

The United States Patent and Trademark Office (PTO) is totally funded by user fees. Prior to 1990, the PTO was funded through a combination of user fees and taxpayer revenue. However, in a deficit reduction exercise in 1990, taxpayer support for the operations of the PTO was eliminated and user fees were substantially increased by the imposition of a surcharge on patent fees. The temptation to use the surcharge has proven to be increasingly irresistible to Congress and the Administration, to the detriment of sound functioning of our nation's patent system. Through Fiscal Year 1998, a total of \$235 million has been diverted from the PTO to other unrelated agencies and programs.

At the urging of the inventor community, Congress allowed the surcharge to sunset at the end of Fiscal Year 1998. This means, however, that Congress must take affirmative action to adjust patent fees or the PTO will suffer a drastic reduction in revenue for the current fiscal year which will leave it unable to hire the patent examiners needed to reduce the time required to get a patent to eighteen months. Prompt processing of patent applications is particularly important for those inventors who need their patents to raise risk capital.

The Administration forwarded a draft bill to the Congress which would have continued patent fees at the current levels. However, in an oversight hearing before the House Judiciary Committee, Commissioner Lehman stated that the PTO would be unable to use all the revenues that would be generated if patent fees were to be continued at their current level in fiscal year 1999. Commissioner Lehman stated that keeping fees at their current level would generate \$50 million in excess fee revenue which the Administration planned to divert to other government programs. The response by the House of Representatives was to craft a bill, H.R. 3723, that would adjust patent fees to provide all of the money which the PTO indicated that it could use in fiscal year 1999, but which would not generate an unneeded \$50 million simply to support other government programs.

In the absence of any action on H.R. 3723, Congress had to include specific language in the continuing resolution signed by the President on September 25, 1998 addressing the level of patent fees that the PTO could charge. Section 117 of Public Law 105-240 provides that the PTO can continue to charge patent fees at the same level that existed on September 30, 1998 through October 9, 1998. As I previously noted, patent fees at this level are higher than they need to be to fully fund the PTO in fiscal year 1999. In a fiscal year when there are debates over how to use the billions of dollars of budget surplus, it is inappropriate for Congress to require the PTO to charge inventors more than the cost of rendering the services which they receive. By enacting H.R. 3723 we serve American inventors and provide them with the first real patent

fee reduction in the history of the nation. This bill is good for American inventors and good for the United States.

#### THE HEALTH PROFESSIONS EDUCATION PARTNERSHIPS ACT 1998

Mr. JEFFORDS. Mr. President, I am very pleased to support the passage of S. 1754, the Health Professions Education Partnerships Act of 1998. This legislation reauthorizes the health care training programs contained in titles VII and VIII of the Public Health Service Act and its enactment will improve health workforce quality, diversity, and the distribution of funds—while requiring greater accountability of both the grant recipients of federal funds and the agency that administers them. I am pleased to be an original co-sponsor of the Act.

Senate bill 1754 reauthorizes and consolidates 37 categorical grant and contract authorities of title VII and VIII of the Public Health Service Act into 8 clusters to provide for the support of health professions training programs and related community-based educational partnerships. To preserve the integrity of the programs, 15 funding lines will continue. This legislation provides comprehensive, flexible, and effective authority for the support of health professions training programs and the related community-based educational partnerships.

In my own State of Vermont, the students of the University of Vermont's College of Medicine have benefited from a number of these programs and scholarships, including those relating to family medicine and professional nurse and nurse practitioner training. The newest title VII program in Vermont is the Area Health Education Center (AHEC) which opened its first site in April 1997 in the Northeast Kingdom of Vermont. The AHEC will decentralize health professions education by having portions of the training provided in primary medical personnel shortage areas and by improving the coordination and use of existing health resources. Over the next two years, two additional sites are planned in other underserved areas of the State. These efforts have contributed to making Vermont a better place to obtain health care services and they have improved the quality of life for its residents.

I want to thank Senator FRIST and his excellent staff for their dedication and hard work in drafting the Health Professions Education Partnerships Act of 1998. The enactment of this act will improve the training of our nation's health workforce and, also, provide for greater accountability of the public funds used to support these educational programs.

#### THE MEDICAL RESEARCH INFRASTRUCTURE GAP

Mr. HARKIN. Mr. President, before this Congress ends, I want to bring to

my colleagues' attention an important issue confronting our nation's biomedical research enterprise and its search for medical breakthroughs as we move into the next century.

First, I want to say how pleased I am that we were able to provide the biggest increase ever for medical research this year. We worked hard to make that happen and I want to commend my colleague, Senator ARLEN SPECTER, for his leadership and work with me on this important accomplishment. The Conference Agreement of the Fiscal 1999 Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittee, provides a \$2 billion, or 15 percent, increase for the National Institutes of Health (NIH), the principal source of Federal funding for medical research conducted at our nation's universities and other research institutions. That 15 percent increase puts Congress on course to double funding for the NIH over the next five years, a target I've called for and agreed to by the Senate earlier in this Congress.

However, as Congress embarks on this important investment in improved health, we must strengthen the totality of the biomedical research enterprise. While it is critical to focus on high quality, cutting edge basic and clinical research, we must also consider the quality of the laboratories and buildings where that research is being conducted, as well as the training of future scientists and the salaries of those scientists.

In fact, Mr. President, the infrastructure of research institutions, including the need for new physical facilities, is central to our nation's leadership in medical research. Despite the significant scientific advances produced by Federally-funded research, most of that research is currently being done in medical facilities built in the 1950's and 1960's, a time when the Federal government obligated from \$30 million to \$100 million a year for facility and equipment modernization. Since then, however, annual appropriations for modernization of our biomedical research infrastructure have been greatly reduced, ranging from zero to \$20 million annually over the past decade. As a result, many of our research facilities and laboratories are outdated and inadequate to meet the challenge of the next millennium.

Over the past decade, I've worked hard both as chair and now Ranking Member of the health subcommittee to get the NIH budget increased to \$15.5 billion. Yet, over that same period, support for facility and laboratory modernization totaled only \$110 million. In the Fiscal 1999 appropriations bill, only 0.2 percent of the NIH budget will be directly devoted to improvement of the extramural laboratories that house NIH-funded scientists and support their research.

As we work to double funding for medical research over the next 5 years, the already serious shortfall in the