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HOUSE BILL NO. 1738

Offered January 9, 2013

Prefiled January 8, 2013

A *BILL to amend and reenact §§ 59.1-210 and 59.1-215 of the Code of Virginia, relating to the regulation of invention development services; required disclosure; civil penalty.*

Patrons—Farrell, McClellan and Ramadan

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 59.1-210 and 59.1-215 of the Code of Virginia are amended and reenacted as follows: § 59.1-210. Standard provisions for cover notice.

Every contract for invention development services shall have a conspicuous and legible cover sheet attached with the. The cover sheet shall contain only:

1. A statement imprinted thereon in boldface type of not less than 10-point size that discloses the invention developer's rate of successful outcomes as of the preceding January 1. An invention developer's rate of successful outcomes means the percentage of the total number of the contracts for invention development services, subject to the provisions of this chapter, to which the invention developer was a party that have resulted in the procurement for a customer of a license, buyer, or patent for an invention.

2. The following notice, which shall be imprinted thereon in boldface type of not less than ten-point 10-point size:

"This contract between you and an invention developer is regulated by Chapter 18 (§ 59.1-208 et seq.) of Title 59.1 of the Code of Virginia. You are not permitted or required to make any payments under this contract until four working days after you sign this contract and receive a completed copy of it."

Such cover sheet shall contain only the notice required by this section.

§ 59.1-215. Enforcement; civil penalty; restraint of violations.

A. For the purpose of enforcing this chapter, the Attorney General is hereby authorized to conduct investigations and hold hearings and compel the attendance of witnesses and the production of accounts, books and documents by the issuance of subpoenas.

B. The Attorney General shall enforce the provisions of this chapter, and shall have the right to recover a civil penalty of not to exceed ~~\$3,000~~ \$25,000 for each and every violation of any provisions of this chapter, and to seek equitable relief to restrain any such violation. Penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general fund.

INTRODUCED

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