

Improving Efficiency to Increase Competition Act of 2023

Legislation to require the Comptroller General to conduct a study on the current inefficiencies in report requirements under the Bayh-Dole Act.

Background:

In 1980, through a significant bipartisan effort, Congress enacted the *Bayh-Dole Act*. This essential intellectual property reform legislation helped drive and support the innovation ecosystem we see today. The *Bayh-Dole Act* is the cornerstone for universities, businesses, and non-profit organizations to commercialize their inventions while receiving federal funding.

This law allows federal grant holders to retain their patents on inventions and license those inventions to help engage private sector development and commercialization of those inventions. The *Bayh-Dole Act* has allowed the United States, particularly American universities, to stay competitive globally.

The *Bayh-Dole Act* requires government grantees and contractors to report any intellectual property developed while receiving federal funding. These reporting requirements are clarified under existing Federal regulations. However, each government agency has set forward different methods for reporting, has established various forms of communication with grantees (including the rate at which a grantee may hear back from a federal agency, if at all), and has its own standards for retaining the intellectual property from the grantee. This means grantees have to navigate the reporting system differently for each federal agency.

This burdensome, time-consuming, and confusing process forces grantees, many of which are universities, to dedicate resources to navigating different systems for each federal agency. This wastes time, money, and resources that could otherwise be used to develop new inventions.

The Improving Efficiency to Increase Competition Act of 2023:

The Improving Efficiency to Increase Competition Act of 2023 would require the Comptroller General to conduct a study on the disclosure processes of intellectual property developed by federal grantees under the *Bayh-Dole Act*. The study would include information on existing barriers, opportunities to improve the current reporting system, and how these barriers have affected the development of new inventions. GAO would be required to inquire how these various barriers have affected grantees of various sizes, budgets, geographical positions, and specialties. This legislation will help ensure that different industries and areas of the country are represented in the study. Congress and the Federal government must work to eliminate unnecessary red tape so that our grantees can thrive.

Endorsements:

The Bayh-Dole Coalition, Association of American Universities, Association of Public and Land Grant Universities, University of Delaware, University of Colorado, Colorado State University, the University of Nebraska System, the Wisconsin Alumni Research Foundation, AUTM