



Sponsor Testimony
Representatives Dave Greenspan
House Bill 50

Chairman Hambley, Vice Chair Patton, Ranking Member Brown, and members of the House Civil Justice Committee, thank you for the opportunity to present House Bill 50 today. This bill, simply put, requires that all rights and interests in intellectual property discovered or developed by employees or other entities using charter county hospital facilities are the property of that charter county hospital.

In the 132nd General Assembly, I introduced this bill as House Bill 453. The bill passed out of the House and was subsequently voted unanimously out of the Senate Government Oversight and Reform Committee in December 2018. In the Senate, the Bill had no amendments. At no point during the House or Senate committee process was any opposition for this legislation expressed. Unfortunately, due to the limited amount of opportunities for a Senate floor vote during the lame duck session in December, House Bill 453 was not able to advance after the Senate committee favorably reported the bill out.

Currently, charter county hospitals do not enjoy any protections in statute for inventions, discovery or patents that are created on their premises. House Bill 50 is designed to remedy this by providing charter county hospitals identical protections that non-profit hospitals and research institutions currently enjoy as well as protections afforded to public hospitals such as The Ohio State University Wexner Medical Center and The University of Toledo Medical Center under Section 3345.14 of the Ohio Revised Code.

This bill ensures that if an invention or discovery is to be made at a charter county hospital then the hospital and the citizens of that respective County, as well as the inventor themselves, are able to reap the full benefits of the investment they have made and the resources they afforded to its development. In other words, this bill is designed to protect against an employee or contractor utilizing public resources for private gain while maximizing the full benefit of the discovery.

To be clear, if an employee of the health system were to make a discovery or invention at a charter county hospital, this bill is not designed to eliminate their ability to profit from their good work. Instead, this bill establishes the rules of the road for how a board of county hospital

trustees of a charter county hospital may negotiate with the employee and invest public resources in their invention. This is an industry standard and is no different than what non-profit hospitals and research enterprises currently arrange with their employees. As such, this bill gives a board of trustees at a charter county hospital the explicit permission to determine how best to manage any intellectual property including the ability to license, commercialize, invest in, or sell said property.

Finally, this bill would provide clear authority for the board of county hospital trustees of a charter county hospital to put in place safeguards for the management of conflicts of interest to ensure the proper stewardship of public resources while also allowing for the inventor to have additional control in how their invention is commercialized.

Since the bill was introduced last year, innovation and invention have continued at our state's charter county hospitals. However, without a change in law, they have few options other than to license their inventions and allow for someone else to profit from their important work. I look forward to working with my colleagues to remedy this. Thank you for the opportunity to speak to both the need for and the merits of this legislation. I am happy to answer any questions you may have at this time.