

118TH CONGRESS
1ST SESSION

S. 2566

To reauthorize certain provisions of the Prioritizing Resources and Organization for Intellectual Property Act of 2008, to create a new grant program to fund legal aid programs to assist small businesses to protect intellectual property, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 27, 2023

Ms. BALDWIN (for herself and Mr. CORNYN) introduced the following bill;
which was read twice and referred to the Committee on the Judiciary

A BILL

To reauthorize certain provisions of the Prioritizing Resources and Organization for Intellectual Property Act of 2008, to create a new grant program to fund legal aid programs to assist small businesses to protect intellectual property, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American IP Defense
5 and Enforcement Advancement Act” or the “American
6 IDEA Act”.

1 **SEC. 2. AMENDMENTS.**

2 The Prioritizing Resources and Organization for In-
 3 tellectual Property Act of 2008 (Public Law 110–403; 122
 4 Stat. 4265) is amended—

5 (1) in section 3 (15 U.S.C. 8101)—

6 (A) in the section heading, by striking
 7 “**DEFINITION**” and inserting “**DEFINITIONS**”;

8 (B) by redesignating paragraphs (1), (2),
 9 and (3) as subparagraphs (A), (B), and (C), re-
 10 spectively, and adjusting the margins accord-
 11 ingly;

12 (C) by moving the undesignated matter fol-
 13 lowing subparagraph (C) (as so redesignated) 2
 14 ems to the right;

15 (D) in the undesignated matter following
 16 subparagraph (C) (as so redesignated), by
 17 striking “paragraph (1), (2), or (3)” and insert-
 18 ing “subparagraph (A), (B), or (C)”;

19 (E) by striking “In this Act, the term
 20 ‘United States person’ means—” and inserting
 21 the following: “In this Act:

22 “(1) **PRIORITY WATCH LIST COUNTRY.**—The
 23 term ‘priority watch list country’ means a country
 24 on the priority watch list (as defined in section
 25 182(g)(3) of the Trade Act of 1974 (19 U.S.C.

1 2242(g)(3)) (commonly known as the ‘Special 301
2 Priority Watch List’).

3 “(2) UNITED STATES PERSON.—The term
4 ‘United States person’ means—”; and

5 (F) by adding at the end the following:

6 “(3) WATCH LIST COUNTRY.—The term ‘watch
7 list country’—

8 “(A) means a country identified by the
9 United States Trade Representative pursuant
10 to section 182(a) of the Trade Act of 1974 (19
11 U.S.C. 2242(a)); and

12 “(B) includes a priority watch list coun-
13 try.”;

14 (2) in section 303(a) (15 U.S.C. 8113(a))—

15 (A) by redesignating paragraph (6) as
16 paragraph (7); and

17 (B) by inserting after paragraph (5) the
18 following:

19 “(6) Preventing unlawful taking or use of intel-
20 lectual property from corporations and universities
21 located in the United States, particularly by entities
22 or individuals located in a priority watch list coun-
23 try.”;

24 (3) in section 304(b) (15 U.S.C. 8114(b)), by
25 adding at the end the following:

1 “(12) Strategies to prevent unlawful taking or
2 use of intellectual property by entities or individuals
3 located in priority watch list countries.”;

4 (4) in section 401(b) (34 U.S.C. 30103(b))—

5 (A) in the matter preceding paragraph (1),
6 by striking “‘IP–TIC grants’” and inserting
7 “‘Intellectual Property Enforcement Program
8 grants’ or ‘IPEP grants’”;

9 (B) in paragraph (1)—

10 (i) in the heading, by striking “IP–
11 TIC” and inserting “INTELLECTUAL PROP-
12 ERTY ENFORCEMENT PROGRAM”;

13 (ii) in the matter preceding subpara-
14 graph (A), by striking “IP–TIC” and in-
15 serting “IPEP”; and

16 (iii) by adding at the end the fol-
17 lowing:

18 “(G) Facilitate coordination between State
19 and local law enforcement officers and prosecu-
20 tors and Federal law enforcement agencies in
21 the enforcement of Federal criminal intellectual
22 property laws.”;

23 (C) in paragraph (2)—

1 (i) in the matter preceding subpara-
2 graph (A), by striking “IP–TIC” and in-
3 serting “IPEP”; and

4 (ii) in subparagraph (C), by striking
5 “(42 U.S.C. 3750 et seq.)” and inserting
6 “(34 U.S.C. 10151 et seq.)”;

7 (D) by striking paragraph (3) and insert-
8 ing the following:

9 “(3) MATCHING FUNDS.—

10 “(A) IN GENERAL.—The Federal share of
11 an IPEP grant may not exceed—

12 “(i) except as provided in clause (ii),
13 50 percent of the costs of the program or
14 proposal funded by the IPEP grant; or

15 “(ii) 60 percent of the costs of the
16 program or proposal funded by the IPEP
17 grant in the case of a program or proposal
18 that includes a focus on investigating and
19 prosecuting intellectual property violations
20 that involve—

21 “(I) individuals or entities lo-
22 cated in a watch list country;

23 “(II) individuals or entities oper-
24 ating under the direction or influence

1 of individuals or entities located in a
 2 watch list country; or

3 “(III) the import of products or
 4 components from a watch list country.

5 “(B) OTHER VIOLATIONS.—The recipient
 6 of an IPEP grant with a Federal share de-
 7 scribed in subparagraph (A)(ii) may use the
 8 grant to investigate or prosecute an intellectual
 9 property violation that involves individuals, enti-
 10 ties, products, or components not described in
 11 subclause (I), (II), or (III) (as applicable) of
 12 that subparagraph if the recipient discovered
 13 the intellectual property violation during the
 14 course of investigating or prosecuting an intel-
 15 lectual property violation that involves an indi-
 16 vidual, entity, product, or component described
 17 in one of those subclauses.”; and

18 (E) in paragraph (4)(A), by inserting “and
 19 2024 through 2029” after “2009 through
 20 2013”; and

21 (5) in section 402(a)(4)(A) (34 U.S.C.
 22 30104(a)(4)(A)), by inserting “, including crimes
 23 perpetrated by entities located in priority watch list
 24 countries” after “intellectual property crimes”.

1 **SEC. 3. GAO STUDY ON PROTECTION OF INTELLECTUAL**
2 **PROPERTY OF MANUFACTURERS FROM PRI-**
3 **ORITY WATCH LIST COUNTRIES.**

4 (a) STUDY.—The Comptroller General of the United
5 States shall study how the Federal Government could bet-
6 ter protect the intellectual property of manufacturers from
7 priority watch list countries, as defined in section 3 of the
8 Prioritizing Resources and Organization for Intellectual
9 Property Act of 2008 (15 U.S.C. 8101) (as amended by
10 section 2).

11 (b) REPORT.—Not later than 180 days after the date
12 of the enactment of this Act, the Comptroller General shall
13 submit to Congress a report on the results of the study
14 required under subsection (a).

15 **SEC. 4. GAO STUDY ON DIPLOMATIC OPPORTUNITIES FOR**
16 **INTELLECTUAL PROPERTY ENFORCEMENT**
17 **AND CAPACITY BUILDING FOR WATCH LIST**
18 **COUNTRIES.**

19 (a) STUDY.—The Comptroller General of the United
20 States shall study whether the Federal Government could
21 use diplomatic and trade channels to—

22 (1) improve the capacity of a watch list coun-
23 try, as defined in section 3 of the Prioritizing Re-
24 sources and Organization for Intellectual Property
25 Act of 2008 (15 U.S.C. 8101) (as amended by sec-
26 tion 2), to adequately and effectively protect the in-

1 intellectual property rights of individuals, universities,
 2 and entities located in a watch list country or in the
 3 United States; and

4 (2) recover from a priority watch list country,
 5 as defined in section 3 of the Prioritizing Resources
 6 and Organization for Intellectual Property Act of
 7 2008 (15 U.S.C. 8101) (as amended by section 2),
 8 any unrecouped financial losses suffered by individ-
 9 uals, universities, and entities located primarily in
 10 the United States resulting from the unlawful use of
 11 intellectual property by a priority watch list country
 12 or an individual or entity operating under the direc-
 13 tion or influence of the priority watch list country,
 14 if the losses were suffered due to a denial of ade-
 15 quate and effective protection of intellectual property
 16 rights by the priority watch list country.

17 (b) REPORT.—Not later than 180 days after the date
 18 of the enactment of this Act, the Comptroller General shall
 19 submit to Congress a report on the results of the study
 20 required under subsection (a).

21 **SEC. 5. INTELLECTUAL PROPERTY PROTECTION LEGAL**

22 **AID.**

23 (a) DEFINITIONS.—In this section:

24 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 25 ty” means—

1 (A) a law school that is accredited by the
2 American Bar Association;

3 (B) the bar association of a State;

4 (C) a legal services organization; or

5 (D) a nonprofit organization or State
6 agency, in partnership with an entity described
7 in subparagraph (A), (B), or (C).

8 (2) LOW-REVENUE SMALL BUSINESS.—The
9 term “low-revenue small business” means a small
10 business with an estimated annual revenue of not
11 more than \$150,000.

12 (3) SMALL BUSINESS.—The term “small busi-
13 ness” means a small business concern, as that term
14 is defined in section 3 of the Small Business Act (15
15 U.S.C. 632).

16 (4) STATE.—The term “State” means a State,
17 the District of Columbia, the Commonwealth of
18 Puerto Rico, and any territory or possession of the
19 United States.

20 (b) GRANT PROGRAM.—From amounts made avail-
21 able to carry out this section, the Attorney General shall
22 make grants to eligible entities to fund—

23 (1) legal aid programs to provide no-cost or
24 low-cost legal advice and services to low-revenue

1 small businesses relating to the protection and en-
2 forcement of intellectual property rights; and

3 (2) the development and delivery of training
4 programs and materials for small businesses relating
5 to the protection and enforcement of intellectual
6 property rights.

7 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
8 authorized to be appropriated such sums as may be nec-
9 essary to carry out this section.

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