

1 S.113

2 Introduced by Senators Sears and Hartwell

3 Referred to Committee on

4 Date:

5 Subject: Labor; employment practices; rights to inventions

6 Statement of purpose of bill as introduced: This bill proposes to prohibit  
7 employment contracts from requiring an employee to give up his or her rights  
8 in intellectual property created on the employee's own time.

9 An act relating to employee rights to certain inventions

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. 21 V.S.A. § 496b is added to read:

12 § 496b. INTELLECTUAL PROPERTY

13 (a) Any provision in an employment agreement which provides that the  
14 employee shall license or assign or offer to license or assign any of the  
15 employee's rights to, or intellectual property in, an invention to the employee's  
16 employer shall not apply to an invention that the employee developed entirely  
17 on the employee's own time without using the employer's equipment, supplies,  
18 facility, or trade secret information.

19 (b) To the extent a provision in an employment agreement purports to  
20 apply to the type of invention described, it is unenforceable. An employer may

1 not require a provision of an employment agreement made unenforceable  
2 under this section as a condition of employment or continued employment.

3 (c) The following inventions shall be exempt from subsection (a) of this  
4 section:

5 (1) inventions that relate to the employer's business or actual or  
6 demonstrably anticipated research or development; or

7 (2) inventions that result from any work performed by the employee for  
8 the employer.

9 Sec. 2. EFFECTIVE DATE

10 This act shall take effect on July 1, 2013.