

FEDERAL INTELLECTUAL PROPERTY LAW v. STATE SOVEREIGNTY: CAN CONGRESS WIN?

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INTRODUCTION

You have finally done it! After years of research, modification and perfection, you have created the Widget. This Widget is what everyone wants. To protect your creation you have filed a patent application and you will register your Widget trademark. Two years later, you have accumulated all of the investments you need. Your patented Widget™ just hit the market and it is tremendously successful. Your hard work paid off – you have achieved the American Dream. As you're ready to go home for the day, the phone rings. It's your sales manager telling you that there is an identical product hitting the market called "The Widget, Too." After doing a bit of checking, you find that the imitation is made by State Consolidated Universal Manufacturing Industries (S.C.U.M.I.), which is an arm of the State. After your attempts to resolve this issue fail, you file a suit in federal court claiming infringement of your federal patent and trademark rights. S.C.U.M.I. contests jurisdiction and claims sovereign immunity. Since federal patent claims are the exclusive jurisdiction of the federal courts, you feel you have nothing to worry about. To your surprise, the suit is dismissed.

This may sound like a far-fetched scenario, but it is all too real in the wake of recent decisions handed down by the Supreme Court. To understand the significance of these recent decisions and congressional attempts to overcome the Court's objections, we must examine how the Court has arrived at its present understanding of intellectual property rights.

In this comment, I will examine the historical integration of intellectual property rights into our culture and jurisprudence. I will then examine the recent line of cases that have limited federal intellectual property rights as they relate to state sovereign immunity. I will also discuss past congressional efforts to remedy this situation and analyze the provisions and the flaws in the strategy being considered by Congress. I will propose that the only way Congress can achieve its objectives in a manner that will withstand the scrutiny of the Supreme Court is to enact a constitutional amendment.

I. HISTORY OF LEGISLATION PROTECTING INTELLECTUAL PROPERTY RIGHTS

The need for laws protecting intellectual property rights has been the subject of some debate,¹ but is an entrenched part of our legislative heritage.² Over 2,500

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years ago, the Sybarites granted proprietary rights for culinary creations.³ In the 16th century, the Doge of Venice granted Galileo Galelei's petition for exclusive rights to his new invention.⁴ The concept of exclusive proprietary rights in one's creation slowly spread across Western Europe. Although subject to a great deal of abuse over

¹ FRITZ MACHLUP, AN ECONOMIC VIEW OF THE PATENT SYSTEM, S. Doc. No. 15-85, at 21, 44-45, 50-54, 79-80 (1958). Fritz Machlup, in a report to Congress, discusses the four best known theories that advocate the creation and continued existence of the patent system along with their basic premises and assumptions. The theories include the natural law theory (an inventor's property right in her own ideas is a natural right and society is morally obligated to recognize and protect this right), the reward by monopoly theory (justice requires that society should intervene and secure for an inventor a reward for services proportionate to the invention's usefulness; a temporary monopoly is a simple and effective method for society to secure such an award), the monopoly as profit incentive theory (assuming industrial progress is desirable and inventions are necessary for such progress, a capitalist society must provide adequate economic incentive to make it worth while for inventors to invest money and time into their efforts), and the exchange for secrets theory (progress can not be obtained if inventors keep their inventors secret therefore there is a bargain between society and inventors whereby inventors surrender their secrets in exchange for temporary protection of the use of those secrets). Machlup further discusses the arguments for and against each of these theories specifically pointing to times and cultures throughout history that did not have such a system in place but did not suffer any lack of progress or inventive activity. *See also* MACAULAY, PROSE & POETRY, 731 (G. Young ed. 1967) (delivering a speech in the House of Commons in 1841 arguing the begrudging need for the continuing existence of copyrights; discussing the historical import of copyright and the need to reward authors for their creations so as to promote their efforts; and arguing that copyright, being a monopoly, is a necessary evil but should only extend as long as is needed to secure the public good).

² MACHLUP, *supra* note 1, at 79-80. Machlup concludes that whatever the justification for the existence of the patent system and despite the counter arguments available for many of the justifications, the system of intellectual property rights and protections has become an important part of our cultural and legal history which justifies its continued existence. *Id.*

³ GILES S. RICH, THE "EXCLUSIVE RIGHT" SINCE ARISTOTLE, Address At The Foundation For A Creative America Bicentennial Celebration - United States Patent and Copyright Laws (May 9, 1990) (on file with author). Judge Rich quotes an ancient writer named Athenaeus who in turn quotes an earlier historian named Phylarcus. Phylarcus is said to have stated,

[t]he Sybarites, having given loose to their luxury, made a law that...if any confectioner or cook invented any peculiar and excellent dish, no other artist was allowed to make this for a year; but he alone who invented it was entitled to all the profits to be derived from the manufacture of it for that time; in order that others might be induced to labour at excelling in such pursuits...

Id. While the authority and accuracy of this quote is not verifiable, it is intriguing to note that this early form of patent was attributed to the Sybarites. This also marks one of the earliest known sovereign systems for the granting patent rights to private individuals. *Id.*

⁴ *Id.* Galileo's invention was a "machine for raising water and irrigating land with small expense and great convenience." Judge Rich goes on to note that one of the conditions of the grant was that the machine had never before been made or thought of by others, which presents a startling parallel to our current laws. Venice went on to enact the first general patent law, the preamble of which said

[w]e have among us men of great genius, apt to invent and discover ingenious devices; and in the view of the grandeur and virtue of our City, more such men come to us every day from divers part. Now, if provision were made for the words and devices discovered by such persons, so that others, who may see them, could not build them and take the inventors' honor away, more men would then apply their genius, would discover, and would build devices of great utility and benefit to our commonwealth.

Id.

the years,⁵ it was a familiar concept to the American colonists.⁶ The Massachusetts Bay Colony enacted a law in 1641 permitting short-term exclusive grants for new inventions.⁷ Many of the other colonies enacted similar laws shortly thereafter.

It is, therefore, no surprise that our founding fathers deemed intellectual property rights of vital interest to our country. The need for such rights was important enough that it was addressed in the Constitution. The Framers of the Constitution gave Congress the Power “To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Writings and Discoveries.”⁸ The very first Congress enacted “An Act to promote the progress of useful Arts.”⁹ This Act was this country’s very first federal patent law.¹⁰

A. A Closer Look at The Standards

Until 1985, it was generally presumed that the intellectual property laws enacted by Congress provided adequate protection from infringement by states. In 1985, the Supreme Court gave its opinion in *Atascadero State Hospital v. Scanlon*.¹¹ In *Atascadero*, the Court held that Congress must make its intention to abrogate a

⁵ *Id.* English monarchs granted limited monopolies to reward faithful servants and courtiers. These monopolies removed items from the public domain and gave individuals exclusive rights to trade in those items. Such patents included salt, iron and playing cards. This practice was eventually abolished by Parliament with the passage of the Statute of Monopolies in 1624. The Statute of Monopolies contained an exclusion stating,

patents and Graunts of Priviledge for the tearme of one and twentie yeares or under, heretofore made of the sole workings or makings of any manner of newe Manufacture within this Realme, to the first and true Inventor or Inventors of such Manufactures, which others att the time of making of such Letters Patents and Graunts did not use, soe they be not contrary to the Lawe nor mischievous to the State, by raising the proves of Commodoties at home, or hurt of Trade, or generallie inconvenient, but that the same shalbe of such force as they were or should be if this Acte had not been made, and of none other.

Id.

⁶ *Id.* The colonists were not only exposed to patents on inventions, but also were aware of the burden of the abusive monopolies granted by English Monarchs on commodities such as salt, iron and plating cards before this practice was abolished. *Id.*

⁷ The specific provision read “No Monopolies shall be granted or allowed amongst us, but such new Inventions that are profitable to the Country, and that for a short time.” RICH, *supra* note 3. Although this provision is intended to prohibit monopolies, it does grant an exclusion for what we commonly know as patents. *Id.*

⁸ U.S. CONST. art. I, § 8, cl. 8.

⁹ DONALD S. CHISUM, CHISUM ON PATENTS §2, note 2 (citing 1 Stat. 109).

¹⁰ Unlike previous patents in this country, which were granted by *ad hoc* legislation in response to specific petitions, this Act authorized civil servants to review applications and grant patents for a fourteen-year term. *Id.* The burden of reviewing the application proved too much and the process was amended to a simple registration process. *Id.*

¹¹ *Atascadero State Hosp. v. Scanlon*, 473 U.S. 234 (1985). This suit was brought against Atascadero State Hospital, a state hospital. It alleged that the hospital denied Douglass James Scanlon employment because of his physical handicap in violation of § 504 of the Rehabilitation Act of 1973. The suit was filed in Federal District Court and sought compensatory, injunctive and declaratory relief.

state's sovereign immunity unmistakably clear in the language of the statute.¹² The language of the federal intellectual property laws in effect at that time did not include the requisite express language and could no longer provide a remedy against infringements by states.¹³ The *Atascadero* decision sparked congressional debate, but it was not until 1992 that Congress secured the breaches in the intellectual property legislation.¹⁴ These pieces of legislation were specifically designed to meet the standards set forth by the Court in *Atascadero*.¹⁵ Each of these acts included language expressly providing for suits against states for infringements of intellectual property rights.¹⁶

B. A New Look at an Old Amendment

In 1795, the Eleventh Amendment to the United States Constitution was ratified in response to the Court's 1793 decision in *Chisolm v. Georgia*.¹⁷ Although the language of the Eleventh Amendment only excludes diversity suits brought by a citizen of one state against another state from federal jurisdiction, the Court has expanded its application.¹⁸ The judicially created doctrine of state sovereign immunity was originally an offshoot of the Eleventh Amendment but was not truly part of the amendment itself.¹⁹ The relationship between the Eleventh Amendment

¹² *Id.* at 243.

¹³ *Id.* The acts then in effect did not specifically include states in the definition of terms. Nor did Congress express intent to abrogate state sovereign immunity within the body of the legislation.

¹⁴ After a great deal of debate, Congress succeeded in passing three acts to specifically address the *Atascadero* decision. *Id.* In 1990 Congress enacted the Copyright Remedy Clarification Act, Pub. L. No. 101-553, 104 Stat. 2749. This was eventually followed by the Patent and Plant Variety Protection Remedy Clarification Act, Pub. L. No. 102-560, 106 Stat. 4230, and the Trademark Remedy Clarification Act, Pub. L. No. 102-542, 106 Stat. 3567, which were enacted in 1992.

¹⁵ Congress expressly included states in the definition of a person subject to each of the respective Acts and included language indicating that the purpose of these acts was to include states within the scope of each act. *See* Copyright Remedy Clarification Act, Pub. L. No. 101-553, 104 Stat. at 2749; Patent and Plant Variety Protection Remedy Clarification Act, Pub. L. No. 102-560, 106 Stat. 4230; Trademark Remedy Clarification Act, Pub. L. No. 102-542, 106 Stat. 3567.

¹⁶ *See* Copyright Remedy Clarification Act, Pub. L. No. 101-553, 104 Stat. 2749; Patent and Plant Variety Protection Remedy Clarification Act, Pub. L. No. 102-560, 106 Stat. 4230; Trademark Remedy Clarification Act, Pub. L. No. 102-542, 106 Stat. 3567.

¹⁷ *Chisolm v. Georgia*, 2 U.S. 419 (1793). This case was brought in federal court against the State of Georgia by a citizen of another state. The Supreme Court held that the State of Georgia was subject to suit in federal court filed by the citizen of another state. *Id.* This decision was so controversial that it resulted in the ratification of the Eleventh Amendment which specifically removes suits by a citizen of one state against another state from federal jurisdiction. U.S. CONST. amend. XI.

¹⁸ In *Seminole Tribe of Fla. v. Florida*, 517 U.S. 44, 54 (1996), the Court admits that the "text of the [Eleventh] Amendment would appear to restrict only Article III diversity jurisdiction," however, the Court has consistently explained the meaning of the Eleventh Amendment as standing for the fundamental concept of state sovereign immunity from private suits. *See also* *Alden v. Maine* 119 S. Ct. 2240, 2246-47 (1999) (describing state sovereign immunity as a fundamental attribute existing at the time of the framing of the Constitution and extending its application to suits brought in state court); U.S. CONST. amend. XI.

¹⁹ *Seminole Tribe*, 517 U.S. at 54. *See also* James E. Pfander, *An "Explanatory" Account of the Eleventh Amendment*, 83 CORNELL L. REV. 1269, 1269-70 (2000) (explaining that the doctrine of state sovereign immunity was seen as being reinforced by the Eleventh Amendment and was not a

and the doctrine of state sovereign immunity has undergone radical change²⁰ as demonstrated in the Court's decision in *Alden v. Maine*.²¹ The decision in *Alden* was an extension of the Court's decision three years earlier in *Seminole Tribe of Florida v. Florida*.²² In *Seminole Tribe*, the Court inexorably entwined the doctrine of state sovereign immunity and the Eleventh Amendment.²³ The Court explained that the two are not separate, related ideas and instead decided that the Eleventh Amendment equals the doctrine of state sovereign immunity.²⁴ The Court went on to expose the logical result of the constitutionalization of state sovereign immunity – a dramatic shift in the Federal-State balance of power.²⁵ The Court did note, however, that the Fourteenth Amendment grants a specific extension of federal powers²⁶ and legislation enacted pursuant to the Fourteenth Amendment can validly abrogate states' sovereign immunity.²⁷

The Court's analysis in *Seminole Tribe* created a stricter standard than the one it espoused in *Atascadero*.²⁸ It is no longer sufficient for Congress to unequivocally express its intent to abrogate states' sovereign immunity.²⁹ Congress is additionally

constitutional mandate because the drafters of the Eleventh Amendment explicitly limited the circumstances under which states would be excluded from federal jurisdiction).

²⁰ See generally Pfander, *supra* note 19, at 1269 (examining the gradual expansion of the role of state sovereign immunity in the Eleventh Amendment and the profound difference between its original interpretation and its current interpretation).

²¹ 119 S. Ct. 2240 (1999).

²² *Seminole Tribe*, 517 U.S. 44. This suit was filed in Federal District Court alleging violation by the State of Florida of the Indian Gaming Regulatory Act, 25 U.S.C.A. § 2710(d). The suit sought to compel the negotiations by the State of Florida as required under the Indian Gaming Regulatory Act.

²³ "Even when the Constitution vests in Congress complete law-making authority over a particular area, the Eleventh Amendment prevents congressional authorization of suits by private parties against unconsenting States." *Seminole Tribe*, 517 U.S. at 72. The Court states that one of the purposes of the Eleventh Amendment is to "avoid the indignity" of a court coercing a state at the behest of private parties. *Id.* at 59.

²⁴ See *id.* at 54 (explaining that the Eleventh Amendment is not understood by what the text says but rather by the proposition that each State is a sovereign entity and it is inherent in the nature of sovereignty to require consent before being subject to suits by private individuals). The Court goes so far as to declare that "suits against unconsenting states [were] not contemplated by the Constitution when establishing the judicial power of the United States." *Id.* (quoting *Hans v. Louisiana*, 134 U.S. 1, 15 (1890)). This proposition is highly suspect since the *Chisolm* Court was more intimately aware of what was or was not contemplated in the framing of the Constitution and determined that the judicial power of the United States did extend to private suits against unconsenting States. *Chisolm*, 2 U.S. 419.

²⁵ See *Seminole Tribe*, 517 U.S. at 72-73 (affirming that the Eleventh Amendment significantly restricts federal judicial power).

²⁶ See *id.* at 59 (explaining that the Fourteenth Amendment expands federal power and restricts state autonomy).

²⁷ See *id.* (stating that the specific powers granted to Congress by the Enforcement Clause of the Fourteenth Amendment can abrogate the sovereign immunity granted by the Eleventh Amendment).

²⁸ *Id.*

²⁹ *Id.*

required to trace its authority to enact such legislation to an amendment after the Eleventh Amendment.³⁰

In 1997, the Court issued its opinion in *City of Boerne v. Flores*,³¹ which had a tremendous effect upon the reality of state sovereign immunity. At issue in this case was the constitutionality of the Religious Freedom Restoration Act³² (RFRA). Congress passed the RFRA in response to the Court's earlier decision in *Employment Division, Department of Human Resources of Oregon v. Smith* [hereinafter *Oregon v. Smith*].³³ In *Oregon v. Smith*, the Court upheld a law criminalizing the use of peyote against a 'free exercise of religion' challenge.³⁴ The Court relied upon the general applicability of the statute in arriving at its decision upholding the law.³⁵ Congress responded by passage of the RFRA.³⁶

Congress unequivocally expressed its intent to abrogate states' sovereign immunity under the RFRA and enacted it pursuant to the Fourteenth Amendment enforcement power.³⁷ *City of Boerne* called upon the Court to determine the constitutionality of certain provisions of the RFRA.³⁸ The Court found the RFRA unconstitutional and, in doing so, further fed the specter of state sovereign immunity.³⁹ The Court's decision drastically restricted congressional ability to circumvent the sovereign immunity doctrine by subjecting legislation to strict yet ill-defined standards in order to validly abrogate states' sovereign immunity.⁴⁰

³⁰ See *Seminole Tribe*, 517 U.S. at 56-60 (stating that Congress cannot abrogate state sovereign immunity under the Commerce Clause but can abrogate state sovereign immunity pursuant to the Fourteenth Amendment).

³¹ *City of Boerne v. Flores*, 521 U.S. 507 (1997). This suit was brought by the Archbishop of San Antonio, Texas, against the City of Boerne. Local zoning authorities denied the Catholic Archbishop a building permit to enlarge an existing Church under an ordinance governing the preservation of historic buildings. This suit alleged violation of the Religious Freedom Restoration Act of 1993.

³² Religious Freedom Restoration Act of 1993 § 2, 42 U.S.C. § 2000bb (1994).

³³ *Employment Div., Dept. of Human Resources of Oregon v. Smith*, 494 U.S. 872 (1990). This suit was brought by two members of the Native American Church who used peyote as part of their religious rituals. Under an Oregon law criminalizing the use of peyote, the Native Americans lost their jobs and were denied unemployment benefits because of such use.

³⁴ *Id.*

³⁵ "The only instances where a neutral, generally applicable law had failed to pass constitutional muster ... were cases in which other constitutional protections were at stake." *Id.* at 881-82.

³⁶ The "RFRA prohibits 'government from 'substantially burdening' a person's exercise of religion even if the burden results from a rule of general applicability unless the government can demonstrate the burden '(1) is in furtherance of a compelling governmental interest; and (2) is the least restrictive means of furthering that compelling government interest.'" *City of Boerne*, 521 U.S. at 515-516, (quoting the RFRA of 1993 § 3, 42 U.S.C. § 2000bb-1 (1994)).

³⁷ See *City of Boerne*, 521 U.S. at 515-17 (acknowledging Congress' stated intention of enacting the RFRA pursuant to the Fourteenth Amendment).

³⁸ "The parties disagree over whether RFRA is a proper exercise of Congress' § 5 power 'to enforce' by 'appropriate legislation' the constitutional guarantee that no State shall deprive any person of 'life, liberty, or property without due process of law' nor deny any person 'equal protection of the laws.'" *Id.* at 517.

³⁹ The Court's decision in *City of Boerne* did not directly address the issue of sovereign immunity or the Eleventh Amendment, however, it restricted the use of the Fourteenth Amendment to abrogate state sovereign immunity. *Id.* at 519-20.

⁴⁰ *Id.* at 520.

C. The Valid Exercise of Congressional Authority

The *City of Boerne* Court reiterated its earlier position that the enforcement power of the Fourteenth Amendment does allow Congress to abrogate the States' sovereign immunity.⁴¹ The Court, however, went on to examine whether that congressional power was validly exercised in the RFRA.⁴² While there is certainly nothing unusual about the U.S. Supreme Court reviewing legislation to determine whether it was a valid exercise of power,⁴³ the *City of Boerne* Court severely constricted the scope of power granted to the federal government by the Fourteenth Amendment.⁴⁴ In its ruling, the Court added an additional consideration in determining whether Congress has validly abrogated a state's sovereign immunity.⁴⁵ First, the Court determined that Congress did make its intention to abrogate states' sovereign immunity unmistakably clear in the language of the statute.⁴⁶ Second, the Court admitted that Congress enacted the RFRA pursuant to the powers granted by the Fourteenth Amendment.⁴⁷ When the Court turned its attention to whether the RFRA was a valid exercise of congressional power, it identified two critical restrictions to enacting legislation pursuant to the Fourteenth Amendment: (1) The Fourteenth amendment does not give Congress the power to change the meaning of a right to be protected;⁴⁸ and (2) The Enforcement Clause of the Fourteenth Amendment is remedial in nature and does not grant Congress the power to enact

⁴¹ See *id.* at 518 (upholding congressional power to abrogate state sovereign immunity pursuant to the Fourteenth Amendment).

⁴² *Id.* This additional analysis is not truly an extra step, but the Court's exploration and resolution of whether the RFRA was a valid use of congressional authority is so distinct from any analysis suggested in *Seminole Tribe*, that it takes on the stature of a wholly new test.

⁴³ See *Marbury v. Madison*, 1 Cranch 137 (1803) (stating that federal legislative power is limited and defined by the Constitution and upholding the process of judicial review).

⁴⁴ See *City of Boerne*, 521 U.S. at 518-28 (citing prior cases that have examined the validity of legislation enacted pursuant to the Fourteenth Amendment).

⁴⁵ See *id.* at 529-32 (emphasizing that legislation enacted pursuant to the Fourteenth Amendment must be remedial in nature).

⁴⁶ *Id.* This determination is implicit in the Court's decision since it moves on to the questions of the professed source of congressional power and its validity.

⁴⁷ *Id.* The Court recounts the congressional findings in the RFRA, which recite the basis of congressional authority as,

- (1) the framers of the Constitution, recognizing free exercise of religion as an unalienable right, secured its protection in the First Amendment to the Constitution;
- (2) laws 'neutral' towards religion may burden religious exercise as surely as laws intended to interfere with religious exercise;
- (3) governments should not substantially burden religious exercise without compelling justification;
- (4) in [*Oregon v. Smith*], the Supreme Court virtually eliminated the requirements that the government justify burdens on religious exercise imposed by laws neutral toward religion; and
- (5) the compelling interest test as set forth in prior Federal court rulings is a workable test for striking sensible balances between religious liberty and competing prior governmental interests.

City of Boerne, 521 U.S. at 515 (quoting the RFRA of 1993 § 2, 42 U.S.C. § 2000bb(a) (1994)).

⁴⁸ See *City of Boerne*, 521 U.S. at 519 (defining the restrictions upon the scope of legislation enacted pursuant to the Fourteenth Amendment).

new substantive protections.⁴⁹ The Court found that the RFRA failed in both respects and was not a valid exercise of Congressional authority and held that the RFRA was unconstitutional.⁵⁰ The impact of *City of Boerne* upon federal protection of intellectual property was not fully realized until almost two years later.

In two decisions issued on the same day in 1999, *College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board* [hereinafter *College Savings*],⁵¹ and *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank* [hereinafter *Florida Prepaid*],⁵² the Court extended the analysis it used in *City of Boerne* to the validity of federal intellectual property legislation.⁵³ Both of these decisions invalidated congressional attempts to subject the states to liability for violation of intellectual property rights.⁵⁴ The Court did acknowledge that Congress had unequivocally expressed its intention to abrogate state's sovereign immunity⁵⁵ and that Congress traced its authority to enact the legislation in question to the Fourteenth Amendment.⁵⁶ The Court focused its analysis, as it did in *City of Boerne*, on whether the federal intellectual property protection scheme was a valid exercise of the Fourteenth Amendment enforcement power.⁵⁷

The Court determined that Congress did not validly abrogate states' sovereign immunity in its intellectual property protection legislation.⁵⁸ This decision has received much criticism and Congress has been considering legislation to

⁴⁹ *Id.* at 520.

⁵⁰ The Court generally treats these two issues concurrently, however, the conclusion of the Court shows that it was actually considering two separate grounds for rejection of the constitutionality of the RFRA: (1) the doctrine of separation of powers; and (2) maintaining the federal-state balance. *Id.* at 536. Under the doctrine of separation of powers, it is the judiciary's province to interpret the meaning of the constitution and Congress cannot legislate a new meaning. *Id.* Pursuant to the doctrine of federal-state balance, the court looked to the history of the enactment of the Fourteenth Amendment to support its position that the grant of power is limited to remedial legislation. *Id.* at 520-23.

⁵¹ *Coll. Sav. Bank v. Fla. Prepaid Postsecondary Educ. Expense Bd.*, 527 U.S. 666 (1999). *College Savings Bank*, seller of deposit contracts for funding college tuition, brought this action in federal court against Florida Prepaid Postsecondary Education Expense Board for violation of the Lanham Act. *College Savings* alleged that Florida Prepaid used false advertising and engaged in unfair competitive practices. The suit was dismissed by the District Court and the decision was affirmed by the appellate court.

⁵² *Fla. Prepaid Postsecondary Educ. Expense Board v. Coll. Sav. Bank*, 527 U.S. 627 (1999). This suit decided the same day as *College Sav.*, 527 U.S. 666, was brought in federal court by *College Savings Bank* against Florida Prepaid Postsecondary Education Expense Board. *College Savings Bank* alleged violation of its patent rights. The district court denied Florida Prepaid's motion for dismissal and the appellate court affirmed.

⁵³ See generally *Coll. Sav.*, 527 U.S. 666; *Fla. Prepaid*, 527 U.S. 627.

⁵⁴ See *Coll. Sav.*, 527 U.S. 666; *Fla. Prepaid*, 527 U.S. 627.

⁵⁵ “. . . Congress enacted the Patent Remedy Act to ‘clarify that States, instrumentalities of States, and officers and employees of States acting in their official capacity, are subject to suit in Federal court by any person for infringement of patents and plant variety protections.’” *Fla. Prepaid*, 527 U.S. at 632.

⁵⁶ *Id.* at 633.

⁵⁷ *Id.*

⁵⁸ “[T]he provisions of the Patent Remedy Act are so out of proportion to a supposed remedial or preventative object that [they] cannot be understood as responsive to, or designed to prevent, unconstitutional behavior.” *Id.* at 638.

overcome the Court's objections.⁵⁹ In its current form, the legislation will not be able to overcome the Court's concerns.⁶⁰ Furthermore, it is doubtful that any legislation proposed by Congress could validly abrogate states' sovereign immunity in the eyes of the Court and at the same time, achieve Congress' intent to provide uniform intellectual property protection.⁶¹ The specific concerns of the Court cannot be addressed by ordinary legislation at this time; therefore, Congress should pursue a constitutional amendment that would overcome the restrictions of the Eleventh Amendment with respect to intellectual property rights.

ANALYSIS

Senate Bill 1835, hereinafter S. 1835, entitled the Intellectual Property Protection Act of 1999,⁶² was drafted in response to the Supreme Court's decisions in *College Savings* and *Florida Prepaid*.⁶³ The bill is representative of Congress' strategy and clearly expresses Congress' intent to abrogate states' sovereign immunity and subject states to actions in federal court for infringements of intellectual property rights.⁶⁴ This is sufficient to address the Supreme Court's concerns as stated in *Atascadero*.⁶⁵ The bill also clearly draws upon the Fourteenth

⁵⁹ See Intellectual Property Protection Restoration Act of 1999, S. 1835, 105th Cong. (1999) (referring expressly to the Court's decision in *College Savings* and *Florida Prepaid*).

⁶⁰ See generally *Coll. Sav.*, 527 U.S. 666; *Fla. Prepaid*, 527 U.S. 627; *City of Boerne*, 521 U.S. 507.

⁶¹ See generally *Coll. Sav.*, 527 U.S. 666; *Fla. Prepaid*, 527 U.S. 627; *City of Boerne*, 521 U.S. 507.

⁶² S. 1835, *supra* note 59.

⁶³ The findings include the following:

(8) In 1999, the Supreme Court held in *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank*, 119 S. Ct. 2199 (1999) . . . that the Patent and Plant Variety Protection Remedy Clarification Act could not be sustained as legislation enacted to enforce the guarantees of the due process clause of the fourteenth amendment of the United States Constitution.

(9) As a result of the Supreme Court's decision in *Florida Prepaid* a patent owner's only remedy under Federal patent laws against a State infringer of a patent is prospective relief under the doctrine of *Ex parte Young*, 209 U.S. 123 (1908).

(10) On the same day it decided *Florida Prepaid*, the Supreme Court in *College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board*, 119 S. Ct. 2219 (1999) . . . extended State sovereign immunity to purely commercial activities of certain State entities.

S. 1835, *supra* note 59, at § 2(a)8-10.

⁶⁴ The purpose of the legislation is to "provide other Federal remedies to owners of Federal intellectual property rights as against the States," S. 1835, 105th Cong. §2(b)(3), and to:

abrogate State sovereign immunity in suits alleging violations of Federal intellectual property laws or challenging assertions of Federal intellectual property rights by States to the maximum extent permitted by the United States Constitution, pursuant to Congress's powers under the fifth and fourteenth amendments of the United States Constitution and any other applicable provisions.

S. 1835, *supra* note 59, at § 2(b)(4).

⁶⁵ See generally *Atascadero*, 473 U.S. 234 (requiring clear expression of congressional intent to abrogate state sovereign immunity).

Amendment for its authority, thereby meeting the Court's criteria as expressed in *Seminole Tribe*.⁶⁶ In order to validate its authority to enact this legislation under the Fourteenth Amendment,⁶⁷ Congress emphasizes that intellectual property rights are true property rights and indicates that the violation of those rights may be equivalent to the seizure of property.⁶⁸

II. LEAPING THE HURDLES TOWARDS A VALID USE OF CONGRESSIONAL AUTHORITY

S. 1835 was designed to address the Court's concerns as expressed in *College Savings* and *Florida Prepaid*.⁶⁹ In crafting S. 1835, Congress does not appear to appreciate the application of *City of Boerne* to federal intellectual property rights.⁷⁰ It may be that Congress is under the mistaken impression that its findings will sway the Court;⁷¹ however, a careful reading of the Court's decisions make it clear that this legislation will not hold up to future scrutiny by the Court.⁷²

A. Interest in a Uniform System

Congress identifies the need for a uniform system for the protection of intellectual property rights.⁷³ Congress also determines that the lack of a uniform

⁶⁶ See generally *Seminole Tribe*, 517 U.S. 44 (requiring an abrogation of state sovereign immunity to trace its authority to an amendment after the Eleventh Amendment). See also S. 1835, *supra* note 59, at § 2(b)(4) (attributing congressional authority to abrogate state sovereignty to the Fourteenth Amendment).

⁶⁷ The entire section of findings is presented to bolster the need for Congressional intervention in the eyes of the Supreme Court. S. 1835, *supra* note 59, at § 2(a).

⁶⁸ "A violation of the Federal intellectual property laws by a State may also constitute an unconstitutional deprivation of property under the due process clause of the fourteenth amendment of the United States Constitution." S. 1835, *supra* note 59, at § 2(a)(24). See also, S. 1835, *supra* note 59, at § 2(a)(23) ("... a claim for the taking of property in violation of the public use requirement is ripe at the time of the taking").

⁶⁹ The findings contain numerous express and implied references to *Florida Prepaid* and *College Savings*. S. 1835, *supra* note 59.

⁷⁰ Although *City of Boerne* involves the RFRA, the Court's analysis will be similar in any case involving a law purporting to be appropriate legislation under the 14th Amendment. The *City of Boerne* analysis has become a significant consideration in interpreting the constitutionality of legislation. See Carlos Manuel Vazquez, *Sovereign Immunity, Due Process, and the Alden Trilogy*, 109 YALE L.J. 1927, 1945 (2000) (emphasizing the importance of the Court's analysis in *City of Boerne* as it applies to sovereign immunity); Ann Woolhandler, *Old Property, New Property, and Sovereign Immunity*, 75 NOTRE DAME L. REV. 919, 929 (March, 2000) (pointing out that the standards used by the Court in *Florida Prepaid* originated in the Court's analysis of *City of Boerne*).

⁷¹ The Court in *Florida Prepaid* refused to take the findings of Congress at face value and instead examined the support in the record to conclude that the findings were not substantiated. *Fla. Prepaid*, 527 U.S. at 648-49.

⁷² See *id.* at 645-49 (expressing skepticism and requiring factual evidence beyond a conclusory recitation of findings).

⁷³ "There is a strong Federal interest in the development of uniform and consistent law regarding Federal intellectual property rights." S. 1835, 105th Cong. § 2(a)(2) (1999).

system of protection may compromise our obligations under various treaties.⁷⁴ The first part of this argument was already addressed by the Court in *Florida Prepaid*.⁷⁵ The desire for a uniform system of protection is not sufficient justification for the Court to alter the constitutionally established balance of power between the federal government and the states.⁷⁶ In light of the constitutionalization of sovereign immunity,⁷⁷ congressional argument about treaty obligations will also fail to sway the Court.⁷⁸

B. A Deprivation of Property

The more persuasive argument made by Congress concerns the deprivation of property.⁷⁹ Congress characterizes intellectual property infringement as seizure of property,⁸⁰ thereby bringing such infringement into the scope of the Fifth and Fourteenth Amendments.⁸¹ The result is that unless a state provides just compensation for the deprivation of intellectual property, it should be subject to suit in federal court.⁸² The reasoning is straight forward and logical but hardly qualifies as novel.⁸³ In fact, the Court already addressed this issue in *Florida Prepaid*.⁸⁴

⁷⁴ "The Seminole Tribe, Florida Prepaid and College Savings Bank decisions have the potential to . . . compromise the ability of the United States to fulfill its obligations under a variety of international treaties." S. 1835, *supra* note 59, at § 2(a)(11)(b). Congress does not, however, discuss how these decisions will lead to a compromise of U.S. obligations, nor does it provide any justification as to why such concerns should expand federal legislative power. *Id.*

⁷⁵ In *Florida Prepaid*, the Court conducted a detailed analysis into the need for a federal system of protection. This included an examination of the House and Senate Reports. *See Fla. Prepaid*, 52 U.S. at 647 (reviewing testimony given at congressional hearings).

⁷⁶ The Court in *Florida Prepaid* determined that the interest in a uniform system of protection for intellectual property "is a factor which belongs to the Article I patent-power calculus, rather than to any determination of whether a state plea of sovereign immunity deprives a patentee of property without due process of law." *Id.*

⁷⁷ *See generally* James E. Pfander, *Once More Unto the Breach: Eleventh Amendment Scholarship & the Court*, 75 NOTRE DAME L. REV. 817 (2000) (discussing the evolution of sovereign immunity and the Eleventh Amendment). *See also* Vicki C. Jackson, *Principle and Compromise in Constitutional Adjudication: the Eleventh Amendment and State Sovereign Immunity*, 75 NOTRE DAME L. REV. 953, 954-56 (2000) (examining the changes in the sovereign immunity doctrine).

⁷⁸ *See generally Fla. Prepaid*, 527 U.S. 627 (reinforcing limitations on federal power).

⁷⁹ S. 1835, 105th Cong. § 2(a) (1999). *See also* Woolhandler, *supra* note 70, at 956-63 (criticizing the Court's interpretation of property as defined under the Constitution for purposes of the Due Process Clause versus the common understanding of intellectual property rights as property).

⁸⁰ Congress determined that "it is necessary and appropriate for Congress to exercise its power under section 5 of the fourteenth amendment of the United States Constitution to protect the constitutional rights of owners of Federal intellectual property rights, which are property interests protected by the fifth and fourteenth amendments of the United States Constitution." S. 1835, *supra* note 59, at § 2(a)(19).

⁸¹ The Fourteenth Amendment is generally interpreted to extend the Fifth Amendment's Due Process Clause to apply to state activity. *Fla. Prepaid*, 527 U.S. at 645.

⁸² *See* Woolhandler, *supra* note 70, at 956-63 (emphasizing that if intellectual property rights are true property rights then the taking of such property without compensation would be considered a deprivation of property without due process).

⁸³ *See Fla. Prepaid*, 527 U.S. at 645 (agreeing that patents are property but arguing that infringement is not automatically a Fourteenth Amendment violation).

⁸⁴ *Id.*

Congress attempts to add new credibility to this argument by emphasizing the proprietary nature of intellectual property rights through various findings.⁸⁵ These findings indicate that intellectual property rights fall within Congress' definition of property, but the meaning of the word "property" as it appears in the Constitution is for the Court to interpret.⁸⁶ An earlier attempt by Congress to tailor constitutional definitions was soundly rejected by the Court in *City of Boerne*⁸⁷ and will likely fail in future confrontations. The Court has already recognized the proprietary nature of intellectual property rights,⁸⁸ but it has also indicated that intellectual property is not within the scope of constitutionally protected property rights.⁸⁹ Even if the Court were to alter its position and decide that intellectual property infringements were deprivations of constitutionally protected property, Congress has not established that such deprivations have occurred without due process.

In *Florida Prepaid*, the Court emphasized that its analysis centered on whether property was taken without due process.⁹⁰ The Court went on to conclude that there were sufficient procedural safeguards to satisfy the due process requirement.⁹¹ In particular, the Court emphasized the availability of other actions.⁹² In addition to prospective relief through an action against a state official, an injured party could

⁸⁵ Several of the congressional findings stress the proprietary aspect of intellectual property rights. S. 1835, 105th Cong. § 2(a)(20)-(21) (1999).

According to the Supreme Court in *College Savings Bank*, "the hallmark of a protected property interest is the right to exclude others." Patents, copyrights, and trademarks are constitutionally cognizable species of property because they secure for their owners rights of exclusion against others. A State may not exercise any of the rights conferred by a Federal intellectual property law without the authorization of the right holder, except in the manner and to the extent authorized by such law.

S. 1835, *supra* note 59.

⁸⁶ *City of Boerne*, 521 U.S. at 516 (citing *Marbury v. Madison*, 1 Cranch at 176). *But see* Woolhandler, *supra* note 70, at 956-63 (criticizing the Court's enforcement of a limited definition of property despite historical and legal evidence clearly supporting the congressional view).

⁸⁷ *City of Boerne*, 521 U.S. at 528-29.

⁸⁸ *Fla. Prepaid*, 527 U.S. at 647 ("Patents, however, have long been considered a species of property. . ."). The Court even admits that patents "are surely included within the 'property' of which no person may be deprived by a State without due process of law," but declines to consider intellectual property rights as constitutionally protected property rights. *Id.*

⁸⁹ The Court entirely excludes consideration of intellectual property infringement on substantive due process grounds. *Id.* This is consistent with the Court's treatment of other statutorily created property such as welfare benefits. *See* Woolhandler, *supra* note 70, at 935-936.

⁹⁰ "The Court has accordingly held that '[i]n procedural due process claims, the deprivation by the state of a constitutionally protected interest . . . is not in itself unconstitutional; what is unconstitutional is the deprivation of such an interest without due process of law.'" *Fla. Prepaid*, 527 U.S. at 648 (quoting *Zinermon v. Burch*, 494 U.S. 113, 125 (1990)).

⁹¹ "Here the record at best offers scant support for Congress' conclusion that the States were depriving patent owners of property without due process of law by pleading sovereign immunity in federal-court patent actions." *Fla. Prepaid*, 527 U.S. at 646.

⁹² The Court is particularly concerned with the absence of congressional references to the availability (or lack thereof) of alternative remedies. *Id.* at 649. The Court also notes that Florida provides "a legislative remedy through a claims bill for payment in full, Fla. Stat. § 11.065 (1997), or a judicial remedy through a takings or conversion claim." *Id.* at 649 n. 9 (citation omitted). The Court declined to determine whether such remedies would provide sufficient protection of Due Process rights. *Id.* at 649

pursue damages against state officials in their individual capacity.⁹³ The Court also noted that many states had actions available in their courts. This argument sufficed for the majority in *Florida Prepaid*,⁹⁴ but such a patchwork remedy is of small comfort to Congress⁹⁵ and contains holes large enough to swallow injured parties.⁹⁶ Nevertheless, since the Court has so recently examined this issue, it is unlikely to reach a different conclusion absent new circumstances.

C. Express Waiver

In *College Savings*, the Court rejected the idea that the state's actions amounted to a waiver of its claim to sovereign immunity.⁹⁷ In S. 1835, Congress lays out express provisions for states to opt into the federal intellectual property program thereby waiving sovereign immunity claims.⁹⁸ It is common practice with spending bills and other legislation to tie the federal support to specific state action⁹⁹ and the Court has indicated that a voluntary waiver would overcome the sovereign immunity defense.¹⁰⁰ The fatal premise of this scheme, however, is that, under S. 1835, states are not eligible for federal intellectual property rights unless they voluntarily waive their claim to sovereign immunity.¹⁰¹

Even the use of Congress' spending power to induce 'voluntary' state action is not valid when the gift being withheld is highly significant.¹⁰² In this respect,

⁹³ The viability of injunctive suits and suits against officers in their individual capacity has become suspect under the Court's shift in interpretation of the sovereign immunity doctrine. See Carlos Manuel Vazquez, *Eleventh Amendment Schizophrenia*, 75 NOTRE DAME L. REV. 859, 874-88 (2000) (calling into question the viability of private suits against state officers after considering the impact of the Court's recent decisions). Such suits were certainly adequate when sovereign immunity was an historical and cultural doctrine supported by the Eleventh Amendment. However, by reading sovereign immunity as an integral part of the Eleventh Amendment, the Court has weakened the reasoning it used in such cases as *Ex Parte Young*, 209 U.S. 123 (1908). *Id.* at 644.

⁹⁴ See generally *Fla. Prepaid*, 527 U.S. 627 (concluding that the availability of alternative actions itself resolves the due process concerns).

⁹⁵ The findings and purpose of the proposed legislation clearly show the emphasis Congress places upon providing a uniform system of protection for intellectual property infringement. S. 1835, 105th Cong. § 2 (1999).

⁹⁶ An aggrieved party may not actually be able to bring a suit for the infringement of the intellectual property and may be forced to rely upon a tort action. Even this option would be limited to injunctive relief and would not compensate the party for past damages. See generally Vazquez, *supra* note 93; Jackson, *supra* note 77 (discussing limitations of alternative remedies).

⁹⁷ *Coll. Sav.*, 527 U.S. at 679-81.

⁹⁸ Congress expressly disqualifies states from the federal intellectual property protection scheme but allows states to opt into the program if they agree to waive claims of sovereign immunity. S. 1835, *supra* note 59, at § 111.

⁹⁹ The Court finds Congress' use of the spending power to encourage state compliance acceptable because such spending is gratuitous. *Coll. Sav.*, 527 U.S. at 686-87.

¹⁰⁰ The Court contrasts the situation where a State "express[es] unequivocally that it waives its immunity" as "fundamental[ly] differen[t]" from "Congress' expressing unequivocally its intent that if a State take a certain action it shall be deemed to have waived that immunity." *Id.* at 680-81. The latter does not meet Constitutional requirements while the former may. *Id.*

¹⁰¹ See S. 1835, *supra* note 59, at § 111-112 (depriving states of federal intellectual property protection unless a waiver of sovereign immunity is obtained).

¹⁰² The Court hypothesizes that "the financial inducement offered by Congress might be so coercive as to pass the point at which 'pressure turns into compulsion.'" *Coll. Sav.*, 527 U.S. at 687

Congress' own findings emphasizing the importance of intellectual property rights undermine its ability to withhold those same rights from the states.¹⁰³ Although the findings are insufficient to place intellectual property within the constitutional definition of property, they serve to establish the role intellectual property plays in our society,¹⁰⁴ and, therefore, the magnitude of the right Congress would be withholding from the states.¹⁰⁵ The Court has acknowledged the significance of intellectual property rights¹⁰⁶ and would likely find that withholding the entire bundle of intellectual property rights from the states to procure a waiver is far too coercive to qualify as voluntary.¹⁰⁷

D. Remedial Nature

In *City of Boerne*, *College Savings*, and *Florida Prepaid*, the Court emphasized that legislation enacted pursuant to the enforcement clause of the Fourteenth Amendment must be remedial in nature to be a valid exercise of congressional authority.¹⁰⁸ For legislation to qualify as remedial in nature, there must be a showing of a pervasive problem that Congress is trying to resolve and the remedy must be narrowly tailored to address the problem.¹⁰⁹ Although Congress does attempt to show the existence of a pervasive problem, there is no attempt to narrowly tailor the legislation.¹¹⁰

(quoting *Steward Machine Co. v. Davis*, 301 U.S. 548, 590 (1937)). Such compulsions would destroy the voluntary aspect required for the waiver of sovereign immunity. *Id.* See also William A. Fletcher, *The Eleventh Amendment: Unfinished Business*, 75 NOTRE DAME L. REV. 843, 853-54 (2000) (discussing the difference between voluntary waiver on the part of the state and abrogation by Congress).

¹⁰³ See S. 1835, *supra* note 59, at § 2(a) (emphasizing the importance of intellectual property rights).

¹⁰⁴ See *id.* (emphasizing the proprietary nature of intellectual property rights and their economic significance).

¹⁰⁵ *Id.*

¹⁰⁶ *Fla. Prepaid*, 527 U.S. at 642.

¹⁰⁷ "In any event, we think where the constitutionally guaranteed protection of the States' sovereign immunity is involved, the point of coercion is automatically passed -- and the voluntariness of waiver destroyed -- when what is attached to the refusal to waive is the exclusion of the State from otherwise lawful activity. *Coll. Sav.*, 527 U.S. at 687. *But see* Woolhandler, *supra* note 70, 937-39 (questioning the distinction between certain property which receives due process protection and other property that does not receive such protection under the Court's reasoning).

¹⁰⁸ While Congress does not expressly reference *City of Boerne* in the proposed legislation, the findings do make an attempt to portray the legislation as a remedial measure and an appropriate response to the problem of States' infringements of intellectual property rights. S. 1835, 105th Cong. § 2(a)27-29 (1999).

¹⁰⁹ See *City of Boerne*, 521 U.S. at 530 ("... there must be a congruence between the means used and the ends to be achieved."); *Fla. Prepaid*, 527 U.S. at 638 (requiring that the remedial measures be appropriate for the nature of the specific harm).

¹¹⁰ See S. 1835, *supra* note 59, at § 2(a)27 (asserting that "[s]ome States have violated Federal intellectual property rights . . . and have refused to waive their constitutional immunities"). See also *id.* § 2(a)28 (concluding that "[a]s a result, violations of Federal intellectual property rights by states have become increasingly more widespread").

1. *Showing of a Pervasive Problem*

Congress lists a number of items to show that state infringement of intellectual property rights is a pervasive problem.¹¹¹ Most of the points made by Congress have already been addressed by the Court in *Florida Prepaid*.¹¹² In fact, in *Florida Prepaid*, the Court looked at records of congressional hearings, which were held to support the contention that a Fourteenth Amendment remedy was needed; the Court concluded that the hearings suggested the opposite.¹¹³ Of key concern to the Court was whether states were using sovereign immunity to secure unfair advantage without due process.¹¹⁴ The Court decided that the problem was not so pervasive as to require a federal remedy.¹¹⁵ Congressional attempts to sway the Court must, at the very least, show that claims of sovereign immunity by states are increasing in intellectual property cases.¹¹⁶ Additionally, Congress needs to show that other remedies, which may be available in those situations would not afford adequate relief.¹¹⁷

Congress could overcome this particular problem by including findings of the specific number of intellectual property cases where states claimed sovereign immunity for each of the past several years in the bill itself. Congress could also demonstrate the magnitude of the unfair advantage gained by the states in those cases.

2. *A Narrowly Tailored Remedy*

The second part of the analysis the Court uses to confirm the remedial nature of Fourteenth Amendment legislation is whether the legislation is narrowly tailored to the protected interest.¹¹⁸ Senate Bill S. 1835 is completely devoid of any attempt to narrowly focus on the interest involved;¹¹⁹ primarily as a result of congressional intent to develop a uniform system of protection.¹²⁰ By its very nature, congressional desire for a uniform system of protection is antithetical to the Court's mandate for a narrowly tailored remedy.¹²¹ The Court has indicated that evidence that a remedy is narrowly tailored includes limitation in time or place or some showing that lesser

¹¹¹ *Id.* § 2(a)28

¹¹² *Fla. Prepaid*, 527 U.S. at 639-48.

¹¹³ *Id.* at 640-44.

¹¹⁴ The Court acknowledges that sovereign immunity gives states an advantage over other potential defendants but emphasizes that such advantage is conferred by the Constitution. *Coll. Sav.*, 527 U.S. at 685-86. The focus for the Court is therefore whether the measures adopted are targeted to remedy any procedural due process concerns. *Fla. Prepaid*, 527 U.S. at 642-43.

¹¹⁵ See generally *Fla. Prepaid*, 527 U.S. 627; *Coll. Sav.*, 527 U.S. 666.

¹¹⁶ See *Fla. Prepaid*, 527 U.S. at 645-46.

¹¹⁷ *Id.* at 643-45.

¹¹⁸ See *City of Boerne*, 521 U.S. at 520 (emphasizing the need for proportionality between the injury and the remedy).

¹¹⁹ See generally S. 1835, 105th Cong. (1999).

¹²⁰ "There is a strong Federal interest in the development of uniform and consistent law regarding Federal intellectual property rights." S. 1835, 105th Cong. § 2(a)2 (1999).

¹²¹ Congress desires sweeping legislation, which would be uniformly applied, but this is exactly what the Court is prohibiting. *Fla. Prepaid*, 527 U.S. at 644-45, 647-48.

measures would not provide an adequate remedy.¹²² A narrowly tailored remedy would need to be restricted to those states that do not provide adequate alternative remedies or to those states that engage in these specific unfair practices.¹²³ Such limitations would defeat Congress' professed interest in providing a uniform system of intellectual property protection.¹²⁴ Congressional interest, however, must take second place to constitutional limitations as interpreted by the Court.¹²⁵ As long as the Court imposes the remedial nature requirement, Congress will be forced to limit its legislation unless it can show that no lesser remedy would provide adequate protection.¹²⁶ The currently proposed legislation clearly will not survive review by the U.S. Supreme Court.

PROPOSAL

The situation is not hopeless for Congress. The Court in its opinions offer several tactics Congress could implement to provide remedies for states' infringement of intellectual property rights.¹²⁷

III. AN OLD MEANS TO AN OLD END

Congress could limit the applicability of this legislation to those states that do not offer adequate alternative remedies.¹²⁸ It could limit the applicability to those states that have used the sovereign immunity defense in the past.¹²⁹ It could even withhold certain funds from states that do not voluntarily participate in an administrative remedial system.¹³⁰ None of these possibilities, however, would be able to provide the uniform remedy that Congress is attempting to put in place.

¹²² See *Fla. Prepaid*, 527 U.S. at 645-46 (suggesting that limiting the applicability of legislation or providing facts to show that other available remedies are inadequate would lend weight to Congress' arguments); *City of Boerne*, 521 U.S. at 532-34 (giving of examples of narrowly tailored remedial measures).

¹²³ *Fla. Prepaid*, 527 U.S. at 646-47. See also Vazquez, *supra* note 70, at 1955 (suggesting a limited application scheme).

¹²⁴ S. 1835, 105th Cong. § 2(a)2 (1999).

¹²⁵ This is repeatedly emphasized in the Court's opinions in *Florida Prepaid*, 527 U.S. 627, and *Coll. Savings*, 527 U.S. 666.

¹²⁶ *Fla. Prepaid*, 527 U.S. at 643-48.

¹²⁷ See *id.* at 646-47 (suggesting that the remedy could be limited to instances where there is no state remedy available or to intentional infringement); *City of Boerne*, 521 U.S. at 533 (using regional limitation as an indication of appropriately narrow remedy).

¹²⁸ *Fla. Prepaid*, 527 U.S. at 646-47.

¹²⁹ This option is suggested by the general discussion in the Court's opinion. *Id.*

¹³⁰ See *Coll. Sav.*, 527 U.S. at 686-87 (affirming the practice of securing state waivers in exchange for grants under the spending power as long as the gift withheld is not overly coercive). This is actually a reasonable compromise, but still does not guarantee uniformity.

A. *Start From the Very Beginning*

The best way Congress can validly achieve its goal of implementing a uniform system is through an amendment to the Constitution of the United States. A new constitutional amendment would be able to overcome the limitations of the Eleventh Amendment¹³¹ and would revitalize congressional authority to enact federal legislation protecting intellectual property rights.¹³² Congress would be able to enact uniform remedies under such an amendment and would be able to subject states to suit by individuals if they violated an individual's intellectual property rights.¹³³

B. *A Nightmare Alternative*

A constitutional amendment is the best way for Congress to achieve its objective, but there are alternatives.¹³⁴ The alternatives would require a major shift in the fundamental understanding and structure of intellectual property rights.¹³⁵ Intellectual property does not have to be private property. It could in fact be public property held by the federal government and licensed to private individuals. It does not even have to be property at all - thereby allowing Congress to withhold it from states that do not voluntarily waive claim to sovereign immunity.¹³⁶ These nightmarish alternatives could achieve congressional ends, but would destroy the historical and cultural role of intellectual property rights in the process.¹³⁷

CONCLUSION

Intellectual property is an important part of this country's cultural and legal heritage.¹³⁸ Whether it is attributed to a desire to protect the rights of individuals to the fruits of their labor, to the need to provide an incentive for creativity, or as a

¹³¹ See *Seminole Tribe*, 517 U.S. at 59 (reaffirming the ability of Congress to abrogate state sovereign immunity pursuant to amendments enacted after the Eleventh Amendment).

¹³² An amendment would also keep Congress from encountering additional judicial hurdles which may arise in the future.

¹³³ This, of course, assumes that such an Amendment was appropriately constructed. The Amendment should specifically empower Congress to enact appropriate legislation to remedy violations of intellectual property rights by the states.

¹³⁴ See generally MACHLUP, *supra* note 1 (discussing various arguments against our current system of intellectual property rights).

¹³⁵ Although the Court has determined that Congress cannot alter the constitutional definition of property, *City of Boerne*, 521 U.S. at 528-29, federal intellectual property rights are legislatively created and could be legislatively limited. The scope and nature of intellectual property rights can be changed by Congress.

¹³⁶ By decreasing the inherent value of intellectual property, Congress could effectively withhold it from states that do not voluntarily abrogate their sovereign immunity claim. See generally *Coll. Sav.*, 527 U.S. at 691.

¹³⁷ Such traumatic shifts in ideology would undermine the very purpose and findings that led Congress to pursue such legislation. It would also undermine the value that Congress attaches to intellectual property rights. S. 1835, 105th Cong. § 2 (1999).

¹³⁸ See generally MACHLUP, *supra* note 1; Woolhandler, *supra* note 70.

reward, or an exchange,¹³⁹ the founding fathers deemed these rights important enough to expressly empower Congress to protect them.¹⁴⁰ In the series of decisions beginning with *Atascadero* and culminating in *College Savings* and *Florida Prepaid*, the Court has consistently refuted congressional attempts to create a uniform federal system of protection for intellectual property rights from infringement by the States.¹⁴¹ Congress has made repeated attempts to subject states to suit in federal court for infringement of intellectual property rights;¹⁴² however, the Court has consistently upheld states' sovereign immunity claims in such actions.¹⁴³ In the course of those decisions, the Court has transformed the meaning and importance of the doctrine of sovereign immunity in our jurisprudence.¹⁴⁴ What started out as a historical ghost, judicially resurrected and bound to the Eleventh Amendment, went through a gradual metamorphosis until it was cloaked in constitutional armor.¹⁴⁵ Once the doctrine of sovereign immunity was given the supremacy of constitutional authority it blocked many attempts by Congress to allow individuals to subject states to suit in federal court.

Congress next turned to the Fourteenth Amendment in order to achieve its legislative objectives. The Court recognized that the Fourteenth Amendment trumps the Eleventh Amendment,¹⁴⁶ but has worked to judicially limit this route to a narrow trail with numerous obstacles.¹⁴⁷ Congressional attempts to navigate this trail and overcome the obstacles have so far resulted in failure.¹⁴⁸ The last obstacle appears to be David's sling-stone, capable of defeating the congressional Goliath. Congress has proposed legislation in the form of S. 1835 which was intended to provide a uniform system of protection for intellectual property rights.¹⁴⁹ This proposed legislation, however, could not succeed.

¹³⁹ What is actually the justification for the recognition of intellectual property rights is the subject of much debate. MACHLUP, *supra* note 1. The several competing theories have all existed for some time and all offer plausible reasons, but there has not been any consensus as to why we currently observe intellectual property rights. *Id.* Each of the theories also have plausible counter-arguments that suggest we should not have intellectual property rights at all, but Machlup contends that the arguments for and against the existence of intellectual property rights are relatively balanced. In light of this balance, Machlup concludes that the present system should stay in place. *Id.*

¹⁴⁰ U.S. CONST. art. I, § 8, cl. 8.

¹⁴¹ See generally *Atascadero*, 473 U.S. 234; *Seminole Tribe*, 517 U.S. 44; *City of Boerne*, 521 U.S. 507; *Fla. Prepaid*, 527 U.S. 627; *Coll. Sav.*, 527 U.S. 666.

¹⁴² S. 1835, 105th Cong. (1999), is the latest proposed revision in a series of revisions to the federal intellectual property protection system.

¹⁴³ See, e.g., *Atascadero*, 473 U.S. at 243 (identifying concrete requirements).

¹⁴⁴ See Vazquez, *supra* note 70, at 1934-37 (describing the transformation of the sovereign immunity doctrine); Woolhandler, *supra* note 70, at 932 (examining how the change in the sovereign immunity doctrine has affected the Court's definition of property).

¹⁴⁵ Vazquez, *supra* note 70, at 1934-37; Woolhandler, *supra* note 70, at 932.

¹⁴⁶ See *Seminole Tribe*, 517 U.S. at 59 (Recognizing the validity of abrogating states sovereign immunity via the Fourteenth Amendment).

¹⁴⁷ Through *City of Boerne*, 521 U.S. 507, *Florida. Prepaid*, 527 U.S. 627, and *College Savings*, 527 U.S. 666, the Court has narrowly defined "appropriate legislation" under the Fourteenth Amendment, and has further interpreted the Amendment to restrict Congress to remedial action of limited scope.

¹⁴⁸ See generally *Fla. Prepaid*, 527 U.S. 627; *Coll. Sav.*, 527 U.S. 666.

¹⁴⁹ See S. 1835, 105th Cong. § 2(a) (1999) (emphasizing Congress' desire to provide a uniform system of protection for intellectual property).

Even if Congress is able to convince the Court of the significance of the problem, it will not be able to tailor a remedy that is acceptable to the Court without compromising its own goals. The congressional goal of providing a uniform system of intellectual property is in direct conflict with the Court's requirement that the remedy be narrowly tailored to address the specific problem. In light of the Court's strict insistence that the remedy be limited in scope, the only way Congress could enact a uniform remedy would be to show that states were uniformly depriving individuals of intellectual property without due process. Since some states may offer alternative remedies, Congress would not be able to demonstrate such uniform abuse.

The only way Congress can enact a uniform federal remedy for violations of intellectual property rights and successfully abrogate a state's sovereign immunity is through an amendment to the U.S. Constitution. The amendment should specifically allow Congress to enact legislation to provide relief for violations of intellectual property rights by all parties including states, state officials, and state entities. Without such an amendment, nothing short of redefining our entire intellectual property system will uniformly subject states to suit in federal court for infringements.