
OLR Bill Analysis

HB 5015 (as amended by House "A")*

AN ACT AUTHORIZING SPIN-OFF COMPANIES FOR EMPLOYEES OF THE CONNECTICUT AGRICULTURAL EXPERIMENT STATION.

SUMMARY

This bill allows the Connecticut Agricultural Experiment Station (CAES) control board to approve a CAES employee to serve as a board member of, or be compensated by, a start-up company that develops and commercializes products based on the employee's inventions and discoveries subject to certain conditions. Specifically, (1) CAES must share in the net proceeds from the use of the employee's invention or discovery according to any control board requirements and (2) there must be no active disagreement as to the allocation or use of the invention or discovery.

The bill requires the CAES control board to establish policies and procedures so that these employee rights and restrictions are consistent with the rights and restrictions of researchers at public universities and agencies in Connecticut and applicable legal and ethical requirements.

Existing law authorizes the control board to adopt regulations to govern the station's operations. The bill further authorizes the board to adopt regulations to implement the bill's provisions.

Under existing law, CAES's control board may seek and obtain patents, trademarks, and licensing agreements relating to inventions and discoveries by station employees. By law, CAES is entitled to own the entire right, title, and interest in any employee's invention or discovery that (1) is conceived in the course of the employee performing customary or assigned duties; (2) emerges from any research, development, or other station program; or (3) is conceived or developed wholly or partly at the station's expense, or with the aid of its equipment, facilities, or personnel. By law, depending on the

circumstances, employees may share in the net proceeds of their work.

*House Amendment "A" replaces the underlying bill with similar provisions and, in doing so, specifies that CAES will share in net proceeds from an employee's work, subject to control board requirements.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Environment Committee

Joint Favorable

Yea 35 Nay 0 (02/19/2025)