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H.B. No. 2051

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the authority of public institutions of higher  
3 education to make certain investments to support technology  
4 commercialization.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 153.006(a), Education Code, is amended  
7 to read as follows:

8 (a) In order to carry out the purposes of this chapter and to  
9 support the activities of centers described in this chapter, to the  
10 extent authorized by its governing board, an institution of higher  
11 education may:

12 (1) enter into agreements establishing royalties,  
13 fees, and other consideration for technology developed in whole or  
14 part by the institution [~~it~~];

15 (2) accept equity interests in, convertible  
16 promissory debt instruments issued by, or a combination of equity  
17 interests in and convertible promissory debt instruments issued by  
18 organizations that license, manage, or otherwise administer rights  
19 to technology belonging to the institution [~~it~~] or under its  
20 control in exchange for such rights, in whole or in part;

21 (3) accept equity interests in, convertible  
22 promissory debt instruments issued by, or a combination of equity  
23 interests in and convertible promissory debt instruments issued by  
24 organizations that license or otherwise have rights in the

1 institution's [~~its~~] technology as consideration for its providing  
2 monetary, business, scientific, or engineering services or  
3 technical assistance;

4 (4) use income from the commercialization of  
5 technology to fund the activities of the center;

6 (5) solicit, accept, and administer gifts, grants, and  
7 donations;

8 (6) enter into contracts for legal services with a  
9 competent lawyer or law firm to:

10 (A) prepare, file, pursue, and maintain patent  
11 applications in the United States or foreign jurisdictions;

12 (B) secure copyright protection for computer  
13 software;

14 (C) prepare, file, and pursue trademark and  
15 service mark applications;

16 (D) pursue litigation to prevent or stop  
17 infringement of any intellectual property rights of the  
18 institution; or

19 (E) handle any other legal matter related to the  
20 operation and activities of the center; and

21 (7) enter into such other business arrangements as may  
22 be appropriate for achieving the purposes of this chapter.

23 SECTION 2. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2013.