

117TH CONGRESS
1ST SESSION

S. _____

To amend title 35, United States Code, to address matters relating to the Patent Trial and Appeal Board of the United States Patent and Trademark Office, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. LEAHY (for himself and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title 35, United States Code, to address matters relating to the Patent Trial and Appeal Board of the United States Patent and Trademark Office, 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.**

4 This Act may be cited as the “Restoring the America
5 Invents Act”.

6 **SEC. 2. PATENTS.**

7 Title 35, United States Code, is amended—

8 (1) in section 6—

1 (A) in subsection (c)—

2 (i) in the second sentence, by striking

3 “Only the” and inserting “The”; and

4 (ii) by adding at the end the fol-

5 lowing: “After the constitution of a panel

6 of the Patent Trial and Appeal Board

7 under this subsection has been made pub-

8 lic, any changes to the constitution of that

9 panel shall be noted in the record.”;

10 (B) by redesignating subsection (d) as sub-

11 section (e);

12 (C) by inserting after subsection (c) the

13 following:

14 “(d) REVIEW BY DIRECTOR.—

15 “(1) IN GENERAL.—With respect to a final de-

16 cision of the Patent Trial and Appeal Board—

17 “(A) the Director may, on the initiative of

18 the Director, review, and modify or set aside,

19 the decision; and

20 “(B) if the decision is issued under section

21 318 or 328, a party to the applicable inter

22 partes or post-grant review may request that

23 the Director review, and modify or set aside,

24 the decision.

1 “(2) REQUIREMENT.—Any review by the Direc-
2 tor under paragraph (1) shall be issued in a sepa-
3 rate written opinion that—

4 “(A) is made part of the public record; and

5 “(B) sets forth the reasons for the review,
6 modification, or setting aside of the final deci-
7 sion of the Patent Trial and Appeal Board.

8 “(3) TIMELINE AND BASES FOR REVIEW.—Not
9 later than 18 months after the date of enactment of
10 the Restoring the America Invents Act, the Director
11 shall promulgate rules addressing the following
12 issues:

13 “(A) With respect to review of a decision
14 on the initiative of the Director under para-
15 graph (1)(A)—

16 “(i) the timeline under which the Di-
17 rector may review the decision, which shall
18 be consistent with the requirements under
19 section 318(e) or 328(e), if applicable; and

20 “(ii) the bases on which the Director
21 may review the decision.

22 “(B) With respect to a request by a party
23 under paragraph (1)(B)—

24 “(i) the timeline for submitting such a
25 request;

1 “(ii) the content that the party is re-
2 quired to include in such a request;

3 “(iii) the bases on which the party
4 may submit such a request; and

5 “(iv) the timeline for any response or
6 reply to such a request such that the re-
7 quest can be decided within the deadline
8 imposed under section 318(e) or 328(e), as
9 applicable.

10 “(4) RULE OF CONSTRUCTION.—For the pur-
11 poses of an appeal permitted under section 141, any
12 decision on review issued by the Director under this
13 subsection shall be deemed a final decision of the
14 Patent Trial and Appeal Board.”; and

15 (D) in subsection (e), as so redesignated—

16 (i) in the first sentence—

17 (I) by striking “of this sub-
18 section” and inserting “of the Restor-
19 ing the America Invents Act”;

20 (II) by inserting “or the Sec-
21 retary” after “appointment by the Di-
22 rector”; and

23 (III) by inserting “or the Sec-
24 retary, as applicable,” after “on which
25 the Director”; and

1 (ii) in the second sentence—

2 (I) by inserting “, or, before the
3 date of enactment of the Restoring
4 the America Invents Act, having per-
5 formed duties no longer performed by
6 administrative patent judges,” after
7 “by the Director”; and

8 (II) by striking “that the admin-
9 istrative patent judge so appointed”
10 and inserting “that the applicable ad-
11 ministrative patent judge”;

12 (2) in section 302, in the first sentence, by in-
13 serting “, including a governmental entity,” after “A
14 person”;

15 (3) in chapter 31—

16 (A) in section 311—

17 (i) in subsection (a), in the first sen-
18 tence, by inserting “, including a govern-
19 mental entity,” after “a person”; and

20 (ii) in subsection (b), by striking
21 “under section 102” and all that follows
22 through the period at the end and insert-
23 ing the following: “under—

24 “(1) section 102 or 103 and only on the basis
25 of—

1 “(A) prior art consisting of patents or
2 printed publications; or

3 “(B) admissions in the patent specifica-
4 tion, drawings, or claims; or

5 “(2) statutory or obviousness-type double pat-
6 enting on the basis of—

7 “(A) patents or printed publications; or

8 “(B) admissions in the patent specifica-
9 tion, drawings, or claims.”;

10 (B) in section 314—

11 (i) in subsection (a), by striking “The
12 Director may not authorize an inter partes
13 review to be instituted unless” and insert-
14 ing the following: “Subject only to the dis-
15 cretion of the Director under section
16 325(d)(4), a petition that meets the re-
17 quirements of this chapter shall be insti-
18 tuted if”; and

19 (ii) in subsection (d)—

20 (I) by inserting “or maintain”
21 after “to institute”; and

22 (II) by striking “section” and in-
23 serting “chapter”;

24 (C) in section 315—

25 (i) in subsection (a)(1)—

1 (I) by striking “An inter partes”
2 and inserting the following:

3 “(A) IN GENERAL.—An inter partes”; and

4 (II) by adding at the end the fol-
5 lowing:

6 “(B) RULE OF CONSTRUCTION.—Subpara-
7 graph (A) may not be construed to prevent an
8 inter partes review from being instituted if a
9 complaint in a civil action described in that
10 subparagraph has been dismissed without prej-
11 udice.”;

12 (ii) by striking subsection (b) and in-
13 serting the following:

14 “(b) PATENT OWNER’S ACTION.—

15 “(1) IN GENERAL.—An inter partes review may
16 not be instituted if the petition requesting the pro-
17 ceeding is filed more than 1 year after the date on
18 which the petitioner, real party in interest, or privy
19 of the petitioner is served with a complaint alleging
20 infringement of the patent. The time limitation set
21 forth in the preceding sentence shall be subject to
22 the following limitations:

23 “(A) The time limitation shall not apply—

24 “(i) to a request for joinder under
25 subsection (c); or

1 “(ii) if the complaint is dismissed
2 without prejudice.

3 “(B) If new or amended claims issue from
4 reexamination after the petitioner, real party in
5 interest, or privy of the petitioner is served with
6 the complaint, an inter partes review of those
7 claims may be instituted if the petition request-
8 ing the review is filed not later than 1 year
9 after the date on which the challenged claims
10 are asserted in the action.

11 “(2) REQUEST FOR STAY.—

12 “(A) IN GENERAL.—If a party seeks a stay
13 of a civil action brought under section 281 al-
14 leging infringement of a patent that is also sub-
15 ject to an inter partes review, the court shall
16 decide whether to stay the civil action based on
17 whether—

18 “(i) the outcome of the inter partes
19 review will likely simplify the issues in
20 question in the civil action and streamline
21 the proceedings in the civil action;

22 “(ii) as of the date on which the stay
23 is requested, discovery in the civil action is
24 complete;

1 “(iii) a stay, or the denial thereof,
2 would—

3 “(I) unduly prejudice the non-
4 moving party; or

5 “(II) present a clear tactical ad-
6 vantage for the moving party; and

7 “(iv) a stay, or the denial thereof, will
8 reduce the burden of litigation on the par-
9 ties to the civil action and the court.

10 “(B) REVIEW.—A party may take an im-
11 mediate interlocutory appeal from the decision
12 of a district court of the United States under
13 subparagraph (A). The United States Court of
14 Appeals for the Federal Circuit shall review the
15 district court’s decision to ensure consistent ap-
16 plication of established precedent, and such re-
17 view shall be de novo.”;

18 (iii) in subsection (c)—

19 (I) by striking “If the Director”
20 and inserting the following:

21 “(1) IN GENERAL.—If the Director”; and

22 (II) by adding at the end the fol-
23 lowing:

24 “(2) ESTOPPEL.—Any person joined as a party
25 to an inter partes review, and any real party in in-

1 terest or privy of such person, shall be estopped
2 under subsection (e) to the same extent as if that
3 person, real party in interest, or privy had been the
4 first petitioner in that inter partes review.”;

5 (iv) by striking subsection (d) and in-
6 serting the following:

7 “(d) MULTIPLE PROCEEDINGS.—

8 “(1) IN GENERAL.—Notwithstanding sections
9 135(a), 251, and 252, and chapter 30, during the
10 pendency of an inter partes review, if another pro-
11 ceeding or matter involving the patent is before the
12 Office, or if there is a pending application claiming
13 the benefit of a common filing date to the patent
14 under section 120 or 121—

15 “(A) the parties shall notify the Director;
16 and

17 “(B) the Director shall issue a decision de-
18 termining the manner in which the other pro-
19 ceeding or matter may proceed, including pro-
20 viding for stay, transfer, consolidation, or ter-
21 mination of any such proceeding or matter.

22 “(2) NO EXTENSION.—A decision of the Direc-
23 tor under paragraph (1)(B) may not—

24 “(A) extend any statutory deadline under
25 this chapter; or

1 “(B) terminate an inter partes proceeding
2 in favor of an ex parte proceeding.

3 “(3) PRESUMPTION.—For the purposes of this
4 subsection, if the multiple proceedings described in
5 paragraph (1) are of like type and are filed reason-
6 ably close in time, there shall be a rebuttable pre-
7 sumption that the Director shall consolidate the pro-
8 ceedings under that paragraph.”; and

9 (v) in subsection (e)—

10 (I) in paragraph (1)—

11 (aa) by striking “The peti-
12 tioner in” and inserting the fol-
13 lowing:

14 “(A) ESTOPPEL AGAINST PETITIONER.—
15 The petitioner in”;

16 (bb) in subparagraph (A), as
17 so designated, by inserting “,
18 after the time for appeal of the
19 decision has expired or any such
20 appeal has terminated,” after
21 “may not”; and

22 (cc) by adding at the end
23 the following:

24 “(B) ESTOPPEL AGAINST PATENT
25 OWNER.—The Office may not issue to a patent

1 owner any claim that is not patentably distinct
2 from a claim that was issued and was subse-
3 quently—

4 “(i) found to be unpatentable; or

5 “(ii) canceled in any proceeding before
6 the Office, including under section 135,
7 251, 253, 301, 311, or 321.”; and

8 (II) in paragraph (2)—

9 (aa) by inserting “that the
10 claim is not unpatentable” after
11 “section 318(a)”;

12 (bb) by inserting “, after the
13 time for appeal of the decision
14 has expired or any such appeal
15 has terminated,” after “may
16 not”; and

17 (cc) by inserting “or 1498”
18 after “section 1338”;

19 (D) in section 316—

20 (i) in subsection (a)(11), by inserting
21 “or consolidation under section 315(d)”
22 after “under section 315(c)”;

23 (ii) in subsection (c)—

24 (I) by striking “The Patent” and
25 inserting the following:

1 “(1) IN GENERAL.—The Patent”; and

2 (II) by adding at the end the fol-
3 lowing:

4 “(2) EX PARTE COMMUNICATION.—An officer
5 who has review authority, supervisory authority, or
6 disciplinary authority with respect to an administra-
7 tive patent judge of the Patent Trial and Appeal
8 Board (or a delegate of such an officer), and who is
9 not a member of a panel described in section 6(e),
10 shall refrain from ex parte communication with such
11 a judge who is a member of that panel concerning
12 any pending matter before that panel, except as al-
13 lowed under the Code of Conduct for United States
14 Judges.”; and

15 (iii) in subsection (e)—

16 (I) by striking “In an” and in-
17 serting the following:

18 “(1) IN GENERAL.—In an”;

19 (II) in paragraph (1), as so des-
20 ignated, by inserting “of challenged
21 patent claims” after
22 “unpatentability”; and

23 (III) by adding at the end the
24 following:

1 “(2) CLAIM AMENDMENT.—For any substitute
2 claim proposed under subsection (d)—

3 “(A) the patent owner shall have the bur-
4 den of proving patentability, including under
5 sections 101, 102, 103, and 112, by a prepon-
6 derance of the evidence;

7 “(B) the Patent Trial and Appeal Board
8 shall—

9 “(i) examine the substitute claim; or

10 “(ii) notwithstanding subsection
11 (c)(2), refer the substitute claim to the Di-
12 rector, who shall cause an examination of
13 the substitute claim to be made within the
14 time limits for the applicable inter partes
15 review; and

16 “(C) the Director may establish, by regula-
17 tion, fees for examination of the substitute
18 claim in such amounts as the Director deter-
19 mines to be reasonable, taking into consider-
20 ation the aggregate costs of examination.”;

21 (E) in section 318—

22 (i) in subsection (b), by inserting “,
23 not later than 60 days after the date on
24 which the parties to the inter partes review
25 have informed the Director that the time

1 for appeal has expired or any appeal has
2 terminated,” after “the Director shall”;
3 and

4 (ii) by adding at the end the fol-
5 lowing:

6 “(e) REHEARING.—Not later than 120 days after the
7 date on which the Patent Trial and Appeal Board issues
8 a final written decision under subsection (a), the Board
9 or the Director shall finally decide any request for recon-
10 sideration, rehearing, or review that is submitted with re-
11 spect to the decision, except that the Director may, for
12 good cause shown, extend that 120-day period by not more
13 than 60 days.”; and

14 (F) in section 319—

15 (i) in the first sentence, by striking
16 “A party” and inserting the following:

17 “(a) IN GENERAL.—A party”; and

18 (ii) by adding at the end the fol-
19 lowing:

20 “(b) STANDING.—

21 “(1) INJURY IN FACT.—For the purposes of an
22 appeal described in subsection (a), injury in fact
23 shall be presumed if the party appealing the deci-
24 sion—

1 “(A) reasonably expects that another per-
2 son will assert estoppel against the party under
3 section 315(e) as a result of the final written
4 decision that is the subject of the appeal; or

5 “(B) suffers any other concrete and par-
6 ticularized injury that—

7 “(i) is fairly traceable to the final
8 written decision that is the subject of the
9 appeal; and

10 “(ii) could be redressed through ap-
11 pellate review.

12 “(2) ESTOPPEL.—If a court finds that a party
13 lacks standing to bring an appeal described in sub-
14 section (a) under article III of the Constitution of
15 the United States, that party shall not be estopped
16 under section 315(e) with respect to the underlying
17 inter partes review.”; and

18 (4) in chapter 32—

19 (A) in section 321(a), by inserting “, in-
20 cluding a governmental entity,” after “a per-
21 son”;

22 (B) in section 324—

23 (i) in subsection (a), by striking “The
24 Director may not authorize a post-grant
25 review to be instituted unless” and insert-

1 ing the following: “Subject only to the dis-
2 cretion of the Director under section
3 325(d)(4), a petition filed under section
4 321 that meets the requirements of this
5 chapter shall be instituted if”;

6 (ii) in subsection (e)—

7 (I) by inserting “or maintain”
8 after “to institute”; and

9 (II) by striking “section” and in-
10 serting “chapter”;

11 (C) in section 325—

12 (i) in subsection (a)—

13 (I) in the subsection heading, by
14 striking “INFRINGEMENT’S CIVIL AC-
15 TION” and inserting “CIVIL ACTION”;
16 and

17 (II) by adding at the end the fol-
18 lowing:

19 “(4) REQUEST FOR STAY.—

20 “(A) IN GENERAL.—If a party seeks a stay
21 of a civil action brought under section 281 al-
22 leging infringement of a patent that is also sub-
23 ject to a post-grant review, the court shall de-
24 cide whether to stay the civil action based on
25 whether—

1 “(i) the outcome of the post-grant re-
2 view will likely simplify the issues in ques-
3 tion in the civil action and streamline the
4 proceedings in the civil action;

5 “(ii) as of the date on which the stay
6 is requested, discovery in the civil action is
7 complete;

8 “(iii) a stay, or the denial thereof,
9 would—

10 “(I) unduly prejudice the non-
11 moving party; or

12 “(II) present a clear tactical ad-
13 vantage for the moving party; and

14 “(iv) a stay, or the denial thereof, will
15 reduce the burden of litigation on the par-
16 ties to the civil action and the court.

17 “(B) REVIEW.—A party may take an im-
18 mediate interlocutory appeal from the decision
19 of a district court of the United States under
20 subparagraph (A). The United States Court of
21 Appeals for the Federal Circuit shall review the
22 district court’s decision to ensure consistent ap-
23 plication of established precedent, and such re-
24 view shall be de novo.”;

25 (ii) in subsection (c)—

1 (I) by striking “If more” and in-
2 serting the following:

3 “(1) IN GENERAL.—If more”; and

4 (II) by adding at the end the fol-
5 lowing:

6 “(2) ESTOPPEL.—Any person joined as a party
7 to a post-grant review, and any real party in interest
8 or privy of such person, shall be estopped under sub-
9 section (e) to the same extent as if that person, real
10 party in interest, or privy had been the first peti-
11 tioner in that post-grant review.”;

12 (iii) by striking subsection (d) and in-
13 serting the following:

14 “(d) MULTIPLE PROCEEDINGS.—

15 “(1) IN GENERAL.—Notwithstanding sections
16 135(a), 251, and 252, and chapter 30, during the
17 pendency of any post-grant review under this chap-
18 ter, if another proceeding or matter involving the
19 patent is before the Office, or if there is a pending
20 application claiming the benefit of a common filing
21 date to the patent under section 120 or 121—

22 “(A) the parties shall notify the Director;
23 and

24 “(B) the Director shall issue a decision de-
25 termining the manner in which the other pro-

1 ceeding or matter may proceed, including pro-
2 viding for stay, transfer, consolidation, or ter-
3 mination of any such proceeding or matter.

4 “(2) NO EXTENSION.—A decision of the Direc-
5 tor under paragraph (1)(B) may not—

6 “(A) extend any statutory deadline under
7 this chapter; or

8 “(B) terminate an inter partes proceeding
9 in favor of an ex parte proceeding.

10 “(3) PRESUMPTION.—For the purposes of this
11 subsection, if the multiple proceedings described in
12 paragraph (1) are of like type and are filed reason-
13 ably close in time, there shall be a rebuttable pre-
14 sumption that the Director shall consolidate the pro-
15 ceedings under that paragraph.

16 “(4) CONSIDERATIONS.—In determining wheth-
17 er to institute or order a proceeding under this chap-
18 ter, chapter 30, or chapter 31, the Director may
19 take into account whether, and reject the petition or
20 request because, the same or substantially the same
21 prior art or arguments previously were presented to
22 the Office.”; and

23 (iv) in subsection (e)—

24 (I) in paragraph (1)—

1 (aa) by striking “The peti-
2 tioner in” and inserting the fol-
3 lowing:

4 “(A) ESTOPPEL AGAINST PETITIONER.—
5 The petitioner in”;

6 (bb) in subparagraph (A), as
7 so designated, by inserting “,
8 after the time for appeal of the
9 decision has expired or any such
10 appeal has terminated,” after
11 “may not”; and

12 (cc) by adding at the end
13 the following:

14 “(B) ESTOPPEL AGAINST PATENT
15 OWNER.—The Office may not issue to a patent
16 owner any claim that is not patentably distinct
17 from a claim that was issued and was subse-
18 quently—

19 “(i) found to be unpatentable; or

20 “(ii) canceled in any proceeding before
21 the Office, including under section 135,
22 251, 253, 301, 311, or 321.”; and

23 (II) in paragraph (2)—

1 (aa) by inserting “that the
2 claim is not unpatentable” after
3 “section 328(a)”;

4 (bb) by inserting “, after the
5 time for appeal of the decision
6 has expired or any such appeal
7 has terminated,” after “may
8 not”; and

9 (cc) by inserting “or 1498”
10 after “section 1338”;

11 (D) in section 326—

12 (i) in subsection (a)(11), by inserting
13 “or consolidation under section 325(d)”
14 after “under section 325(c)”;

15 (ii) in subsection (c)—

16 (I) by striking “The Patent” and
17 inserting the following:

18 “(1) IN GENERAL.—The Patent”; and

19 (II) by adding at the end the fol-
20 lowing:

21 “(2) EX PARTE COMMUNICATION.—An officer
22 who has review authority, supervisory authority, or
23 disciplinary authority with respect to an administra-
24 tive patent judge of the Patent Trial and Appeal
25 Board (or a delegate of such an officer), and who is

1 not a member of a panel described in section 6(c),
2 shall refrain from ex parte communication with such
3 a judge who is a member of that panel concerning
4 any pending matter before that panel, except as al-
5 lowed under the Code of Conduct for United States
6 Judges.”; and

7 (iii) in subsection (e)—

8 (I) by striking “In a” and insert-
9 ing the following:

10 “(1) IN GENERAL.—In a”;

11 (II) in paragraph (1), as so des-
12 igned, by inserting “of challenged
13 patent claims” after
14 “unpatentability”; and

15 (III) by adding at the end the
16 following:

17 “(2) CLAIM AMENDMENT.—For any substitute
18 claim proposed under subsection (d)—

19 “(A) the patent owner shall have the bur-
20 den of proving patentability, including under
21 sections 101, 102, 103, and 112, by a prepon-
22 derance of the evidence;

23 “(B) the Patent Trial and Appeal Board
24 shall—

25 “(i) examine the substitute claim; or

1 “(ii) notwithstanding subsection
2 (c)(2), refer the substitute claim to the Di-
3 rector, who shall cause an examination of
4 the substitute claim to be made within the
5 time limits for the applicable inter partes
6 review; and

7 “(C) the Director may establish, by regula-
8 tion, fees for examination of the substitute
9 claim in such amounts as the Director deter-
10 mines to be reasonable, taking into consider-
11 ation the aggregate costs of examination.”;

12 (E) in section 328—

13 (i) in subsection (b), by inserting “not
14 later than 60 days after the date on which
15 the parties to the post-grant review have
16 informed the Director that the time for ap-
17 peal has expired or any appeal has termi-
18 nated,” after “the Director shall”; and

19 (ii) by adding at the end the fol-
20 lowing:

21 “(e) REHEARING.—Not later than 120 days after the
22 date on which the Patent Trial and Appeal Board issues
23 a final written decision under subsection (a), the Board
24 or the Director shall finally decide any request for recon-
25 sideration, rehearing, or review that is submitted with re-

1 spect to the decision, except that the Director may, for
2 good cause shown, extend that 120-day period by not more
3 than 60 days.”; and

4 (F) in section 329—

5 (i) in the first sentence, by striking

6 “A party” and inserting the following:

7 “(a) IN GENERAL.—A party”; and

8 (ii) by adding at the end the fol-
9 lowing:

10 “(b) STANDING.—

11 “(1) INJURY IN FACT.—For the purposes of an
12 appeal described in subsection (a), injury in fact
13 shall be presumed if the party appealing the deci-
14 sion—

15 “(A) reasonably expects that another per-
16 son will assert estoppel against the party under
17 section 325(e) as a result of the final written
18 decision that is the subject of the appeal; or

19 “(B) suffers any other concrete and par-
20 ticularized injury that—

21 “(i) is fairly traceable to the final
22 written decision that is the subject of the
23 appeal; and

24 “(ii) could be redressed through ap-
25 pellate review.

1 “(2) ESTOPPEL.—If a court finds that a party
2 lacks standing to bring an appeal described in sub-
3 section (a) under article III of the Constitution of
4 the United States, that party shall not be estopped
5 under section 325(e) with respect to the underlying
6 post-grant review.”.