

## S 2178

### PALS Act

**Congress:** 116 (2019–2021, Ended)

**Chamber:** Senate

**Policy Area:** Commerce

**Introduced:** Jul 18, 2019

**Current Status:** Read twice and referred to the Committee on the Judiciary.

**Latest Action:** Read twice and referred to the Committee on the Judiciary. (Jul 18, 2019)

**Official Text:** <https://www.congress.gov/bill/116th-congress/senate-bill/2178>

### Sponsor

**Name:** Sen. Rubio, Marco [R-FL]

**Party:** Republican • **State:** FL • **Chamber:** Senate

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Cornyn, John [R-TX]	R · TX		Jul 18, 2019

### Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Jul 18, 2019

### Subjects & Policy Tags

#### Policy Area:

Commerce

### Related Bills

No related bills are listed.

## Prevent Abuse of the Legal System Act or the PALS Act

This bill imposes restrictions on U.S. patent infringement actions and transactions involving entities covered by certain export regulations.

Specifically, the bill's restrictions apply to all entities on a list maintained by the Department of Commerce under the Export Administration Regulations (EAR). Under the EAR, transfers and exports of certain items that implicate national security or foreign policy concerns are restricted when the transaction involves an entity on the list (i.e., a designated entity).

In patent infringement actions involving a designated entity, the pleading alleging infringement shall (1) state with particularity the relevant facts and remedies sought, and (2) identify in detail how each patent claim is found in each allegedly infringing product or service.

In such actions, a designated entity and its representatives may not obtain nonpublic technical information related to another entity's product or service, through discovery or other means. However, this restriction does not apply to a designated entity's legal counsel.

A sale or exclusive license of a U.S. patent to a designated entity shall be prohibited if (1) the designated entity has not undergone a national security review; or (2) a product or service subject to the EAR would infringe the patent, unless an appropriate license is granted.

Certain sales or exclusive license of a U.S. patent involving a designated entity and another foreign entity shall comply with certain antitrust provisions, including Federal Trade Commission notification requirements.

## Actions Timeline

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- **Jul 18, 2019:** Introduced in Senate
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