110TH CONGRESS 2D SESSION

S. 3325

To enhance remedies for violations of intellectual property laws, and for other purposes.

IN THE SENATE OF THE UNITED STATES

July 24 (legislative day, July 23), 2008

Mr. Leahy (for himself, Mr. Specter, Mr. Bayh, Mr. Voinovich, Mrs. Feinstein, and Mr. Cornyn) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To enhance remedies for violations of intellectual property laws, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Enforcement of Intellectual Property Rights Act of
- 6 2008".
- 7 (b) Table of Contents.—The table of contents is
- 8 as follows:
 - Sec. 1. Short title; table of contents.
 - Sec. 2. Reference.
 - Sec. 3. Definition.

TITLE I—AUTHORIZATION OF CIVIL COPYRIGHT ENFORCEMENT BY ATTORNEY GENERAL

Sec. 101. Civil penalties for certain violations.

TITLE II—ENHANCEMENTS TO CIVIL INTELLECTUAL PROPERTY LAWS

- Sec. 201. Registration of claim.
- Sec. 202. Civil remedies for infringement.
- Sec. 203. Treble damages in counterfeiting cases.
- Sec. 204. Statutory damages in counterfeiting cases.
- Sec. 205. Transshipment and exportation of goods bearing infringing marks.
- Sec. 206. Importation, transshipment, and exportation.

TITLE III—ENHANCEMENTS TO CRIMINAL INTELLECTUAL PROPERTY LAWS

- Sec. 301. Criminal copyright infringement.
- Sec. 302. Trafficking in counterfeit labels, illicit labels, or counterfeit documentation or packaging for works that can be copyrighted.
- Sec. 303. Unauthorized fixation.
- Sec. 304. Unauthorized recording of motion pictures.
- Sec. 305. Trafficking in counterfeit goods or services.
- Sec. 306. Forfeiture, destruction, and restitution.
- Sec. 307. Forfeiture under Economic Espionage Act.
- Sec. 308. Technical and conforming amendments.

TITLE IV—COORDINATION AND STRATEGIC PLANNING OF FEDERAL EFFORT AGAINST COUNTERFEITING AND PIRACY

- Sec. 401. Intellectual property enforcement coordinator.
- Sec. 402. Definition.
- Sec. 403. Joint strategic plan.
- Sec. 404. Reporting.
- Sec. 405. Savings and repeals.
- Sec. 406. Authorization of appropriations.

TITLE V—DEPARTMENT OF JUSTICE PROGRAMS

- Sec. 501. Local law enforcement grants.
- Sec. 502. Improved investigative and forensic resources for enforcement of laws related to intellectual property crimes.
- Sec. 503. Additional funding for resources to investigate and prosecute criminal activity involving computers.
- Sec. 504. International intellectual property law enforcement coordinators.
- Sec. 505. Annual reports.
- Sec. 506. Authorization of appropriations.

l SEC. 2. REFERENCE.

- 2 Any reference in this Act to the "Trademark Act of
- 3 1946" refers to the Act entitled "An Act to provide for
- 4 the registration of trademarks used in commerce, to carry

- 1 out the provisions of certain international conventions,
- 2 and for other purposes", approved July 5, 1946 (15
- 3 U.S.C. 1051 et seq.).
- 4 SEC. 3. DEFINITION.
- 5 In this Act, the term "United States person"
- 6 means—
- 7 (1) any United States resident or national,
- 8 (2) any domestic concern (including any perma-
- 9 nent domestic establishment of any foreign concern),
- 10 and
- 11 (3) any foreign subsidiary or affiliate (including
- any permanent foreign establishment) of any domes-
- tic concern that is controlled in fact by such domes-
- tic concern,
- 15 except that such term does not include an individual who
- 16 resides outside the United States and is employed by an
- 17 individual or entity other than an individual or entity de-
- 18 scribed in paragraph (1), (2), or (3).

1	TITLE I—AUTHORIZATION OF
2	CIVIL COPYRIGHT ENFORCE-
3	MENT BY ATTORNEY GEN-
4	ERAL
5	SEC. 101. CIVIL PENALTIES FOR CERTAIN VIOLATIONS.
6	(a) In General.—Chapter 5 of title 17, United
7	States Code, is amended by inserting after section 506 the
8	following:
9	"SEC. 506a. CIVIL PENALTIES FOR VIOLATIONS OF SECTION
10	506.
11	"(a) In General.—In lieu of a criminal action under
12	section 506, the Attorney General may commence a civil
13	action in the appropriate United States district court
14	against any person who engages in conduct constituting
15	an offense under section 506. Upon proof of such conduct
16	by a preponderance of the evidence, such person shall be
17	subject to a civil penalty under section 504 which shall
18	be in an amount equal to the amount which would be
19	awarded under section 3663(a)(1)(B) of title 18 and res-
20	titution to the copyright owner aggrieved by the conduct.
21	"(b) Other Remedies.—
22	"(1) In general.—Imposition of a civil pen-
23	alty under this section does not preclude any other
24	criminal or civil statutory, injunctive, common law,

1	or administrative remedy, which is available by law
2	to the United States or any other person.
3	"(2) Offset.—Any restitution received by a
4	copyright owner as a result of a civil action brought
5	under this section shall be offset against any award
6	of damages in a subsequent copyright infringement
7	civil action by that copyright owner for the conduct
8	that gave rise to the civil action brought under this
9	section.".
10	(b) Damages and Profits.—Section 504 of title 17,
11	United States Code, is amended—
12	(1) in subsection (b)—
13	(A) in the first sentence—
14	(i) by inserting ", or the Attorney
15	General in a civil action," after "The copy-
16	right owner"; and
17	(ii) by striking "him or her" and in-
18	serting "the copyright owner"; and
19	(B) in the second sentence by inserting ",
20	or the Attorney General in a civil action," after
21	"the copyright owner"; and
22	(2) in subsection (c)—
23	(A) in paragraph (1), by inserting ", or the
24	Attorney General in a civil action," after "the
25	copyright owner"; and

1	(B) in paragraph (2), by inserting ", or
2	the Attorney General in a civil action," after
3	"the copyright owner".
4	(c) Technical and Conforming Amendment.—
5	The table of sections for chapter 5 of title 17, United
6	States Code, is amended by inserting after the item relat-
7	ing to section 506 the following:
	"Sec. 506a. Civil penalties for violations of section 506.".
8	TITLE II—ENHANCEMENTS TO
9	CIVIL INTELLECTUAL PROP-
10	ERTY LAWS
11	SEC. 201. REGISTRATION OF CLAIM.
12	(a) Limitation to Civil Actions; Harmless
13	Error.—Section 411 of title 17, United States Code, is
14	amended—
15	(1) in the section heading, by inserting "CIVIL"
16	before "INFRINGEMENT";
17	(2) in subsection (a)—
18	(A) in the first sentence, by striking "no
19	action" and inserting "no civil action"; and
20	(B) in the second sentence, by striking "an
21	action" and inserting "a civil action";
22	(3) by redesignating subsection (b) as sub-
23	section (c);

1	(4) in subsection (c), as so redesignated by
2	paragraph (3), by striking "506 and sections 509
3	and" and inserting "505 and section"; and
4	(5) by inserting after subsection (a) the fol-
5	lowing:
6	"(b)(1) A certificate of registration satisfies the re-
7	quirements of this section and section 412, regardless of
8	whether the certificate contains any inaccurate informa-
9	tion, unless—
10	"(A) the inaccurate information was included
11	on the application for copyright registration with
12	knowledge that it was inaccurate; and
13	"(B) the inaccurate information, if known,
14	would have caused the Register of Copyrights to
15	refuse registration.
16	"(2) In any case in which inaccurate information de-
17	scribed under paragraph (1) is alleged, the court shall re-
18	quest the Register of Copyrights to advise the court
19	whether the inaccurate information, if known, would have
20	caused the Register of Copyrights to refuse registration.".
21	(b) Technical and Conforming Amendments.—
22	(1) Section 412 of title 17, United States Code,
23	is amended by striking "411(b)" and inserting
24	"411(e)".

- 1 (2) The item relating to section 411 in the table 2 of sections for chapter 4 of title 17, United States 3 Code, is amended to read as follows: "Sec. 411. Registration and civil infringement actions.". SEC. 202. CIVIL REMEDIES FOR INFRINGEMENT. 5 (a) IN GENERAL.—Section 503(a) of title 17, United 6 States Code, is amended— 7 (1) by striking "and of all plates" and inserting ", of all plates"; and 8 (2) by striking the period and inserting ", and 9 10 of records documenting the manufacture, sale, or re-11 ceipt of things involved in such violation. The court 12 shall enter, if appropriate, a protective order with re-13 spect to discovery of any records that have been 14 seized. The protective order shall provide for appro-15 priate procedures to ensure that confidential infor-16 mation contained in such records is not improperly 17 disclosed to any party.". 18 Section 34(d)(1)(A) of the Trademark Act (15 U.S.C.
- (b) Protective Orders for Seized Records.—
- 19
- 20 1116(d)(1)(A)) is amended by adding at the end the fol-
- 21 lowing: "The court shall enter, if appropriate, a protective
- 22 order with respect to discovery of any records that have
- 23 been seized. The protective order shall provide for appro-
- priate procedures to ensure that confidential information

- 1 contained in such records is not improperly disclosed to
- 2 any party.".
- 3 SEC. 203. TREBLE DAMAGES IN COUNTERFEITING CASES.
- 4 Section 35(b) of the Trademark Act of 1946 (15
- 5 U.S.C. 1117(b)) is amended to read as follows:
- 6 "(b) In assessing damages under subsection (a) for
- 7 any violation of section 32(1)(a) of this Act or section
- 8 220506 of title 36, United States Code, in a case involving
- 9 use of a counterfeit mark or designation (as defined in
- 10 section 34(d) of this Act), the court shall, unless the court
- 11 finds extenuating circumstances, enter judgment for three
- 12 times such profits or damages, whichever amount is great-
- 13 er, together with a reasonable attorney's fee, if the viola-
- 14 tion consists of—
- 15 "(1) intentionally using a mark or designation,
- 16 knowing such mark or designation is a counterfeit
- mark (as defined in section 34(d) of this Act), in
- 18 connection with the sale, offering for sale, or dis-
- 19 tribution of goods or services; or
- 20 "(2) providing goods or services necessary to
- 21 the commission of a violation specified in paragraph
- 22 (1), with the intent that the recipient of the goods
- or services would put the goods or services to use in
- 24 committing the violation.

In such a case, the court may award prejudgment interest on such amount at an annual interest rate established 3 under section 6621(a)(2) of the Internal Revenue Code of 4 1986, beginning on the date of the service of the claim-5 ant's pleadings setting forth the claim for such entry of judgment and ending on the date such entry is made, or for such shorter time as the court considers appropriate.". 8 SEC. 204. STATUTORY DAMAGES IN COUNTERFEITING 9 CASES. 10 Section 35(c) of the Trademark Act of 1946 (15 U.S.C. 1117) is amended— 12 (1) in paragraph (1)— (A) by striking "\$500" and inserting 13 14 "\$1,000"; and 15 (B) by striking "\$100,000" and inserting "\$200,000"; and 16 17 (2) in paragraph (2), by striking "\$1,000,000" 18 and inserting "\$2,000,000". 19 SEC. 205. TRANSSHIPMENT AND EXPORTATION OF GOODS 20 BEARING INFRINGING MARKS. 21 Title VII of the Trademark Act of 1946 (15 U.S.C. 22 1124) is amended— 23 (1) in the title heading, by inserting after "IM-24 PORTATION" the following: "TRANSSHIPMENT,

OR EXPORTATION"; and

1	(2) in section 42—
2	(A) by striking "imported"; and
3	(B) by inserting after "customhouse of the
4	United States" the following: ", nor shall any
5	such article be transshipped through or ex-
6	ported from the United States".
7	SEC. 206. IMPORTATION, TRANSSHIPMENT, AND EXPOR-
8	TATION.
9	(a) In General.—The heading for chapter 6 of title
10	17, United States Code, is amended to read as follows
11	"CHAPTER 6—MANUFACTURING REQUIRE-
12	MENTS, IMPORTATION, TRANS-
13	SHIPMENT, AND EXPORTATION".
14	(b) Amendment on Exportation.—Section 602(a)
15	of title 17, United States Code, is amended—
16	
	(1) by redesignating paragraphs (1) through
	(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively.
17	
17 18	(3) as subparagraphs (A) through (C), respectively
17 18 19	(3) as subparagraphs (A) through (C), respectively, and moving such subparagraphs 2 ems to the right
17 18 19 20	(3) as subparagraphs (A) through (C), respectively, and moving such subparagraphs 2 ems to the right. (2) by striking "(a)" and inserting "(a) IN-
117 118 119 220 221	(3) as subparagraphs (A) through (C), respectively, and moving such subparagraphs 2 ems to the right (2) by striking "(a)" and inserting "(a) Infringing Importation, Transshipment, or Ex-
17 18 19 20 21	(3) as subparagraphs (A) through (C), respectively, and moving such subparagraphs 2 ems to the right (2) by striking "(a)" and inserting "(a) INFRINGING IMPORTATION, TRANSSHIPMENT, OR EXPORTATION.—

1	"(2) Importation, transhipment, or expor-
2	TATION OF INFRINGING ITEMS.—Importation into
3	the United States, transshipment through the
4	United States, or exportation from the United
5	States, without the authority of the owner of copy-
6	right under this title, of copies or phonorecords, the
7	making of which either constituted an infringement
8	of copyright or would have constituted an infringe-
9	ment of copyright if this title had been applicable,
10	is an infringement of the exclusive right to distribute
11	copies or phonorecords under section 106, actionable
12	under sections 501 and 506.
13	"(3) Exceptions.—This subsection does not
14	apply to—";
15	(4) in paragraph (3)(A) (as redesignated by
16	this subsection) by inserting "or exportation" after
17	"importation"; and
18	(5) in paragraph (3)(B) (as redesignated by
19	this subsection)—
20	(A) by striking "importation, for the pri-
21	vate use of the importer" and inserting "impor-
22	tation or exportation, for the private use of the
23	importer or exporter"; and
24	(B) by inserting "or departing from the
25	United States" after "United States"

1	(c) Conforming Amendments.—(1) Section 602 of
2	title 17, United States Code, is further amended—
3	(A) in the section heading, by inserting "or
4	exportation" after "importation"; and
5	(B) in subsection (b)—
6	(i) by striking "(b) In a case" and insert-
7	ing "(b) Import Prohibition.—In a case";
8	(ii) by striking "the United States Cus-
9	toms Service" and inserting "United States
10	Customs and Border Protection"; and
11	(iii) by striking "the Customs Service" and
12	inserting "United States Customs and Border
13	Protection".
14	(2) Section 601(b)(2) of title 17, United States Code,
15	is amended by striking "the United States Customs Serv-
16	ice" and inserting "United States Customs and Border
17	Protection".
18	(3) The item relating to chapter 6 in the table of
19	chapters for title 17, United States Code, is amended to
20	read as follows:

[&]quot;6. Manufacturing Requirements, Importation, and Exportation 601".

14 TITLE III—ENHANCEMENTS **CRIMINAL** INTELLECTUAL 2 PROPERTY LAWS 3 SEC. 301. CRIMINAL COPYRIGHT INFRINGEMENT. 5 (a) Forfeiture and Destruction; Restitu-TION.—Section 506(b) of title 17, United States Code, is 7 amended to read as follows: 8 "(b) Forfeiture, Destruction, and Restitu-TION.—Forfeiture, destruction, and restitution relating to 10 this section shall be subject to section 2323 of title 18, 11 to the extent provided in that section, in addition to any 12 other similar remedies provided by law.". 13 (b) Seizures and Forfeitures.— 14 (1) Repeal.—Section 509 of title 17, United 15 States Code, is repealed. 16 TECHNICAL AND CONFORMING AMEND-17 MENT.—The table of sections for chapter 5 of title 18 17, United States Code, is amended by striking the 19 item relating to section 509. 20 SEC. 302. TRAFFICKING IN COUNTERFEIT LABELS, ILLICIT 21 LABELS, OR COUNTERFEIT DOCUMENTATION

24 Section 2318 of title 18, United States Code, is 25 amended—

COPYRIGHTED.

OR PACKAGING FOR WORKS THAT CAN BE

22

1	(1) in subsection (a)—
2	(A) by redesignating subparagraphs (A)
3	through (G) as clauses (i) through (vii), respec-
4	tively;
5	(B) by redesignating paragraphs (1) and
6	(2) as subparagraphs (A) and (B), respectively;
7	and
8	(C) by striking "Whoever" and inserting
9	"(1) Whoever";
10	(2) by amending subsection (d) to read as fol-
11	lows:
12	"(d) Forfeiture and Destruction of Property;
13	RESTITUTION.—Forfeiture, destruction, and restitution
14	relating to this section shall be subject to section 2323,
15	to the extent provided in that section, in addition to any
16	other similar remedies provided by law."; and
17	(3) by striking subsection (e) and redesignating
18	subsection (f) as subsection (e).
19	SEC. 303. UNAUTHORIZED FIXATION.
20	(a) Section 2319A(b) of title 18, United States Code,
21	is amended to read as follows:
22	"(b) Forfeiture and Destruction of Property;
23	RESTITUTION.—Forfeiture, destruction, and restitution
24	relating to this section shall be subject to section 2323,

- 1 to the extent provided in that section, in addition to any
- 2 other similar remedies provided by law.".
- 3 (b) Section 2319A(c) of title 18, United States Code,
- 4 is amended by striking the second sentence and inserting:
- 5 "The Secretary of Homeland Security shall issue regula-
- 6 tions by which any performer may, upon payment of a
- 7 specified fee, be entitled to notification by United States
- 8 Customs and Border Protection of the importation of cop-
- 9 ies or phonorecords that appear to consist of unauthorized
- 10 fixations of the sounds or sounds and images of a live mu-
- 11 sical performance.".
- 12 SEC. 304. UNAUTHORIZED RECORDING OF MOTION PIC-
- 13 TURES.
- Section 2319B(b) of title 18, United States Code, is
- 15 amended to read as follows:
- 16 "(b) Forfeiture and Destruction of Property;
- 17 Restitution.—Forfeiture, destruction, and restitution
- 18 relating to this section shall be subject to section 2323,
- 19 to the extent provided in that section, in addition to any
- 20 other similar remedies provided by law.".
- 21 SEC. 305. TRAFFICKING IN COUNTERFEIT GOODS OR SERV-
- 22 ICES.
- 23 (a) IN GENERAL.—Section 2320 of title 18, United
- 24 States Code, is amended—
- 25 (1) in subsection (a)—

1	(A) by striking "Whoever" and inserting
2	"Offense.—"
3	"(1) In general.—Whoever;";
4	(B) by moving the remaining text 2 ems to
5	the right; and
6	(C) by adding at the end the following:
7	"(2) Serious bodily harm or death.—
8	"(A) Serious bodily harm.—If the of-
9	fender knowingly or recklessly causes or at-
10	tempts to cause serious bodily injury from con-
11	duct in violation of paragraph (1), the penalty
12	shall be a fine under this title or imprisonment
13	for not more than 20 years, or both.
14	"(B) Death.—If the offender knowingly
15	or recklessly causes or attempts to cause death
16	from conduct in violation of paragraph (1), the
17	penalty shall be a fine under this title or im-
18	prisonment for any term of years or for life, or
19	both.".
20	(b) Forfeiture and Destruction of Property;
21	RESTITUTION.—Section 2320(b) of title 18, United States
22	Code, is amended to read as follows:
23	"(b) Forfeiture and Destruction of Property;
24	RESTITUTION.—Forfeiture, destruction, and restitution
25	relating to this section shall be subject to section 2323.

1	to the extent provided in that section, in addition to any
2	other similar remedies provided by law.".
3	SEC. 306. FORFEITURE, DESTRUCTION, AND RESTITUTION.
4	(a) In General.—Chapter 113 of title 18, United
5	States Code, is amended by adding at the end the fol-
6	lowing:
7	"SEC. 2323. FORFEITURE, DESTRUCTION, AND RESTITU-
8	TION.
9	"(a) Civil Forfeiture.—
10	"(1) Property subject to forfeiture.—
11	The following property is subject to forfeiture to the
12	United States Government:
13	"(A) Any article, the making or trafficking
14	of which is, prohibited under section 506 or
15	1204 of title 17, or section 2318, 2319, 2319A,
16	2319B, or 2320, or chapter 90, of this title.
17	"(B) Any property used, or intended to be
18	used, in any manner or part to commit or facili-
19	tate the commission of an offense referred to in
20	subparagraph (A), except that property is sub-
21	ject to forfeiture under this subparagraph only
22	if the United States Government establishes
23	that there was a substantial connection between
24	the property and the violation of an offense re-
25	ferred to in subparagraph (A).

1 "(C) Any property constituting or derived 2 from any proceeds obtained directly or indi-3 rectly as a result of the commission of an of-4 fense referred to in subparagraph (A). 5 "(2) PROCEDURES.—The provisions of chapter

"(2) Procedures.—The provisions of chapter 46 relating to civil forfeitures shall extend to any seizure or civil forfeiture under this section. At the conclusion of the forfeiture proceedings, unless otherwise requested by an agency of the United States, the court shall order that any property forfeited under paragraph (1) be destroyed, or otherwise disposed of according to law.

"(b) Criminal Forfeiture.—

"(1) Property subject to forfeiture.—
The court, in imposing sentence on a person convicted of an offense under section 506 or 1204 of title 17, or section 2318, 2319, 2319A, 2319B, or 2320, or chapter 90, of this title, shall order, in addition to any other sentence imposed, that the person forfeit to the United States Government any property subject to forfeiture under subsection (a) for that offense.

"(2) Procedures.—

24 "(A) IN GENERAL.—The forfeiture of 25 property under paragraph (1), including any

1 seizure and disposition of the property and any 2 related judicial or administrative proceeding, 3 shall be governed by the procedures set forth in 4 section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 6 853), other than subsection (d) of that section. 7 "(B) Destruction.—At the conclusion of 8 the forfeiture proceedings, the court, unless oth-9 erwise requested by an agency of the United 10 States shall order that any— 11 "(i) forfeited article or component of 12 an article bearing or consisting of a coun-13 terfeit mark be destroyed or otherwise dis-14 posed of according to law; and 15 "(ii) infringing items or other prop-16 erty described in subsection (a)(1)(A) and 17 forfeited under paragraph (1) of this sub-18 section be destroyed or otherwise disposed 19 of according to law. 20 "(c) RESTITUTION.—When a person is convicted of 21 an offense under section 506 or 1204 of title 17 or section 22 2318, 2319, 2319A, 2319B, or 2320, or chapter 90, of 23 this title, the court, pursuant to sections 3556, 3663A, and 3664 of this title, shall order the person to pay restitution to any victim of the offense as an offense against

1	property referred to in section 3663A(c)(1)(A)(ii) of this
2	title.".
3	(b) Technical and Conforming Amendment.—
4	The table of sections for chapter 113 of title 18, United
5	States Code, is amended by adding at the end the fol-
6	lowing:
	"Sec. 2323. Forfeiture, destruction, and restitution.".
7	SEC. 307. FORFEITURE UNDER ECONOMIC ESPIONAGE ACT
8	Section 1834 of title 18, United States Code, is
9	amended to read as follows:
10	"SEC. 1834. CRIMINAL FORFEITURE.
11	"Forfeiture, destruction, and restitution relating to
12	this chapter shall be subject to section 2323, to the extent
13	provided in that section, in addition to any other similar
14	remedies provided by law.".
15	SEC. 308. TECHNICAL AND CONFORMING AMENDMENTS.
16	(a) Amendments to Title 17, United States
17	Code.—
18	(1) Section 109 (b)(4) of title 17, United States
19	Code, is amended by striking "505, and 509" and
20	inserting "and 505".
21	(2) Section 111 of title 17, United States Code
22	is amended—
23	(A) in subsection (b), by striking "and
24	509'';
25	(B) in subsection (c)—

1	(i) in paragraph (2), by striking "and
2	509'';
3	(ii) in paragraph (3), by striking "sec-
4	tions 509 and 510" and inserting "section
5	510"; and
6	(iii) in paragraph (4), by striking
7	"and section 509"; and
8	(C) in subsection (e)—
9	(i) in paragraph (1), by striking "sec-
10	tions 509 and 510" and inserting "section
11	510"; and
12	(ii) in paragraph (2), by striking "and
13	509".
14	(3) Section 115(c) of title 17, United States
15	Code, is amended—
16	(A) in paragraph (3)(G)(i), by striking
17	"and 509"; and
18	(B) in paragraph (6), by striking "and
19	509".
20	(4) Section 119(a) of title 17, United States
21	Code, is amended—
22	(A) in paragraph (6), by striking "sections
23	509 and 510" and inserting "section 510";
24	(B) in paragraph (7)(A), by striking "and
25	509'';

1	(C) in paragraph (8), by striking "and
2	509"; and
3	(D) in paragraph (13), by striking "and
4	509".
5	(5) Section 122 of title 17, United States Code,
6	is amended—
7	(A) in subsection (d), by striking "and
8	509";
9	(B) in subsection (e), by striking "sections
10	509 and 510" and inserting "section 510"; and
11	(C) in subsection $(f)(1)$, by striking "and
12	509".
13	(6) Section 411(b) of title 17, United States
14	Code, is amended by striking "sections 509 and
15	510" and inserting "section 510".
16	(b) Other Amendments.—Section $596(c)(2)(c)$ of
17	the Tariff Act of 1950 (19 U.S.C. $1595a(c)(2)(c)$) is
18	amended by striking "or 509".

1	TITLE IV—COORDINATION AND
2	STRATEGIC PLANNING OF
3	FEDERAL EFFORT AGAINST
4	COUNTERFEITING AND PI-
5	RACY
6	SEC. 401. INTELLECTUAL PROPERTY ENFORCEMENT COOR-
7	DINATOR.
8	(a) Intellectual Property Enforcement Co-
9	ORDINATOR.—The President shall appoint, by and with
10	the advice and consent of the Senate, an Intellectual Prop-
11	erty Enforcement Coordinator (in this title referred to as
12	the "IPEC") to serve within the Executive Office of the
13	President. As an exercise of the rulemaking power of the
14	Senate, any nomination of the IPEC submitted to the Sen-
15	ate for confirmation, and referred to a committee, shall
16	be referred to the Committee on the Judiciary.
17	(b) DUTIES OF IPEC.—
18	(1) IN GENERAL.—The IPEC shall—
19	(A) chair the interagency intellectual prop-
20	erty enforcement advisory committee estab-
21	lished under subsection (b)(3)(A);
22	(B) coordinate the development of the
23	Joint Strategic Plan against counterfeiting and
24	piracy by the advisory committee under section
25	$403\cdot$

1	(C) assist in the implementation of the
2	Joint Strategic Plan by the departments and
3	agencies listed in subsection (b)(3)(A);
4	(D) report directly to the President and
5	Congress regarding domestic and international
6	intellectual property enforcement programs;
7	(E) report to Congress, as provided in sec-
8	tion 404, on the implementation of the Joint
9	Strategic Plan, and make recommendations to
10	Congress for improvements in Federal intellec-
11	tual property enforcement efforts; and
12	(F) carry out such other functions as the
13	President may direct.
14	(2) Limitation on authority.—The IPEC
15	may not control or direct any law enforcement agen-
16	cy in the exercise of its investigative or prosecutorial
17	authority.
18	(3) Advisory committee.—
19	(A) Establishment.—There is estab-
20	lished an interagency intellectual property en-
21	forcement advisory committee composed of the
22	IPEC, who shall chair the committee, and Sen-
23	ate-confirmed representatives of the following
24	departments and agencies who are involved in

intellectual property enforcement, and who are,

1	or are appointed by, the respective heads of
2	those departments and agencies:
3	(i) The Office of Management and
4	Budget.
5	(ii) The Department of Justice.
6	(iii) The United States Patent and
7	Trademark Office and other relevant units
8	of the Department of Commerce.
9	(iv) The Office of the United States
10	Trade Representative.
11	(v) The Department of State, the
12	United States Agency for International
13	Development, and the Bureau of Inter-
14	national Narcotics Law Enforcement.
15	(vi) The Department of Homeland Se-
16	curity, United States Customs and Borden
17	Protection, and United States Immigration
18	and Customs Enforcement.
19	(vii) The Food and Drug Administra-
20	tion of the Department of Health and
21	Human Services.
22	(viii) The United States Copyright Of-
23	fice.
24	(ix) Any such other agencies as the
25	President determines to be substantially

- involved in the efforts of the Federal Government to combat counterfeiting and piracy.
- 4 (B) Functions.—The advisory committee 5 established under subparagraph (A) shall de-6 velop the Joint Strategic Plan against counter-7 feiting and piracy under section 403.
- 8 (c) Compensation.—Section 5312 of title 5, United 9 States Code, is amended by adding at the end the following: "United States Intellectual Property Enforcement 11 Coordinator.".

12 SEC. 402. DEFINITION.

- For purposes of this title, the term "intellectual prop-14 erty enforcement" means matters relating to the enforce-15 ment of laws protecting copyrights, patents, trademarks, 16 other forms of intellectual property, and trade secrets, 17 both in the United States and abroad, including in par-
- 18 ticular matters relating to combating counterfeit and pi-
- 19 rated goods.

20 SEC. 403. JOINT STRATEGIC PLAN.

- 21 (a) Purpose.—The objectives of the Joint Strategic
- 22 Plan against counterfeiting and piracy that is referred to
- 23 in section 401(b)(1)(B) (in this section referred to as the
- 24 "joint strategic plan") are the following:

- 1 (1) Reducing counterfeit and pirated goods in 2 the domestic and international supply chain.
 - (2) Identifying and addressing structural weaknesses, systemic flaws, or other unjustified impediments to effective enforcement action against the financing, production, trafficking, or sale of counterfeit or pirated goods.
 - (3) Ensuring that information is identified and shared among the relevant departments and agencies, to the extent permitted by law and consistent with law enforcement protocols for handling information, to aid in the objective of arresting and prosecuting individuals and entities that are knowingly involved in the financing, production, trafficking, or sale of counterfeit or pirated goods.
 - (4) Disrupting and eliminating domestic and international counterfeiting and piracy networks.
 - (5) Strengthening the capacity of other countries to protect and enforce intellectual property rights, and reducing the number of countries that fail to enforce laws preventing the financing, production, trafficking, and sale of counterfeit and pirated goods.
 - (6) Working with other countries to establish international standards and policies for the effective

1	protection and enforcement of intellectual property
2	rights.
3	(7) Protecting intellectual property rights over-
4	seas by—
5	(A) working with other countries and ex-
6	changing information with appropriate law en-
7	forcement agencies in other countries relating
8	to individuals and entities involved in the fi-
9	nancing, production, trafficking, or sale of pi-
10	rated or counterfeit goods;
11	(B) using the information described in sub-
12	paragraph (A) to conduct enforcement activities
13	in cooperation with appropriate law enforce-
14	ment agencies in other countries; and
15	(C) building a formal process for con-
16	sulting with companies, industry associations,
17	labor unions, and other interested groups in
18	other countries with respect to intellectual prop-
19	erty enforcement.
20	(b) TIMING.—Not later than 12 months after the
21	date of the enactment of this Act, and not later than De-
22	cember 31 of every third year thereafter, the IPEC shall
23	submit the joint strategic plan to the Committee on the
24	Judiciary and the Committee on Appropriations of the

25 Senate, and to the Committee on the Judiciary and the

1	Committee on Appropriations of the House of Representa-
2	tives.
3	(e) RESPONSIBILITY OF THE IPEC.—During the de-
4	velopment of the joint strategic plan, the IPEC—
5	(1) shall provide assistance to, and coordinate
6	the meetings and efforts of, the appropriate officers
7	and employees of departments and agencies rep-
8	resented on the advisory committee appointed under
9	section $401(b)(3)$ who are involved in intellectual
10	property enforcement; and
11	(2) may consult with private sector experts in
12	intellectual property enforcement in furtherance of
13	providing assistance to the members of the advisory
14	committee appointed under section 401(b)(3).
15	(d) Responsibilities of Other Departments
16	AND AGENCIES.—In the development and implementation
17	of the joint strategic plan, the heads of the departments
18	and agencies identified under section $401(b)(3)$ shall—
19	(1) designate personnel with expertise and expe-
20	rience in intellectual property enforcement matters
21	to work with the IPEC and other members of the
22	advisory committee; and
23	(2) share relevant department or agency infor-
24	mation with the IPEC and other members of the ad-
25	visory committee, including statistical information

on the enforcement activities of the department or agency against counterfeiting or piracy, and plans

for addressing the joint strategic plan.

- 4 (e) CONTENTS OF THE JOINT STRATEGIC PLAN.—
 5 Each joint strategic plan shall include the following:
- 6 (1) A detailed description of the priorities iden7 tified for carrying out the objectives in the joint
 8 strategic plan, including activities of the Federal
 9 Government relating to intellectual property enforce10 ment.
 - (2) A detailed description of the means and methods to be employed to achieve the priorities, including the means and methods for improving the efficiency and effectiveness of the Federal Government's enforcement efforts against counterfeiting and piracy.
 - (3) Estimates of the resources necessary to fulfill the priorities identified under paragraph (1).
 - (4) The performance measures to be used to monitor results under the joint strategic plan during the following year.
 - (5) An analysis of the threat posed by violations of intellectual property rights, including the costs to the economy of the United States resulting from violations of intellectual property laws, and the threats

- to public health and safety created by counterfeitingand piracy.
 - (6) An identification of the departments and agencies that will be involved in implementing each priority under paragraph (1).
 - (7) A strategy for ensuring coordination between the IPEC and the departments and agencies identified under paragraph (6), including a process for oversight by the executive branch of, and accountability among, the departments and agencies responsible for carrying out the strategy.
 - (8) Such other information as is necessary to convey the costs imposed on the United States economy by, and the threats to public health and safety created by, counterfeiting and piracy, and those steps that the Federal Government intends to take over the period covered by the succeeding joint strategic plan to reduce those costs and counter those threats.
- 20 (f) Enhancing Enforcement Efforts of For-21 Eign Governments.—The joint strategic plan shall in-22 clude programs to provide training and technical assist-23 ance to foreign governments for the purpose of enhancing 24 the efforts of such governments to enforce laws against

- l counterfeiting and piracy. With respect to such programs,
- 2 the joint strategic plan shall—

- (1) seek to enhance the efficiency and consistency with which Federal resources are expended,
 and seek to minimize duplication, overlap, or inconsistency of efforts;
 - (2) identify and give priority to those countries where programs of training and technical assistance can be carried out most effectively and with the greatest benefit to reducing counterfeit and pirated products in the United States market, to protecting the intellectual property rights of United States persons and their licensees, and to protecting the interests of United States persons otherwise harmed by violations of intellectual property rights in those countries;
 - (3) in identifying the priorities under paragraph (2), be guided by the list of countries identified by the United States Trade Representative under section 182(a) of the Trade Act of 1974 (19 U.S.C. 2242(a)); and
 - (4) develop metrics to measure the effectiveness of the Federal Government's efforts to improve the laws and enforcement practices of foreign governments against counterfeiting and piracy.

(g) Dissemination of the Joint Strategic 1 PLAN.—The joint strategic plan shall be posted for public 3 access on the website of the White House, and shall be 4 disseminated to the public through such other means as 5 the IPEC may identify. SEC. 404. REPORTING. 6 7 (a) Annual Report.—Not later than December 31 8 of each calendar year beginning in 2009, the IPEC shall submit a report on the activities of the advisory committee 10 during the preceding fiscal year. The annual report shall be submitted to Congress, and disseminated to the people 12 of the United States, in the manner specified in sub-13 sections (b) and (g) of section 403. 14 (b) Contents.—The report required by this section 15 shall include the following: 16 (1) The progress made on implementing the 17 strategic plan and on the progress toward fulfillment 18 of the priorities identified under section 403(e)(1). 19 (2) The progress made in efforts to encourage 20 Federal, State, and local government departments 21 and agencies to accord higher priority to intellectual 22 property enforcement. 23 (3) The progress made in working with foreign 24 countries to investigate, arrest, and prosecute enti-

ties and individuals involved in the financing, pro-

- duction, trafficking, and sale of counterfeit and pirated goods.
 - (4) The manner in which the relevant departments and agencies are working together and sharing information to strengthen intellectual property enforcement.
 - (5) An assessment of the successes and short-comings of the efforts of the Federal Government, including departments and agencies represented on the committee established under section 401(b)(3).
 - (6) Recommendations for any changes in enforcement statutes, regulations, or funding levels that the advisory committee considers would significantly improve the effectiveness or efficiency of the effort of the Federal Government to combat counterfeiting and piracy and otherwise strengthen intellectual property enforcement, including through the elimination or consolidation of duplicative programs or initiatives.
 - (7) The progress made in strengthening the capacity of countries to protect and enforce intellectual property rights.
 - (8) The successes and challenges in sharing with other countries information relating to intellectual property enforcement.

1	(9) The progress made under trade agreements
2	and treaties to protect intellectual property rights of
3	United States persons and their licensees.
4	SEC. 405. SAVINGS AND REPEALS.
5	(a) Repeal of Coordination Council.—Section
6	653 of the Treasury and General Government Appropria-
7	tions Act, 2000 (15 U.S.C. 1128) is repealed.
8	(b) Current Authorities Not Affected.—Ex-
9	cept as provided in subsection (a), nothing in this title
0	shall alter the authority of any department or agency of
1	the United States (including any independent agency) that
2	relates to—
3	(1) the investigation and prosecution of viola-
4	tions of laws that protect intellectual property
5	rights;
6	(2) the administrative enforcement, at the bor-
7	ders of the United States, of laws that protect intel-
8	lectual property rights; or
9	(3) the United States trade agreements pro-
20	gram or international trade.
21	(c) REGISTER OF COPYRIGHTS.—Nothing in this title
22	shall derogate from the duties and functions of the Reg-

23 ister of Copyrights.

1 SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

- 2 (a) IN GENERAL.—There are authorized to be appro-
- 3 priated for each fiscal year such sums as may be necessary
- 4 to carry out this title.

5 TITLE V—DEPARTMENT OF

6 **JUSTICE PROGRAMS**

- 7 SEC. 501. LOCAL LAW ENFORCEMENT GRANTS.
- 8 (a) AUTHORIZATION.—Section 2 of the Computer
- 9 Crime Enforcement Act (42 U.S.C. 3713) is amended—
- 10 (1) in subsection (b), by inserting after "com-
- puter crime" each place it appears the following: ",
- including infringement of copyrighted works over the
- 13 Internet"; and
- 14 (2) in subsection (e)(1), relating to authoriza-
- tion of appropriations, by striking "fiscal years 2001
- through 2004" and inserting "fiscal years 2009
- 17 through 2013".
- 18 (b) Grants.—The Office of Justice Programs of the
- 19 Department of Justice shall make grants to eligible State
- 20 or local law enforcement entities, including law enforce-
- 21 ment agencies of municipal governments and public edu-
- 22 cational institutions, for training, prevention, enforce-
- 23 ment, and prosecution of intellectual property theft and
- 24 infringement crimes (in this subsection referred to as "IP-
- 25 TIC grants"), in accordance with the following:

- (1) USE OF IP—TIC GRANT AMOUNTS.—IP—TIC grants may be used to establish and develop programs to do the following with respect to the enforcement of State and local true name and address laws and State and local criminal laws on anti-piracy, anti-counterfeiting, and unlawful acts with respect to goods by reason of their protection by a patent, trademark, service mark, trade secret, or other intellectual property right under State or Federal law:
 - (A) Assist State and local law enforcement agencies in enforcing those laws, including by reimbursing State and local entities for expenses incurred in performing enforcement operations, such as overtime payments and storage fees for seized evidence.
 - (B) Assist State and local law enforcement agencies in educating the public to prevent, deter, and identify violations of those laws.
 - (C) Educate and train State and local law enforcement officers and prosecutors to conduct investigations and forensic analyses of evidence and prosecutions in matters involving those laws.

	00
1	(D) Establish task forces that include per-
2	sonnel from State or local law enforcement enti-
3	ties, or both, exclusively to conduct investiga-
4	tions and forensic analyses of evidence and
5	prosecutions in matters involving those laws.
6	(E) Assist State and local law enforcement
7	officers and prosecutors in acquiring computer
8	and other equipment to conduct investigations
9	and forensic analyses of evidence in matters in-
10	volving those laws.
11	(F) Facilitate and promote the sharing,
12	with State and local law enforcement officers
13	and prosecutors, of the expertise and informa-
14	tion of Federal law enforcement agencies about
15	the investigation, analysis, and prosecution of
16	matters involving those laws and criminal in-
17	fringement of copyrighted works, including the
18	use of multijurisdictional task forces.
19	(2) ELIGIBILITY.—To be eligible to receive an
20	IP-TIC grant, a State or local government entity
21	shall provide to the Attorney General—
22	(A) assurances that the State in which the
23	government entity is located has in effect laws

described in paragraph (1);

- 1 (B) an assessment of the resource needs of 2 the State or local government entity applying 3 for the grant, including information on the need 4 for reimbursements of base salaries and over-5 time costs, storage fees, and other expenditures 6 to improve the investigation, prevention, or en-7 forcement of laws described in paragraph (1); 8 and
 - (C) a plan for coordinating the programs funded under this section with other federally funded technical assistance and training programs, including directly funded local programs such as the Edward Byrne Memorial Justice Assistance Grant Program authorized by subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.).
 - (3) MATCHING FUNDS.—The Federal share of an IP-TIC grant may not exceed 90 percent of the costs of the program or proposal funded by the IP-TIC grant, unless the Attorney General waives, in whole or in part, the 90 percent requirement.

(4) Authorization of appropriations.—

(A) AUTHORIZATION.—There is authorized to be appropriated to carry out this subsection

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

1	the sum of \$25,000,000 for each of fiscal years
2	2009 through 2013.
3	(B) LIMITATION.—Of the amount made
4	available to carry out this subsection in any fis-
5	cal year, not more than 3 percent may be used
6	by the Attorney General for salaries and admin-
7	istrative expenses.
8	SEC. 502. IMPROVED INVESTIGATIVE AND FORENSIC RE-
9	SOURCES FOR ENFORCEMENT OF LAWS RE-
10	LATED TO INTELLECTUAL PROPERTY
11	CRIMES.
12	(a) In General.—Subject to the availability of ap-
13	propriations to carry out this subsection, the Attorney
14	General, in consultation with the Director of the Federal
15	Bureau of Investigation, shall, with respect to crimes re-
16	lated to the theft of intellectual property—
17	(1) create an operational unit of the Federal
18	Bureau of Investigation—
19	(A) to work with the Computer Crime and
20	Intellectual Property section of the Department
21	of Justice on the investigation and coordination
22	of intellectual property crimes that are complex,
23	committed in more than 1 judicial district, or
24	international;

1	(B) that consists of at least 10 agents of
2	the Bureau; and
3	(C) that is located at the headquarters of
4	the Bureau;
5	(2) ensure that any unit in the Department of
6	Justice responsible for investigating computer hack-
7	ing or intellectual property crimes is assigned at
8	least 2 agents of the Federal Bureau of Investiga-
9	tion (in addition to any agent assigned to such unit
10	as of the date of the enactment of this Act) to sup-
11	port such unit for the purpose of investigating or
12	prosecuting intellectual property crimes; and
13	(3) implement a comprehensive program—
14	(A) the purpose of which is to train agents
15	of the Federal Bureau of Investigation in the
16	investigation and prosecution of such crimes
17	and the enforcement of laws related to intellec-
18	tual property crimes;
19	(B) that includes relevant forensic training
20	related to investigating and prosecuting intellec-
21	tual property crimes; and
22	(C) that requires such agents who inves-
23	tigate or prosecute intellectual property crimes
24	to attend the program annually.

1	(b) Organized Crime Task Force.—Subject to the
2	availability of appropriations to carry out this subsection,
3	and not later than 120 days after the date of the enact-
4	ment of this Act, the Attorney General, through the
5	United States Attorneys' Offices, the Computer Crime and
6	Intellectual Property section, and the Organized Crime
7	and Racketeering section of the Department of Justice,
8	and in consultation with the Federal Bureau of Investiga-
9	tion and other Federal law enforcement agencies, shall
10	create a Task Force to develop and implement a com-
11	prehensive, long-range plan to investigate and prosecute
12	international organized crime syndicates engaging in or
13	supporting crimes relating to the theft of intellectual prop-
14	erty.
15	(c) Authorization.—There are authorized to be ap-
16	propriated to carry out this section \$12,000,000 for each
17	of fiscal years 2009 through 2013.
18	SEC. 503. ADDITIONAL FUNDING FOR RESOURCES TO IN-
19	VESTIGATE AND PROSECUTE CRIMINAL AC-
20	TIVITY INVOLVING COMPUTERS.
21	(a) Additional Funding for Resources.—
22	(1) Authorization.—In addition to amounts
23	otherwise authorized for resources to investigate and
24	prosecute criminal activity involving computers,

1	there are authorized to be appropriated for each of
2	the fiscal years 2009 through 2013—
3	(A) \$10,000,000 to the Director of the
4	Federal Bureau of Investigation; and
5	(B) \$10,000,000 to the Attorney General
6	for the Criminal Division of the Department of
7	Justice.
8	(2) AVAILABILITY.—Any amounts appropriated
9	under paragraph (1) shall remain available until ex-
10	pended.
11	(b) Use of Additional Funding.—Funds made
12	available under subsection (a) shall be used by the Direc-
13	tor of the Federal Bureau of Investigation and the Attor-
14	ney General, for the Federal Bureau of Investigation and
15	the Criminal Division of the Department of Justice, re-
16	spectively, to—
17	(1) hire and train law enforcement officers to—
18	(A) investigate crimes committed through
19	the use of computers and other information
20	technology, including through the use of the
21	Internet; and
22	(B) assist in the prosecution of such
23	crimes; and
24	(2) procure advanced tools of forensic science to
25	investigate, prosecute, and study such crimes.

1 SEC. 504. INTERNATIONAL INTELLECTUAL PROPERTY LAW

2	ENFORCEMENT COORDINATORS.
3	(a) Deployment of Additional Coordina-
4	TORS.—Subject to the availability of appropriations to
5	carry out this section, the Attorney General shall, within
6	180 days after the date of the enactment of this Act, de-
7	ploy 5 Intellectual Property Law Enforcement Coordina-
8	tors, in addition to those serving in such capacity on such
9	date of enactment. Such deployments shall be made to
10	those countries and regions where the activities of such
11	a coordinator can be carried out most effectively and with
12	the greatest benefit to reducing counterfeit and pirated
13	products in the United States market, to protecting the
14	intellectual property rights of United States persons and
15	their licensees, and to protecting the interests of United
16	States persons otherwise harmed by violations of intellec-
17	tual property rights in those countries. The mission of all
18	International Intellectual Property Law Enforcement Co-
19	ordinators shall include the following:
20	(1) Acting as liaison with foreign law enforce-
21	ment agencies and other foreign officials in criminal
22	matters involving intellectual property rights.
23	(2) Performing outreach and training to build
24	the enforcement capacity of foreign governments
25	against intellectual property-related crime in the re-
26	gions in which the coordinators serve.

- 1 (3) Coordinating United States law enforcement 2 activities against intellectual property-related crimes 3 in the regions in which the coordinators serve.
- 4 (b) Authorization of Appropriations.—There
- 5 are authorized to be appropriated for each fiscal year such
- 6 sums as may be necessary for the deployment and support
- 7 of all International Intellectual Property Enforcement Co-
- 8 ordinators of the Department of Justice, including those
- 9 deployed under subsection (a).

10 SEC. 505. ANNUAL REPORTS.

- Not later than 1 year after the date of the enactment
- 12 of this Act, and annually thereafter, the Attorney General
- 13 shall submit to the Committees on the Judiciary of the
- 14 Senate and the House of Representatives a report on ac-
- 15 tions taken to carry out this title.

16 SEC. 506. AUTHORIZATION OF APPROPRIATIONS.

- 17 There are authorized to be appropriated for each fis-
- 18 cal year such sums as may be necessary to carry out this
- 19 title.

 \bigcirc