrivals (DACA)
  • Debt Ceiling (approx. March 2018)
  • Infrastructure
Congressional Activity –
115th Congress, second session

Judiciary Committee Retirements and Changes

• Senate Judiciary Committee
  • Sens. Cory Booker (D-NJ) and Kamala Harris (D-CA) were added to the SJC
  • Sen. Orrin Hatch (R-UT) (President Pro Tempore) to retire

• House Judiciary Committee
  • Rep. Jerry Nadler (D-NY) became the Ranking Member of the Full Committee
    (replacing Rep. John Conyers (D-MI))
  • Rep. Hank Johnson (D-GA), became the Ranking Member in the Subcommittee
    (replacing Rep. Jerry Nadler (D-NY))
  • Chairman Robert Goodlatte (R-VA) to retire
  • Rep. Darrell Issa (R-CA), Chairman of the Subcommittee on the Courts, Intellectual Property and the Internet announced he was not running for reelection
Legislative Activity
115th Congress, second session

General Update
• Consideration of IP issues likely to be dominated by Copyright measures.
• Patent measures may also be considered addressing PTAB reforms, sovereign immunity and other issues.

Telework Enhancement Act Pilot Program (TEAPP) Extension
• USPTO’s TEAPP authority expired on December 8, 2017
• H.R. 4171, a bill extending the program through December 31, 2020, was passed by the House on a voice vote on December 12, 2017
• Bill referred to the Senate Homeland Security and Governmental Affairs Committee
Legislative Activity
115th Congress

Tax Cuts and Jobs Act (Public Law No.115-97)

• Signed into law on December 22, 2017

• Effects on intellectual property
  o Excludes certain patents, designs and secret formulas or processes from the definition of “capital asset”
  o Removes the ability to treat such intellectual property as a capital asset that would have been subject to lower capital gains tax rate of 20%
  o Treats gain from the sale of such assets as ordinary income, subject to higher rates
  o Other provisions in the bill are intended to encourage a repatriation of US IP assets.
Federal government shutdowns since 1976
There have been 18 gaps in funding for the federal government during the last four decades.

** Source: CRS/CNN

<table>
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<th>Shutdown dates</th>
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**CR History:**
1994 -- the last time all appropriations bills were passed individually prior to the start of the fiscal year

1996 -- the last time the spending laws were passed on time (accomplished with an omnibus package of six spending bills)
Questions and Comments

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USPTO’s Office of Governmental Affairs: Overview

**Structure:** 10 Staff (mix of attorneys and non-attorneys)

**Core Mission**

- Represent USPTO on Capitol Hill
  - (Advance PTO’s legislative agenda, prepare testimony, brief staff, provide technical advice)

- Respond to Requests from Members of Congress and Facilitate Clearance
  - (constituent issues, clear IP policy documents within the Administration)

- Build Relationships and Maintain Goodwill with Elected Officials
  - (Support regional office engagement, build fed/state relationships & stakeholder outreach)