**Section 2030.1160 Copyrights, Patents and Royalties**

a) Ownership in Copyrights and Patents

 When a writing, material, data, form, audio or visual record, manual, pamphlet, testing component, learning or educational material or other copyrightable material is developed or produced with Department funds, the author may copyright the work, unless the award document precludes or restricts such, except that the Department shall have a royalty-free, nonexclusive and irrevocable license throughout the world to reproduce, publish or otherwise use, and to authorize others to use, the material for reasonable purposes in the public interest. Such license shall be only to the extent that the fund recipient had, prior to the award, the right to grant such a license without being liable for compensation to others solely because of such grant. If an invention is conceived or first actually reduced to practice in the course of or under an award by the Department, the Department shall be notified. Determination as to ownership and disposition of rights to such inventions, including whether a patent application shall be filed and, if so, the manner of obtaining, administering, and disposing of rights under any patent application or patent which may issue shall be made by the Department.

b) Royalties

 Royalties received during the grant period shall be retained by the grantee and either be used for any purposes which further the objectives of the award or be offset against total project or program costs. Disposition of copyright royalties received after the termination of the grant period should ordinarily by governed by specific agreements between the Department and the fund recipient. If there is no specific agreement, the Department's share of copyright royalties in excess of $200 received annually shall be paid by the fund recipient to the Department. In such cases, the Department's share of the royalties shall be computed on the same ratio basis as the percentage of the Department's participation in the cost of the project or program. Disposition of patent royalties received after the termination or completion of the grant period shall be governed by agreements between the Department and the fund recipient.