ASSEMBLY BILL NO. 2-ASSEMBLYMAN OCEGUERA

Prefiled January 27, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Limits right of employer to own certain intellectual property developed by employee. (BDR 52-365)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to intellectual property; limiting the right of an employer to own certain intellectual property developed by an employee; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** NRS 600.500 is hereby amended to read as follows: 600.500 Except as otherwise provided by express written agreement, an employer is the sole owner of any patentable invention or trade secret developed by his employee *if*:
 - 1. The employer has:

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- (a) Provided written notice to the employee of the intent of the employer to claim sole ownership pursuant to this section of any patentable invention or trade secret developed by the employee; and
- (b) Obtained written acknowledgment from the employee that the employee has received the written notice required by this section.
 - 2. The patentable invention or trade secret:
 - (a) Is developed after the employer:
 - (1) Provides the written notice required by this section; and
- 16 (2) Obtains the written acknowledgment required by this 17 section:



(b) Is developed during the course of the employee's employment [that relates] by the employer; and
(c) Relates directly to work performed by the employee during the course of [the employment.] his employment by the employer.
Sec. 2. The amendatory provisions of this act do not apply to any patentable invention or trade secret developed before October 1, 2003.



