

CHAPTER 845

H.B. No. 1402

AN ACT

relating to intellectual property.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subsection (b), Section 51.402, Education Code, is amended to read as follows:

(b) The governing board of each institution of higher education in the state shall adopt rules and regulations concerning faculty academic workloads. *In adopting rules under this subsection, each institution shall recognize that classroom teaching, basic and applied research, and professional development are important elements of faculty academic workloads by giving appropriate weight to each activity when determining the standards for faculty academic workload. An institution may give the same or*

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*different weight to each activity and to other activities recognized by the institution as important elements of faculty academic workloads. The established rules and regulations of each institution shall be reported to the coordinating board and included in the operating budgets of each institution.*

SECTION 2. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.912 to read as follows:

*Sec. 51.912. EQUITY OWNERSHIP; BUSINESS PARTICIPATION. (a) It is not a violation of Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), or any other statute, rule, regulation, or the common law of the State of Texas for:*

*(1) an employee of a university system or an institution of higher education as defined in Section 61.003 of this code, who conceives, creates, discovers, invents, or develops intellectual property, to own or to be awarded any amount of equity interest or participation in, or, if approved by the institutional governing board, to serve as a member of the board of directors or other governing board or an officer or an employee of, a business entity that has an agreement with the state or a political subdivision of the state relating to the research, development, licensing, or exploitation of that intellectual property; or*

*(2) an individual, at the request and on behalf of a university system or an institution of higher education as defined in Section 61.003 of this code, to serve as a member of the board of directors or other governing board of a business entity that has an agreement with the state or a political subdivision of the state relating to the research, development, licensing, or exploitation of intellectual property in which the university system or institution of higher education has an ownership interest.*

*(b) An employee or individual covered by Subsection (a) of this section must report to the appropriate person or persons at the system or institution at which the person is employed or on behalf of which the person is serving the name of such business entity in which the person has an interest or for which the person serves as a director, officer, or employee.*

*(c) On November 1 of each year, the governing board of each system and institution shall report to the governor and legislature the information that is provided to it under Subsection (b) of this section during the preceding fiscal year.*

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on May 6, 1987, by a non-record vote; that the House refused to concur in Senate amendments to H.B. No. 1402 on May 26, 1987, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 1402 on June 1, 1987, by a non-record vote. Passed by the Senate, with amendments, on May 23, 1987, by the following vote: Yeas 30, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 1402 on June 1, 1987, by the following vote: Yeas 31, Nays 0.

Approved June 20, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.