



# The Daily Whip

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**WEDNESDAY, MARCH 3, 2004**

House Meets At...	Last Vote Predicted At...
<b>10:00 a.m.: Legislative Business</b>  <b>Unlimited "One Minutes"</b>	<b>5:00 – 6:00 p.m.</b>

## FLOOR SCHEDULE AND BILL SUMMARY

### Suspensions (5 bills):

- 1) **H.R. 912** - Charles 'Pete' Conrad Astronomy Awards Act (*Rep. Rohrabacher - Science*)
- 2) **H.R. 3389** - To amend the Stevenson-Wydler Technology Innovation Act of 1980 to permit Malcolm Baldrige National Quality Awards to be made to nonprofit organizations (*Rep. Miller {NC} - Science*)
- 3) **H.R. 1417** - Copyright Royalty and Distribution Reform Act of 2003 (*Rep. Smith {TX} - Judiciary*)
- 4) **H.Res. 412** - Honoring the men and women of the Drug Enforcement Administration on the occasion of its 30th Anniversary (*Rep. Souder - Judiciary*)
- 5) **H.Res. 56** - Supporting the goals of the Japanese American, German American, and Italian American communities in recognizing a National Day of Remembrance to increase public awareness of the events surrounding the restriction, exclusion, and internment of individuals and families during World War II (*Rep. Honda - Judiciary*)

**H.R. 1561 - United States Patent and Trademark Fee Modernization Act of 2003** (*Rep. Smith [TX] - Judiciary*) (*Subject to a Rule*). This bill increases approximately 15% the fees that the Patent and Trademark Office (PTO) collects for activities related to the processing and filing of patent and trademark applications. The bill also grants the PTO permanent authority to collect and spend those fees (under current law, the collection and spending of those fees is subject to provisions in appropriations bills). The Congressional Budget Office estimates that enacting this bill would result in a net decrease in direct spending of about \$58 million in FY04, about \$140 million over the FY04-08 period, and about \$220 million over the FY04-13 period. This bill also allows the PTO to conduct an outsourcing pilot program to determine if commercial entities can perform the agency's search function, which determines whether a patent application infringes on any standing patents or trademarks. The pilot program would be conducted for no more than 18 months and would conclude with a report to Congress and the Patent Public Advisory Committee. Congress will then have one year to enact legislation to limit or prohibit the wholesale outsourcing of searches.

The Rules Committee has recommended a structured rule that provides one hour of general debate; provides that the amendment in the nature of a substitute recommended by the Judiciary Committee now printed in the bill shall be considered as an original bill for the purpose of amendment; and provides one motion to recommit with or without instructions. The Rule also makes in order three amendments:

- **Sensenbrenner Manager's Amendment (20 minutes)**. This amendment strikes the section of the bill that removes patent and trademark fee revenues from the appropriations process, and instead sets a PTO "Reserve Fund" in the Treasury (if estimated fee collections by the Patent Office for a fiscal year exceed the amount appropriated to the office for that



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fiscal year, those fees collected in excess of the appropriated amount would be deposited to reserve fund and refunded to those individuals and businesses who paid patent or trademark fees during that fiscal year). This amendment specifies that participation in the outsourcing pilot program included in the bill must be restricted to American businesses and American citizens. The amendment also limits the Director's discretion to prescribe the search fee for commercial entities. For the first three years, he may not establish a fee in excess of \$500 (or less in some cases) and for the next three years this figure may not increase by more than 20% annually. Finally, this amendment directs PTO to reduce the filing fee for any small entity, independent inventor, or nonprofit organization by 75% if the application is filed electronically.

- **Manzullo Amendment (20 minutes).** This amendment: establishes an inflation-adjusted freeze on all fees for micro-entities defined as firms or independent inventors with up to 15 employees and net worth not exceeding \$2 million; makes the traditional small entity 50% discount under Patent Law applicable to search fees for intermediate small entities defined as having between 16 and 500 employees and a net worth not exceeding \$7 million (this category also establishes a cap on outsourced patent search fees at \$500, equal to the cap established by the bill on search fees performed by the PTO in-house); and includes a certification requirement, in addition to the certification on each PTO application as to small entity fee eligibility.
- **Jackson-Lee Amendment (20 minutes).** This amendment requires that a substantial number of the outsource contracts be awarded to American businesses, and small, minority-owned businesses, or businesses owned by women.

### Postponed Suspension Vote (1 bill):

- 1) **H.Res. 530** - Urging the appropriate representative of the United States to the 60th session of the United Nations Commission on Human Rights to introduce a resolution calling upon the Government of the People's Republic of China to end its human rights violations in China (*Rep. Smith {NJ} - International Relations*)

## TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: On Thursday, the House will meet at 10:00 a.m. to consider:

**H.R. 3752 - Commercial Space Launch Amendments Act of 2004** (*Rep. Rohrabacher - Science*) (*Subject to a Rule*)

### Daily Quote...

"[Republican strategists] insisted the Medicare law would neutralize a Democratic trump card with the influential, swing-voting senior-citizen constituency. To the contrary, seniors have become the law's most conspicuous critics. In the most recent Wall Street Journal/NBC News Poll, those 65 and over were the only age group to express plurality opposition. Their support for the Republican Party's handling of the issue, and for Mr. Bush's re-election, declined since last summer."

- John Harwood, political editor of *The Wall Street Journal*, in *The Journal* today