H.R. 699 addresses this issue by providing a clear and consistent probable cause standard for access to the contents of stored communications for which customers have a reasonable expectation of privacy.

H.R. 699 would accomplish these fairly straightforward reforms and that is why it has the support of privacy advocates and electronic communications companies.

I urge all of my colleagues to support this commonsense, bipartisan measure.

Mr. BABIN. Mr. Speaker, as a proud original cosponsor of H.R. 699, the Email Communications Privacy Act (ECPA), I am pleased to rise in full support of this bill on the House floor.

Since being introduced on February 4, 2015, we have been able to secure more than 300 cosponsors of this important bill, which will improve privacy protections for the email communications of ordinary American citizens.

Under current law there is little protection for the content of electronic communications stored or maintained by third party service providers. ECPA corrects this oversight and updates our laws to require a court ordered warrant that is based on probable cause before an email service provider can disclose these private communications.

In the current era where individual privacy is often overlooked or sidelined, this bill takes an important step to protect your privacy.

It is long past due that we update our privacy laws to give emails—a major means of communication today—the same protection as traditional mail and telephone calls. This bill has been endorsed by a broad range of privacy groups, including such conservative organizations as the Heritage Foundation and FreedomWorks.

Our bill modernizes these outdated statutes to ensure that the rights protected by the Fourth Amendment extend to Americans' email correspondence and digital data.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 699, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. GOODLATTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

DEFEND TRADE SECRETS ACT OF 2016

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1890) to amend chapter 90 of title 18, United States Code, to provide Federal jurisdiction for the theft of trade secrets, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 1890

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Defend Trade Secrets Act of 2016''.

SEC. 2. FEDERAL JURISDICTION FOR THEFT OF TRADE SECRETS.

(a) IN GENERAL.—Section 1836 of title 18, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) PRIVATE CIVIL ACTIONS.—

''(1) IN GENERAL.—An owner of a trade secret that is misappropriated may bring a civil action under this subsection if the trade secret is related to a product or service used in, or intended for use in, interstate or foreign commerce.

''(2) CIVIL SEIZURE.—

''(A) IN GENERAL.—

''(i) APPLICATION.—Based on an affidavit or verified complaint satisfying the requirements of this paragraph, the court may, upon ex parte application but only in extraordinary circumstances, issue an order providing for the seizure of property necessary to prevent the propagation or dissemination of the trade secret that is the subject of the action.

''(ii) REQUIREMENTS FOR ISSUING ORDER.—The court may not grant an application under clause (i) unless the court finds that it clearly appears from specific facts that—

''(I) an order issued pursuant to Rule 65 of the Federal Rules of Civil Procedure or another form of equitable relief would be inadequate to achieve the purpose of this paragraph because the party to which the order would be issued would evade, avoid, or otherwise not comply with such an order;

''(II) an immediate and irreparable injury will occur if such seizure is not ordered;

''(III) the harm to the applicant of denying the application outweighs the harm to the legitimate interests of the person against whom seizure would be ordered of granting the application and substantially outweighs the harm to any third parties who may be harmed by such seizure;

''(IV) the applicant is likely to succeed in showing that—

''(aa) the information is a trade secret; and

''(bb) the person against whom seizure would be ordered—

''(AA) misappropriated the trade secret of the applicant by improper means; or

''(BB) conspired to use improper means to misappropriate the trade secret of the applicant;

''(V) the person against whom seizure would be ordered has actual possession of—

''(aa) the trade secret; and

''(bb) any property to be seized;

''(VI) the application describes with reasonable particularity the matter to be seized and, to the extent reasonable under the circumstances, identifies the location where the matter is to be seized;

''(VII) the person against whom seizure would be ordered, or persons acting in concert with such person, would destroy, move, hide, or otherwise make such matter inaccessible to the court, if the applicant were to proceed on notice to such person; and

''(VIII) the applicant has not publicized the requested seizure.

''(B) ELEMENTS OF ORDER.—If an order is issued under subparagraph (A), it shall—

''(i) set forth findings of fact and conclusions of law required for the order;

''(ii) provide for the narrowest seizure of property necessary to achieve the purpose of this paragraph and direct that the seizure be conducted in a manner that minimizes any interruption of the business operations of third parties and, to the extent possible, does not interrupt the legitimate business operations of the person accused of misappropriating the trade secret;

''(iii)(I) be accompanied by an order protecting the seized property from disclosure by prohibiting access by the applicant or the person against whom the order is directed, and prohibiting any copies, in whole or in part, of the seized property, to prevent undue damage to the party against whom the order has issued or others, until such parties have an opportunity to be heard in court; and

''(II) provide that if access is granted by the court to the applicant or the person against whom the order is directed, the access shall be consistent with subparagraph (D);

''(iv) provide guidance to the law enforcement officials executing the seizure that clearly delineates the scope of the authority of the officials, including—

''(I) the hours during which the seizure may be executed; and

''(II) whether force may be used to access locked areas;

''(v) set a date for a hearing described in subparagraph (F) at the earliest possible time, and not later than 7 days after the order has issued, unless the party against whom the order is directed and others harmed by the order consent to another date for the hearing, except that a party against whom the order has issued or any person harmed by the order may move the court at any time to dissolve or modify the order after giving notice to the applicant who obtained the order; and

''(vi) require the person obtaining the order to provide the security determined adequate by the court for the payment of the damages that any person may be entitled to recover as a result of a wrongful or excessive seizure or wrongful or excessive attempted seizure under this paragraph.

''(C) PROTECTION FROM PUBLICITY.—The court shall take appropriate action to protect the person against whom an order under this paragraph is directed from publicity, by or at the behest of the person obtaining the order, about such order and any seizure under such order.

''(D) MATERIALS IN CUSTODY OF COURT.—

''(i) IN GENERAL.—Any materials seized under this paragraph shall be taken into the custody of the court. The court shall secure the seized material from physical and electronic access during the seizure and while in the custody of the court.

''(ii) STORAGE MEDIUM.—If the seized material includes a storage medium, or if the seized material is stored on a storage medium, the court shall prohibit the medium from being connected to a network or the Internet without the consent of both parties, until the hearing required under subparagraph (B)(v) and described in subparagraph (F).

''(iii) PROTECTION OF CONFIDENTIALITY.—The court shall take appropriate measures to protect the confidentiality of seized materials that are unrelated to the trade secret information ordered seized pursuant to this paragraph unless the person against whom the order is entered consents to disclosure of the material.

''(iv) APPOINTMENT OF SPECIAL MASTER.—The court may appoint a special master to locate and isolate all misappropriated trade secret information and to facilitate the return of unrelated property and data to the person from whom the property was seized. The special master appointed by the court shall agree to be bound by a non-disclosure agreement approved by the court.

''(E) SERVICE OF ORDER.—The court shall order that service of a copy of the order under this paragraph, and the submissions of the applicant to obtain the order, shall be made by a Federal law enforcement officer who, upon making service, shall carry out the seizure under the order. The court may allow State or local law enforcement officials to participate, but may not permit the applicant or any agent of the applicant to participate in the seizure. At the request of law enforcement officials, the court may

allow a technical expert who is unaffiliated with the applicant and who is bound by a court-approved non-disclosure agreement to participate in the seizure if the court determines that the participation of the expert will aid the efficient execution of and minimize the burden of the seizure.

''(F) SEIZURE HEARING.—

''(i) DATE.—A court that issues a seizure order shall hold a hearing on the date set by the court under subparagraph (B)(v).

''(ii) BURDEN OF PROOF.—At a hearing held under this subparagraph, the party who obtained the order under subparagraph (A) shall have the burden to prove the facts supporting the findings of fact and conclusions of law necessary to support the order. If the party fails to meet that burden, the seizure order shall be dissolved or modified appropriately.

''(iii) DISSOLUTION OR MODIFICATION OF ORDER.—A party against whom the order has been issued or any person harmed by the order may move the court at any time to dissolve or modify the order after giving notice to the party who obtained the order.

''(iv) DISCOVERY TIME LIMITS.—The court may make such orders modifying the time limits for discovery under the Federal Rules of Civil Procedure as may be necessary to prevent the frustration of the purposes of a hearing under this subparagraph.

''(G) ACTION FOR DAMAGE CAUSED BY WRONGFUL SEIZURE.—A person who suffers damage by reason of a wrongful or excessive seizure under this paragraph has a cause of action against the applicant for the order under which such seizure was made, and shall be entitled to the same relief as is provided under section 34(d)(11) of the Trademark Act of 1946 (15 U.S.C. 1116(d)(11)). The security posted with the court under subparagraph (B)(vi) shall not limit the recovery of third parties for damages.

''(H) MOTION FOR ENCRYPTION.—A party or a person who claims to have an interest in the subject matter seized may make a motion at any time, which may be heard ex parte, to encrypt any material seized or to be seized under this paragraph that is stored on a storage medium. The motion shall include, when possible, the desired encryption method.

''(3) REMEDIES.—In a civil action brought under this subsection with respect to the misappropriation of a trade secret, a court may—

''(A) grant an injunction—

''(i) to prevent any actual or threatened misappropriation described in paragraph (1) on such terms as the court deems reasonable, provided the order does not—

''(I) prevent a person from entering into an employment relationship, and that conditions placed on such employment shall be based on evidence of threatened misappropriation and not merely on the information the person knows; or

''(II) otherwise conflict with an applicable State law prohibiting restraints on the practice of a lawful profession, trade, or business;

''(ii) if determined appropriate by the court, requiring affirmative actions to be taken to protect the trade secret; and

''(iii) in exceptional circumstances that render an injunction inequitable, that conditions future use of the trade secret upon payment of a reasonable royalty for no longer than the period of time for which such use could have been prohibited;

''(B) award—

''(i)(I) damages for actual loss caused by the misappropriation of the trade secret; and

''(II) damages for any unjust enrichment caused by the misappropriation of the trade secret that is not addressed in computing damages for actual loss; or

''(ii) in lieu of damages measured by any other methods, the damages caused by the misappropriation measured by imposition of liability for a reasonable royalty for the misappropriator's unauthorized disclosure or use of the trade secret;

''(C) if the trade secret is willfully and maliciously misappropriated, award exemplary damages in an amount not more than 2 times the amount of the damages awarded under subparagraph (B); and

''(D) if a claim of the misappropriation is made in bad faith, which may be established by circumstantial evidence, a motion to terminate an injunction is made or opposed in bad faith, or the trade secret was willfully and maliciously misappropriated, award reasonable attorney's fees to the prevailing party.

''(c) JURISDICTION.—The district courts of the United States shall have original jurisdiction of civil actions brought under this section.

''(d) PERIOD OF LIMITATIONS.—A civil action under subsection (b) may not be commenced later than 3 years after the date on which the misappropriation with respect to which the action would relate is discovered or by the exercise of reasonable diligence should have been discovered. For purposes of this subsection, a continuing misappropriation constitutes a single claim of misappropriation.''.

(b) DEFINITIONS.—Section 1839 of title 18, United States Code, is amended—

(1) in paragraph (3)—

(A) in subparagraph (B), by striking ''the public'' and inserting ''another person who can obtain economic value from the disclosure or use of the information''; and

(B) by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(5) the term 'misappropriation' means—

''(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

''(B) disclosure or use of a trade secret of another without express or implied consent by a person who—

''(i) used improper means to acquire knowledge of the trade secret;

''(ii) at the time of disclosure or use, knew or had reason to know that the knowledge of the trade secret was—

''(I) derived from or through a person who had used improper means to acquire the trade secret;

''(II) acquired under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret; or

''(III) derived from or through a person who owed a duty to the person seeking relief to maintain the secrecy of the trade secret or limit the use of the trade secret; or

''(iii) before a material change of the position of the person, knew or had reason to know that—

''(I) the trade secret was a trade secret; and

''(II) knowledge of the trade secret had been acquired by accident or mistake;

''(6) the term 'improper means'—

''(A) includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means; and

''(B) does not include reverse engineering, independent derivation, or any other lawful means of acquisition; and

''(7) the term 'Trademark Act of 1946' means the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes, approved July 5, 1946 (15 U.S.C. 1051 et seq.) (commonly referred to as the ''Trademark Act of 1946'' or the ''Lanham Act'')'.''.

(c) EXCEPTIONS TO PROHIBITION.—Section 1833 of title 18, United States Code, is amended, in the matter preceding paragraph (1), by inserting ''or create a private right of action for'' after ''prohibit''.

(d) CONFORMING AMENDMENTS.—

(1) The section heading for section 1836 of title 18, United States Code, is amended to read as follows:

''§ 1836. Civil proceedings''.

(2) The table of sections for chapter 90 of title 18, United States Code, is amended by striking the item relating to section 1836 and inserting the following:

''1836. Civil proceedings.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any misappropriation of a trade secret (as defined in section 1839 of title 18, United States Code, as amended by this section) for which any act occurs on or after the date of the enactment of this Act.

(f) RULE OF CONSTRUCTION.—Nothing in the amendments made by this section shall be construed to modify the rule of construction under section 1838 of title 18, United States Code, or to preempt any other provision of law.

(g) APPLICABILITY TO OTHER LAWS.—This section and the amendments made by this section shall not be construed to be a law pertaining to intellectual property for purposes of any other Act of Congress.

SEC. 3. TRADE SECRET THEFT ENFORCEMENT.

(a) IN GENERAL.—Chapter 90 of title 18, United States Code, is amended—

(1) in section 1832(b), by striking ''$5,000,000'' and inserting ''the greater of $5,000,000 or 3 times the value of the stolen trade secret to the organization, including expenses for research and design and other costs of reproducing the trade secret that the organization has thereby avoided''; and

(2) in section 1835—

(A) by striking ''In any prosecution'' and inserting the following:

''(a) IN GENERAL.—In any prosecution''; and

(B) by adding at the end the following:

''(b) RIGHTS OF TRADE SECRET OWNERS.—The court may not authorize or direct the disclosure of any information the owner asserts to be a trade secret unless the court allows the owner the opportunity to file a submission under seal that describes the interest of the owner in keeping the information confidential. No submission under seal made under this subsection may be used in a prosecution under this chapter for any purpose other than those set forth in this section, or otherwise required by law. The provision of information relating to a trade secret to the United States or the court in connection with a prosecution under this chapter shall not constitute a waiver of trade secret protection, and the disclosure of information relating to a trade secret in connection with a prosecution under this chapter shall not constitute a waiver of trade secret protection unless the trade secret owner expressly consents to such waiver.''.

(b) RICO PREDICATE OFFENSES.—Section 1961(1) of title 18, United States Code, is amended by inserting ''sections 1831 and 1832 (relating to economic espionage and theft of trade secrets),'' before ''section 1951''.

SEC. 4. REPORT ON THEFT OF TRADE SECRETS OCCURRING ABROAD.

(a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term ''Director'' means the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

(2) FOREIGN INSTRUMENTALITY, ETC.—The terms ''foreign instrumentality'', ''foreign

agent'', and ''trade secret'' have the meanings given those terms in section 1839 of title 18, United States Code.

(3) STATE.—The term ''State'' includes the District of Columbia and any commonwealth, territory, or possession of the United States.

(4) UNITED STATES COMPANY.—The term ''United States company'' means an organization organized under the laws of the United States or a State or political subdivision thereof.

(b) REPORTS.—Not later than 1 year after the date of enactment of this Act, and biannually thereafter, the Attorney General, in consultation with the Intellectual Property Enforcement Coordinator, the Director, and the heads of other appropriate agencies, shall submit to the Committees on the Judiciary of the House of Representatives and the Senate, and make publicly available on the Web site of the Department of Justice and disseminate to the public through such other means as the Attorney General may identify, a report on the following:

(1) The scope and breadth of the theft of the trade secrets of United States companies occurring outside of the United States.

(2) The extent to which theft of trade secrets occurring outside of the United States is sponsored by foreign governments, foreign instrumentalities, or foreign agents.

(3) The threat posed by theft of trade secrets occurring outside of the United States.

(4) The ability and limitations of trade secret owners to prevent the misappropriation of trade secrets outside of the United States, to enforce any judgment against foreign entities for theft of trade secrets, and to prevent imports based on theft of trade secrets overseas.

(5) A breakdown of the trade secret protections afforded United States companies by each country that is a trading partner of the United States and enforcement efforts available and undertaken in each such country, including a list identifying specific countries where trade secret theft, laws, or enforcement is a significant problem for United States companies.

(6) Instances of the Federal Government working with foreign countries to investigate, arrest, and prosecute entities and individuals involved in the theft of trade secrets outside of the United States.

(7) Specific progress made under trade agreements and treaties, including any new remedies enacted by foreign countries, to protect against theft of trade secrets of United States companies outside of the United States.

(8) Recommendations of legislative and executive branch actions that may be undertaken to—

(A) reduce the threat of and economic impact caused by the theft of the trade secrets of United States companies occurring outside of the United States;

(B) educate United States companies regarding the threats to their trade secrets when taken outside of the United States;

(C) provide assistance to United States companies to reduce the risk of loss of their trade secrets when taken outside of the United States; and

(D) provide a mechanism for United States companies to confidentially or anonymously report the theft of trade secrets occurring outside of the United States.

SEC. 5. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) trade secret theft occurs in the United States and around the world;

(2) trade secret theft, wherever it occurs, harms the companies that own the trade secrets and the employees of the companies;

(3) chapter 90 of title 18, United States Code (commonly known as the ''Economic Espionage Act of 1996''), applies broadly to protect trade secrets from theft; and

(4) it is important when seizing information to balance the need to prevent or remedy misappropriation with the need to avoid interrupting the—

(A) business of third parties; and

(B) legitimate interests of the party accused of wrongdoing.

SEC. 6. BEST PRACTICES.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Federal Judicial Center, using existing resources, shall develop recommended best practices for—

(1) the seizure of information and media storing the information; and

(2) the securing of the information and media once seized.

(b) UPDATES.—The Federal Judicial Center shall update the recommended best practices developed under subsection (a) from time to time.

(c) CONGRESSIONAL SUBMISSIONS.—The Federal Judicial Center shall provide a copy of the recommendations developed under subsection (a), and any updates made under subsection (b), to the—

(1) Committee on the Judiciary of the Senate; and

(2) Committee on the Judiciary of the House of Representatives.

SEC. 7. IMMUNITY FROM LIABILITY FOR CONFIDENTIAL DISCLOSURE OF A TRADE SECRET TO THE GOVERNMENT OR IN A COURT FILING.

(a) AMENDMENT.—Section 1833 of title 18, United States Code, is amended—

(1) by striking ''This chapter'' and inserting ''(a) IN GENERAL.—This chapter'';

(2) in subsection (a)(2), as designated by paragraph (1), by striking ''the reporting of a suspected violation of law to any governmental entity of the United States, a State, or a political subdivision of a State, if such entity has lawful authority with respect to that violation'' and inserting ''the disclosure of a trade secret in accordance with subsection (b)''; and

(3) by adding at the end the following:

''(b) IMMUNITY FROM LIABILITY FOR CONFIDENTIAL DISCLOSURE OF A TRADE SECRET TO THE GOVERNMENT OR IN A COURT FILING.—

''(1) IMMUNITY.—An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—

''(A) is made—

''(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and

''(ii) solely for the purpose of reporting or investigating a suspected violation of law; or

''(B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

''(2) USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT.—An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual—

''(A) files any document containing the trade secret under seal; and

''(B) does not disclose the trade secret, except pursuant to court order.

''(3) NOTICE.—

''(A) IN GENERAL.—An employer shall provide notice of the immunity set forth in this subsection in any contract or agreement with an employee that governs the use of a trade secret or other confidential information.

''(B) POLICY DOCUMENT.—An employer shall be considered to be in compliance with the notice requirement in subparagraph (A) if the employer provides a cross-reference to a policy document provided to the employee that sets forth the employer's reporting policy for a suspected violation of law.

''(C) NON-COMPLIANCE.—If an employer does not comply with the notice requirement in subparagraph (A), the employer may not be awarded exemplary damages or attorney fees under subparagraph (C) or (D) of section 1836(b)(3) in an action against an employee to whom notice was not provided.

''(D) APPLICABILITY.—This paragraph shall apply to contracts and agreements that are entered into or updated after the date of enactment of this subsection.

''(4) EMPLOYEE DEFINED.—For purposes of this subsection, the term 'employee' includes any individual performing work as a contractor or consultant for an employer.

''(5) RULE OF CONSTRUCTION.—Except as expressly provided for under this subsection, nothing in this subsection shall be construed to authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 1838 of title 18, United States Code, is amended by striking ''This chapter'' and inserting ''Except as provided in section 1833(b), this chapter''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

□ 1445

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on S. 1890, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Today we are here to consider S. 1890, the Defend Trade Secrets Act of 2016. This bill puts forward enhancements to our Federal trade secrets law, creating a Federal civil remedy for trade secrets misappropriation that will help American innovators protect their intellectual property from criminal theft by foreign agents and those engaging in economic espionage. This bill will help U.S. competitiveness, job creation, and our Nation's future economic security.

Our intellectual property laws cover everything from patents, copyrights and trademarks, and include trade secrets.

But what are trade secrets?

Trade secrets law is used to protect some of the most iconic inventions in America. For example, a trade secret can include recipes like Colonel Sanders' secret recipe of 11 herbs and spices, and the 125-year-old formula for Coca-Cola housed in a vault at the World of Coca-Cola in Atlanta, Georgia.

However, trade secrets are not simply isolated to the realm of food and

beverages. They can include confidential formulas like the formula for WD–40, manufacturing techniques, customer lists, and algorithms like Google's search engine.

Trade secrets occupy a unique place in the IP portfolios of our most innovative companies, but because they are unregistered and not formally reviewed like patents, there are no limitations on discovering a trade secret by fair, lawful methods, such as reverse engineering or independent development. In innovative industries, that is simply the free market at work.

Though trade secrets are not formally reviewed, they are protected from misappropriation, which includes obtaining the trade secret through improper or unlawful means. Misappropriation can take many forms, whether it is an employee selling blueprints to a competitor or a foreign agent hacking into a server. In addition, one could argue that even a foreign government's policies to require forced technology transfer is a form of misappropriation.

Though most States base their trade secrets laws on the Uniform Trade Secrets Act, the Federal Government protects trade secrets through the Economic Espionage Act. In the 112th Congress, the Committee on the Judiciary helped enact two pieces of legislation to help improve the protection of trade secrets, and in the 113th Congress, we introduced and passed out of committee the first version of this trade secrets bill unanimously.

Today we build on our efforts over these past 2 years and are taking a significant and positive step toward improving our Nation's trade secrets laws and continuing to build on our important work in this area of intellectual property. I urge my colleagues to support this bill.

I reserve the balance of my time.

INFORMATION TECHNOLOGY INDUSTRY COUNCIL,
Washington, DC, April 26, 2016.

Hon. KEVIN MCCARTHY,
Majority Leader, House of Representatives, Washington, DC.
Hon. BOB GOODLATTE,
Chairman, House Committee on the Judiciary, Washington, DC.
Hon. DOUG COLLINS,
House of Representatives, Washington, DC.
Hon. NANCY PELOSI,
Democratic Leader, House of Representatives, Washington, DC.
Hon. JOHN CONYERS,
Ranking Member, House Committee on the Judiciary, Washington, DC.
Hon. JERROLD NADLER,
House of Representatives, Washington, DC.

DEAR MAJORITY LEADER MCCARTHY, DEMOCRATIC LEADER PELOSI, CHAIRMAN GOODLATTE, RANKING MEMBER CONYERS, REPRESENTATIVE COLLINS, AND REPRESENTATIVE NADLER: On behalf of the members of the Information Technology Industry Council (ITI), I write to express our support for S. 1890, the Defend Trade Secrets Act of 2016 (DTSA), and commend your efforts to bring it to the House floor for debate and vote. Given the importance of trade secrets protection to the high-tech industry, we will consider scoring votes in support of DTSA in our 114th Congressional Voting Guide.

ITI companies are at the forefront of innovation and have some of the largest trade secret and patent portfolios in the world tied to numerous goods and services offered to governments, commercial enterprises and consumers around the globe. In fact, patent portfolios often grow as a result of the ideas and products originating as trade secrets. Customer lists, manufacturing processes, and source code are just a few examples of important assets considered to be trade secrets by many companies.

Our companies pour billions of dollars into research and development to create products and services that ultimately become the backbone of their businesses. Trade secrets produced through this research and development increasingly have become attractive to competitors in other countries. In addition, advances in technology now make it easy to copy trade secret materials onto a jump drive or lap top computer that once would have taken reams of paper to reproduce. As a result, the threat posed to American trade secrets has increased and theft of these secrets robs our economy of growth and innovation.

It is long overdue for our trade secrets law to be modernized to keep pace with the rapid developments of our companies and the technologies and methods used by the criminals who target them. The patchwork of state trade secrets laws, while effective for local theft, fail to meet the demands of the global nature of today's trade secret misappropriation. In addition, trade secrets do not enjoy the same federal protections as other types of intellectual property. While it is a federal crime to steal a trade secret, unlike patents, copyrights and trademarks, there is no federal civil remedy.

DTSA provides a solution to these problematic gaps by making federal law more comprehensive and providing trade secrets owners with remedies all forms of intellectual property should be afforded. With both a federal criminal and a federal civil cause of action, large and small companies alike will have access to more tools they need to effectively combat trade secret theft and help to ensure future innovation continues to occur in the United States.

While trade secret protection is important domestically, as American companies expand in the global marketplace, this protection is also needed worldwide. As we operate in other countries and work with them to encourage strong intellectual property protection within their own borders, the Defend Trade Secrets Act will serve as a model for effective protection.

We thank the House Judiciary Committee for quickly approving this legislation, and we look forward to seeing the bill pass in the House of Representatives and move to the president's desk to become law.

On behalf of ITI's member companies, I thank you for your leadership on intellectual property protection and urge you and your colleagues to support S. 1890.

Sincerely,

DEAN C. GARFIELD,
President & CEO.

NATIONAL ASSOCIATION OF MANUFACTURERS,
April 26, 2016.

HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVES: The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states urges you to support S. 1890, the Defend Trade Secrets Act of 2016. S. 1890 passed the Senate by a vote of 87–0, and represents a bipartisan and amended version of H.R. 3326, introduced by Representatives Doug Collins (R–GA) and Jerrold Nadler (D–NY).

The NAM supports further safeguarding of confidential business information and trade secrets through the expansion of federal jurisdiction to enable faster, nationwide enforcement of all intellectual property (IP) rights. IP is one of the most valued business assets for manufacturers of all sizes. The impact of its theft has increased exponentially in today's digitally-driven environment. Mass amounts of this critical business information can now be illegally transferred to a small data storage device and removed easily and quickly from a manufacturers' facility. The value of this business information creates an inseparable link between the need for protection of intellectual property rights and innovation, competitiveness, and sound economic growth.

The NAM supports S. 1890 because it would strengthen the ability of manufacturers to protect their IP by creating a federal civil right of action to help prevent and prosecute trade secret theft, an important tool that does not exist today. Such a tool eliminates the difficult, time-consuming, and costly process imposed on manufacturers as they currently must work with multiple state jurisdictions in order to apprehend perpetrators of trade secret theft. A federal process that cuts across state lines would also increase the likelihood of preventing this valuable data from leaving the country permanently.

Manufacturers deploy the latest technology and controls to protect the critical information guarded by trade secrets. In the unfortunate instances when this data is compromised, manufacturers need to act quickly before it is disclosed and its value is lost forever. S. 1890 would modernize our current system, providing owners of trade secrets the same legal options as owners of other forms of IP, and give them the ability to pursue trade secret theft aggressively and efficiently.

The NAM's Key Vote Advisory Committee has indicated that votes on S. 1890, including procedural motions, may be considered for designation as Key Manufacturing Votes in the 114th Congress. Thank you for your consideration.

Sincerely,

ARIC NEWHOUSE.

CHAMBER OF COMMERCE, UNITED STATES OF AMERICA,
Washington, DC, April 26, 2016.

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES: The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, strongly supports S. 1890, the ''Defend Trade Secrets Act of 2016,'' and urges the House to expeditiously pass this bill.

Intellectual property sector industries generate 35% of all U.S. Gross Domestic Product and are responsible for two-thirds of all exports and over forty million good-paying jobs. The threat of trade secrets theft is of increasing concern to U.S. economic security and domestic jobs, and S. 1890 would provide companies with an effective tool to combat this growing problem. Creating a federal civil cause of action to complement existing criminal remedies and providing a uniform system and legal framework would enable companies to better mitigate the commercial injury and loss of employment that often occur when trade secrets are stolen.

The Chamber appreciates the House's attention to this important issue that impacts

companies that depend on intellectual property to spur innovation, create jobs, and bring new products to market that benefit consumers. By creating a federal civil remedy for trade secrets theft, this bill would help ensure the trade secrets of U.S. companies are given similar protections afforded to other forms of intellectual property including patents, trademarks, and copyrights.

The Chamber urges you to support S. 1890 and may consider votes on, or in relation to, this bill in our annual How They Voted scorecard.

Sincerely,

R. BRUCE JOSTEN.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of S. 1890, the Defend Trade Secrets Act. This measure amends the Economic Espionage Act of 1996 to create a Federal civil cause of action and to facilitate expedited ex parte seizure of property when necessary to preserve evidence or prevent dissemination.

The House counterpart to this bill, H.R. 3326, which was introduced by our committee colleagues, the gentleman from Georgia (Mr. COLLINS) and the distinguished gentleman from New York (Mr. NADLER), now has 164 bipartisan cosponsors, including myself.

Likewise, S. 1890 enjoys broad bipartisan and bicameral support, as evidenced by the fact that the Senate passed this bill by a vote of 87–0 earlier this month. The House Committee on the Judiciary reported this bill favorably by a unanimous voice vote only last week.

There are several reasons that I support the legislation. To begin with, S. 1890 will enhance the protection of trade secrets, which is integral to the success of any business. It is estimated that the value of trade secrets owned by United States companies as of 2009 was approximately $5 trillion.

Although trade secrets are fundamental to the success of any business, United States companies have struggled to protect these valuable assets, especially in the digital age of smartphones and the Internet. It is estimated that the loss of trade secrets as a result of cyber espionage costs these businesses between $200 billion and $300 billion annually.

Thieves take advantage of ever-evolving, innovative technologies to access sensitive trade secrets information and to distribute it immediately.

While Federal law protects other forms of intellectual property by providing access to Federal courts for aggrieved parties to seek redress, there is no Federal civil cause of action for enforcement of trade secrets protection.

S. 1890 addresses this need by establishing a Federal cause of action for trade secrets owners to obtain injunctive and monetary relief, which will be a powerful new tool to protect their intellectual property.

Now, another reason I support the bill is that it would foster uniformity among the States. Although States provide civil remedies for trade secrets theft, these laws often fall short when trade secrets are taken across State lines. As a result, businesses that have nationwide operations must deal with various differing State laws, which can be too costly for some businesses, particularly smaller ones. This also prevents businesses from taking full advantage of the rights that they might have under the law.

S. 1890 would provide trade secrets owners access to uniform national law and the ability to make their case in Federal court.

Lastly, I support the bill because it reflects constructive feedback from various stakeholders.

We have been working on this legislation for almost 2 years. It reflects the input from a broad spectrum of stakeholders, and the bill is an excellent example of what can be achieved when there is bipartisan collaboration.

I close by urging my colleagues to support this important legislation so that we can send it to the President's desk for signature.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLATTE. Mr. Speaker, it is my pleasure to yield 5 minutes to the gentleman from Georgia (Mr. COLLINS), the chief sponsor of the House version of this bill and a member of the Committee on the Judiciary.

Mr. COLLINS of Georgia. Mr. Speaker, I rise today in support of S. 1890, the Defend Trade Secrets Act. I introduced the House companion, and I am proud to see this bill moving forward. This legislation is sorely needed to protect the United States from the billions of dollars it faces in losses each year due to trade secrets theft.

However, the legislation could not have reached this point without the hard work and dedication of several people. First, I would like to thank Chairman GOODLATTE and his staff for their efforts to move this bill through the Committee on the Judiciary and bring it to the floor. This has been, as the ranking member said, a several-year process. We are glad to see it here.

I also wanted to thank those who introduced the House legislation with me, Mr. NADLER and Mr. JEFFRIES, both from New York, and their staff, for their commitment to the issue and their willingness to work across the aisle to implement meaningful reform.

On the Senate side, Senators HATCH and COONS were instrumental in getting us to this point. Their leadership, along with the leadership of Chairman GRASSLEY and Senator LEAHY, helped ensure the strong Senate vote of 87–0 and ensured this product was able to come to the House.

I would finally like to take just a moment to thank Jennifer Choudhry, my former legislative director, for her hand in introducing and shepherding this bill through the legislative process. Her contributions were invaluable, and she should be proud of her part in getting this legislation to the House floor today. I also thank Sally Rose Larson, who has taken up the mantle in my office and helped to get us here to the finish line.

The Defend Trade Secrets Act enjoys support from a broad coalition of groups and industries, from Americans for Tax Reform, the American Bar Association Intellectual Property Law Section, the Information Technology Industry Council, the chamber of commerce, the National Association of Manufacturers, and many more. In fact, Mr. Speaker, this bill has more than 160 bipartisan cosponsors.

Mr. Speaker, estimates show that as much as 80 percent of companies' assets are intangible, many in the form of trade secrets. Couple that with the fact that trade secrets theft is costing America billions of dollars each year. In fact, one study indicates that trade secrets theft costs America approximately $300 billion annually. That price tag will continue to grow as technology and thieves become more sophisticated. Trade secrets theft jeopardizes our economic security and threatens jobs, which is why it is so important that we take steps to address it.

Trade secrets include everything from business information to designs, prototypes, and formulas. Coming from Georgia, one good example is the recipe for Coca-Cola. Trade secrets are commercially valuable information subject to secrecy protection. They are a critical form of intellectual property, yet they do not enjoy the same protections that apply to other forms of intellectual property, such as copyrights, patents, and trademarks.

Additionally, trade secrets derive economic value from not being publicly known, and this confidential business information can be protected for an unlimited time. However, once trade secrets are disclosed, they instantly lose their value, making it even more important to have the mechanisms in place to protect them.

Currently, Federal law is insufficient to address many of the challenges related to trade secrets theft in today's economy. The only Federal mechanism for trade secrets protection under current law is the 1996 Economic Espionage Act, which made trade secrets theft by foreign nationals a criminal offense.

However, this only addresses part of the problem, and criminalizes only a portion of trade secrets theft, whereas a civil remedy for misuse and misappropriation would allow companies to more broadly protect their property.

The Defend Trade Secrets Act will address that, and it will strengthen the ability of companies to protect valuable trade secrets, which, in turn, allows them to protect American jobs and innovation. The bill will empower companies to protect their trade secrets in Federal court by creating a Federal private right of action.

The bill streamlines access to relief, and, in extraordinary circumstances, allows victims of trade secrets theft to obtain a seizure to ensure trade secrets

are not abused while cases are pending. The Defend Trade Secrets Act also provides for an injunction and damages.

Protecting the trade secrets of American businesses is crucial to keeping our country a leader in the world economy. Providing a Federal civil remedy will create certainty for companies throughout the Nation, including my home State of Georgia.

Congress has the responsibility to give industries the tools they need to protect their intellectual property and, in turn, encourage job creation and economic growth. This bill takes a step forward in better protecting American innovation.

Again, I want to thank the tireless work of my House and Senate colleagues in advancing this critical legislation. I am proud to see this bill, which provides critical intellectual property protections and protects American businesses, move forward. I would encourage all my colleagues to join me today in supporting the Defend Trade Secrets Act.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. NADLER), a senior member of the Committee on the Judiciary and author of this bill.

Mr. NADLER. Mr. Speaker, I rise in strong support of S. 1890, the Defend Trade Secrets Act of 2016. This long overdue legislation would protect businesses across the country from the growing threat of trade secrets theft by creating a uniform Federal civil cause of action for misappropriation of trade secrets.

Trade secrets are proprietary business information that derive their value from being and remaining secret. This includes secret recipes, software codes, and manufacturing processes—information that, if disclosed, could prove ruinous to a company. As the United States economy becomes more and more knowledge- and service-based, trade secrets are increasingly becoming the foundation of businesses across the country, with one estimate placing the value of trade secrets in the United States at $5 trillion.

□ 1500

Unfortunately, with such fortunes resting on trade secrets, theft of this property is inevitable. And in today's digital environment, it has never been easier to transfer stolen property across the globe with the click of a button. By one estimate, the American economy loses annually as much as $300 billion or more due to misappropriation of trade secrets, leading to loss of up to 2.1 billion jobs each year.

With so much at stake, it is absolutely vital that the law include strong protections against theft of trade secrets. However, our current patchwork of Federal and State laws has proven inadequate to the job. While the Federal Government may bring criminal prosecutions and may move for civil injunctions, this power is rarely exercised and often fails to adequately compensate the victims.

The States provide civil causes of action for victims of theft, with money damages available, but this system has not proven efficient or effective for incidents that cross State and, sometimes, international borders.

Once upon a time, trade secrets might have been kept in a file cabinet somewhere, and would-be thieves would have to spirit away a physical copy, making it likely that they would be caught before crossing State lines. But today, trade secrets can be loaded onto a thumb drive and mailed out of State or even sent electronically anywhere across the globe in an instant.

Pursuing a defendant and the evidence in dispute across State lines present a host of challenges for victims of trade secret theft, particularly when time is of the essence. The need for a Federal solution is, therefore, clear.

The Defend Trade Secrets Act fills this gap by creating a uniform Federal civil cause of action for theft of trade secrets. It also provides for expedited ex parte seizure of property, but only in extraordinary circumstances where necessary to preserve evidence or prevent dissemination.

As the lead Democratic cosponsor of H.R. 3326, the House companion to this legislation, I am very pleased that this bill is on the floor today, and I want to thank everyone who worked hard to bring us to this point. In particular, I want to thank the sponsor of H.R. 3326, the gentleman from Georgia (Mr. COLLINS), as well as Ranking Member CONYERS, Chairman GOODLATTE, and the gentleman from New York (Mr. JEFFRIES). I also appreciate the sponsors of the Senate bill, S. 1890, Senators HATCH and COONS, for all of their work on this legislation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS. I yield the gentleman an additional 30 seconds.

Mr. NADLER. The bill we are considering today represents the culmination of over 2 years of negotiations with various stakeholders and has strong bipartisan support, with 164 cosponsors in the House and 65 in the Senate.

This is good legislation that carefully balances the rights of defendants and the needs of American businesses to protect their most valuable assets. The Senate passed the bill 87–0. With passage here today, we can send it straight to the President's desk.

I urge my colleagues to support the bill.

Mr. GOODLATTE. Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. JEFFRIES), a distinguished member of the Judiciary Committee.

Mr. JEFFRIES. Mr. Speaker, I thank the ranking member for yielding, as well as for his tremendous leadership, and Chairman GOODLATTE, Congressman COLLINS, Congressman NADLER, as well as the Protect Trade Secrets Coalition, for their tremendous work in getting us to this point where we are on the verge of passing this very important piece of legislation.

Whether it is the original recipe created by Colonel Sanders in connection with Kentucky Fried Chicken or whether it is the special sauce made famous by the iconic Big Mac of McDonald's or whether it is Corning's glass that is so frequently used and found in many of our smartphones all across the country, trade secrets are as American as baseball and apple pie. Unfortunately, we have found ourselves, over the last few years, in a situation where trade secret theft has become a significant problem, by some accounts costing us in excess of $300 billion per year and more than 2 million jobs annually.

Traditionally, trade secret theft has been dealt with on the civil side as a matter of State law. But because of the increasing nature of the problem and the fact that it is both multistate and multinational in nature, the State law domain has become inadequate, which brings us to this piece of legislation that would create a Federal civil cause of action for trade secret misappropriation, giving our companies and stakeholders access to a uniform body of law that can deal with trade secret theft in a more appropriate fashion.

That is why this piece of legislation is so significant in this climate and why I am so thankful for the leadership of all those who have brought us to this point. I urge everyone to support this bill.

Mr. CONYERS. Mr. Speaker, I yield back the balance of my time.

Mr. GOODLATTE. Mr. Speaker, I yield myself the balance of my time.

In closing, Mr. Speaker, I want to thank my fellow Judiciary Committee colleagues and their staffs who have devoted much time and energy and intellect to this project. We have worked together for the common goal of improving our Nation's trade secret laws for the past 2 years.

I want to particularly thank Representatives DOUG COLLINS, JERROLD NADLER, and the over 150 Members of Congress who joined as cosponsors of this legislation in the House. In the Senate, we have worked closely with Senators HATCH, GRASSLEY, LEAHY, COONS, and others, and I want to thank them and their staffs for their contributions to this effort.

Furthermore, I would like to thank the White House and the U.S. Patent and Trademark Office for working collaboratively with us, as well as the Protect Trade Secrets Coalition for its work on this effort. I also want to thank my staff for all their hard work on this important legislation.

This bill is the product of years of bipartisan, bicameral work, and it will have a positive impact on U.S. competitiveness, job creation, and our Nation's future economic security. I urge my colleagues to support S. 1890.

Mr. Speaker, I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise in strong support of S. 1890, the "Defend Trade Secrets Act of 2016".

S. 1890, amends the, ''Economic Espionage Act of 1996,'' to create a federal civil remedy for trade secret misappropriation, and expedite ex parte seizure of trade secrets to preserve evidence or prevent dissemination, without preempting state law.

''Trade secrets'' are the form of intellectual property that protect confidential information, including: marketing data and strategies, manufacturing processes or techniques, confidential and chemical formulae, product design, customer lists, business leads, pricing schedules, and sales techniques.

Trade secret law offers protection from trade secret ''misappropriation,'' which is the unauthorized acquisition, use, or disclosure of such secrets obtained by some improper means.

Under U.S. law, trade secrets consist of three parts: (i) information that is non-public; (2) the reasonable measures taken to protect that information; and (3) the fact that the information derives independent economic value from not being publicly known.

American companies are at the forefront of innovation and have some of the largest trade secret and patent portfolios in the world tied to numerous goods and services offered to governments, commercial enterprises, and consumers around the globe.

In fact, patent portfolios often grow as a result of the ideas and products that originated as trade secrets.

President Obama's Administration identified the importance of this legislation and, ''strongly supports the Defend Trade Secrets Act,'' because he recognizes that as the United States continues to shift from a manufacturing, to a knowledge- and service-based economy, businesses increasingly depend on trade secrets to protect their confidential know-how.

A 2009 estimate placed the value of trade secrets owned by U.S. companies at five trillion dollars, demonstrating that trade secrets have become an increasingly important part of most companies' overall assets.

But, the global economy creates a competitive environment in which companies struggle to safeguard this information in light of innovative technologies, such as cell phones, which allow nearly anyone to photograph or otherwise record data and send information nearly instantaneously.

A 2013 report, by the Commission on the Theft of American Intellectual Property, estimated that the American economy loses more than $300 billion annually as a result of theft of intellectual property, largely trade secrets, leading to a loss of up to 2.1 million jobs each year.

The same theft is slowing U.S. economic growth and diminishing the incentive to innovate that we celebrate today.

Our companies pour billions of dollars into research and development, creating products and services that ultimately become the backbone of their businesses.

And rightly so, those trade secrets produced through research and development increasingly have become the attractive envy of competitors in other countries.

In addition, advances in technology now make it easy to copy trade secret materials onto a jump drive or laptop computer that in a world of less advanced technology would have taken reams of paper to reproduce.

Modernization of trade secrets law is long overdue if our legislation is to keep pace with the rapid developments of premier American companies and the technologies and methodologies used by the criminals who target them.

The patchwork of state trade secrets laws, while effective for local theft, fail to meet the demands of the global nature of today's trade secret misappropriations.

In addition, trade secrets do not enjoy the same federal protections as other types of intellectual property. While it is a federal crime to steal a trade secret, unlike patents, copyrights and trademarks, there is no current federal civil remedy.

This confidential business information can be protected for an unlimited time, unlike patents, and requires no formal registration process.

But unlike patents, once this information is disclosed it instantly loses its value and the property right itself ceases to exist, demonstrating a stark difference in the potential consequences of securing patent protections versus keeping an innovation as a trade secret.

When an inventor seeks patent protection, he or she agrees to disclose to the world their invention and how it works, furthering innovation and research, as well as securing a 20-year exclusive term of protection, and the right to prevent others from making, using, selling, importing, or distributing a patented invention without permission.

However, in contrast by maintaining it as a trade secret, an inventor could theoretically keep their invention secret indefinitely (ex: formula for Coca-Cola; the KFC Colonel's Secret Recipe); but, the downside is there is no protection if the trade secret is uncovered by others through reverse engineering or independent development.

Trade secrets must be valiantly guarded because discovery of a trade secret by fair, lawful methods, such as reverse engineering or independent development, is permitted.

As a result, the threat posed to American trade secrets has increased and theft of these secrets robs our economy of growth and innovation. S. 1890, provides a solution to these problematic gaps by making federal law more comprehensive and providing trade secrets owners with remedies that all forms of intellectual property should be afforded.

With both a federal criminal and a federal civil cause of action, large and small companies alike will have access to more of the tools that they need to effectively combat trade secret theft and help to ensure future innovation continues to occur within the United States.

While trade secret protection is important domestically, as American companies expand in the global marketplace, this protection is also paramount worldwide.

As we operate in other countries and work with them to encourage strong intellectual property protection within their own borders, the ''Defend Trade Secrets Act'' will serve as a model for effective protection.

S. 1890 will prevent the occurrence of (1) trade secret theft occurring in the United States and around the world; and (2) trade secret theft harming owner companies and their employees; while allowing the ''Economic Espionage Act of 1996'' to continue to apply broadly to protect trade secrets from theft.

I thank the House Judiciary Committee for quickly approving this legislation, and look forward to seeing this bill pass in the House to move to the President's desk to become law.

Mr. Speaker, I thank our Leadership for its prowess on intellectual property protection and urge you and your colleagues to support S. 1890.

CHAMBER OF COMMERCE,
UNITED STATES OF AMERICA,
Washington, DC, April 26, 2016.

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES: The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, strongly supports S. 1890, the ''Defend Trade Secrets Act of 2016,'' and urges the House to expeditiously pass this bill.

Intellectual property sector industries generate 35% of all U.S. Gross Domestic Product and are responsible for two-thirds of all exports and over forty million good-paying jobs. The threat of trade secrets theft is of increasing concern to U.S. economic security and domestic jobs, and S. 1890 would provide companies with an effective tool to combat this growing problem. Creating a federal civil cause of action to complement existing criminal remedies and providing a uniform system and legal framework would enable companies to better mitigate the commercial injury and loss of employment that often occur when trade secrets are stolen.

The Chamber appreciates the House's attention to this important issue that impacts companies that depend on intellectual property to spur innovation, create jobs, and bring new products to market that benefit consumers. By creating a federal civil remedy for trade secrets theft, this bill would help ensure the trade secrets of U.S. companies are given similar protections afforded to other forms of intellectual property including patents, trademarks, and copyrights.

The Chamber urges you to support S. 1890 and may consider votes on, or in relation to, this bill in our annual How They Voted scorecard.

Sincerely,

R. BRUCE JOSTEN.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, S. 1890.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. GOODLATTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Motions to suspend the rules on H.R. 4923 and H.R. 699, each by the yeas and nays;

Ordering the previous question on House Resolution 701; and

Adoption of House Resolution 701, if ordered.