

Statement of

# **The Honorable Patrick Leahy**

United States Senator  
Vermont  
February 3, 2011

Opening Statement Of Senator Patrick Leahy (D-Vt.),  
Chairman, Senate Judiciary Committee,  
Executive Business Meeting  
February 3, 2011

Last week, I introduced the USA PATRIOT Act Sunset Extension Act of 2011, a bill that will extend certain surveillance authorities that are set to expire on February 28, 2011. I have conducted aggressive oversight of USA PATRIOT Act surveillance authorities since the bill was originally enacted in 2001. This bill makes important reforms to the USA PATRIOT Act, but also extends the sunsets to December 2013. It is virtually identical in substance to the version this Committee reported in 2009 with a bipartisan vote. I understand that there will be a request to hold over this bill, and I will honor that request. But these surveillance authorities are set to expire in a matter of weeks. We should not play politics with national security. I hope we will be able to consider and report the bill at our next meeting.

Today we should make progress on our agenda items. I hope that we can expeditiously consider our bipartisan patent reform bill and report a number of judicial nominees.

Our first legislative item is the Leahy-Hatch-Grassley Patent Reform Act. The legislation is also cosponsored by Senators Sessions and Kyl, and Senators Klobuchar, Coons, and Franken. It has received significant input from virtually every member of this Committee through eight hearings and more than six years of consideration.

The Patent Reform Act of 2011 remains structured on the legislation that was first introduced in the House by Chairman Smith and Mr. Berman in 2005. It will accomplish three important goals, which have been at the center of the patent reform debate from the beginning: It will improve and harmonize operations at the PTO; it will improve the quality of patents that are issued; and it will provide more certainty in litigation.

A balanced and efficient intellectual property system that rewards invention and promotes innovation through high quality patents is crucial to our Nation's economic prosperity and job growth. The Patent Reform Act provides the tools the PTO needs to separate the inventive wheat from the chaff, which will help business bring new products to market and create jobs. It will allow our inventors and innovators to flourish. And it will do this without adding a penny to the deficit.

The Obama administration supports these efforts, as do industries and stakeholders ranging from the AFL-CIO to the National Association of Manufacturers, from our Nation's universities to venture capitalists, and companies large and small in virtually all sectors of our economy.

A recent Newsweek survey found that only 41 percent of Americans believe the United States is staying ahead of China in innovation. China, in fact, is continuing to update its system and has a plan to overtake the United States this year in patent applications.

We can no longer remain complacent and expect to stay on top. I hope we can report this bipartisan legislation today, and that the Senate will act quickly, so that we can win the future by unleashing the American inventive spirit.

We have a managers' amendment today that makes primarily technical changes. Most significantly, the amendment includes a provision which I know is important to Chairman Smith, to reverse the Supreme Court's decision in *Holmes Group* and keep all patent cases in Federal court. The amendment also eliminates the ability of Federal Circuit judges to maintain work stations outside of the District of Columbia area. This was also a request of the House. I intend to work closely with the House as our process and the House process move forward, so that we can get a consensus bill to the President's desk as soon as possible.

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