

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 96

01/17/2013 Authored by Lillie

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries

1.1 A bill for an act
1.2 relating to employment; regulating employee invention agreements for veterans;
1.3 amending Minnesota Statutes 2012, section 181.78, by adding a subdivision.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2012, section 181.78, is amended by adding a
1.6 subdivision to read:

1.7 Subd. 4. **Employee invention rights for veterans.** (a) This subdivision applies
1.8 to an invention or proposal by an employee in which the employer has an enforceable
1.9 interest by contract or otherwise. This subdivision only applies to employees who are
1.10 military veterans as defined in section 197.447.

1.11 (b) An employer who has a right to develop or utilize an invention or proposal
1.12 must make a substantial investment in the invention or proposal within 60 days of the
1.13 submission of the invention or proposal or forfeit all rights and interests in the invention
1.14 or proposal to the employee. This paragraph does not apply to inventions that relate to the
1.15 employer's existing product line, nor to any invention in which the employer has made
1.16 a substantial direct investment.

1.17 (c) An employee who has acquired the rights and interests of an employer under
1.18 paragraph (b) or (e) may transfer that interest in the invention or proposal to anyone.

1.19 (d) An employer must notify in writing an employee who submits an invention or
1.20 proposal to the employer of the employee's right under this subdivision within ten days of
1.21 the submission. The employer must date and describe the proposal or invention received
1.22 by the employer and provide a copy to the employee.

1.23 (e) An employer shall determine whether an invention or proposal will be utilized by
1.24 the employer as soon as practicable following submission of the invention or proposal to

- 2.1 the employer. Notwithstanding the time frame provided in paragraph (b), an employer
- 2.2 who has determined an invention or proposal will not be utilized by the employer shall
- 2.3 affirmatively surrender the rights and interests in the invention or proposal to the employee.