



September 1, 2026

The Honorable Jim Jordan
Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Jamie Raskin
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Darrell Issa
Chairman
Subcommittee on Intellectual Property
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Hank Johnson
Ranking Member
Subcommittee on Intellectual Property
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

Re: Statement for the Record for the “Renewal of USPTO Fee Setting Authority: Giving Full Effect to the America Invents Act” Hearing

Dear Chairman Jordan, Ranking Member Raskin, Chairman Issa, Ranking Member Johnson:

The U.S. Chamber of Commerce (“the Chamber”) appreciates the opportunity to submit this statement for the record regarding renewal of the United States Patent and Trademark Office’s (USPTO) fee-setting authority.

The Chamber supports having the USPTO retain fee-setting authority as intended by the America Invents Act (AIA) because it has proven to be an effective and accountable tool for ensuring that the Office remains capable of delivering timely, high-quality patent and trademark services that support American innovation, investment, and competitiveness. Businesses of every size and sector depend on the Office to examine patent applications rigorously, register trademarks accurately, administer proceedings fairly, and deliver decisions in timeframes that work for innovators and the marketplace.

Renewal should preserve the framework Congress put in place: sufficient authority for the USPTO to responsibly manage its operations, paired with clear limits, transparency requirements, public participation, advisory-committee consultation, and congressional oversight. Fully populating both the Patent and Trademark Public Advisory Committees is an essential step in this regard to permit meaningful engagement in any future fee-setting process.

At a time when policymakers are focused on strengthening U.S. leadership in critical and emerging technologies, including semiconductors, artificial intelligence, advanced manufacturing, biotechnology, and quantum technologies, it is important that the USPTO have the operational flexibility necessary to support timely and high-quality examination of increasingly sophisticated inventions.

I. Section 10 Provides a Responsible Cost-Recovery Framework

Congress enacted Section 10 of the AIA to give the USPTO a practical way to align its fee structure with the real costs of running the Nation's patent and trademark systems. The authority allows the Director to set or adjust certain fees through rulemaking, while preserving a central limitation: patent and trademark fees are subject to statutory cost-recovery requirements designed to ensure that aggregate collections reasonably relate to the estimated costs of the respective patent and trademark operations.

Congress also included important protections for smaller participants in the innovation ecosystem. Current law provides reduced fees for qualifying small and micro entities, recognizing that independent inventors, startups, small businesses, universities, and other resource-constrained applicants play a vital role in American innovation.

Congress first granted this authority more than a decade ago, and the USPTO has used it to respond to changing workloads, invest in modernization initiatives, maintain examination capacity, and support operational improvements while remaining subject to statutory safeguards and public accountability mechanisms. Absent further action by Congress, the USPTO has stated that the authority will expire on September 15, 2026.

Renewal of this authority would not eliminate the cost-recovery limitation or the procedural safeguards Congress established. It would continue a measured and transparent process that allows the USPTO to evaluate workloads, operating costs, filing trends, statutory responsibilities, and technology needs without relying solely on infrequent statutory revisions to individual fees.

II. Renewal Will Support a Modern and Effective Innovation Agency

Unlike many federal agencies, the USPTO is funded primarily through fees paid by the users of the patent and trademark systems. Section 10 helps ensure that the Office can responsibly manage those user-funded resources to support the services those users depend upon. To serve those users well, the USPTO must be able to responsibly align projected fee collections with the costs of the patent and trademark operations those fees support.

Fee-setting authority is an important tool for long-term planning and predictable agency operations. When the USPTO can plan anticipated workloads and

costs, it is better positioned to maintain examiner capacity, invest in examination technology, and address changes in application volume and complexity. Those capabilities directly support the timeliness and quality of examination.

Skilled examiners need adequate time, training, modern search tools, and reliable information systems to evaluate increasingly complex technologies. Applicants need predictable processing, meaningful communication, and confidence that issued rights reflect careful consideration of relevant prior art and applicable law.

The Chamber has consistently supported ensuring the USPTO has the resources, technology, and personnel necessary to improve examination quality. That includes hiring and training examiners, improving coordination across technical disciplines, and providing modern tools for prior-art search and analysis. Stronger examination supports higher-quality patents, more predictable rights, and greater confidence across sectors ranging from advanced manufacturing and semiconductors to artificial intelligence and life sciences.

Renewal of this authority can also help the Office continue addressing pendency and application inventories. The Office's fee-supported structure also helps finance examination technology, automation, and other operational priorities that are essential to a modern intellectual property agency.

Renewing fee-setting authority does not require fee increases, nor does it diminish congressional oversight. Rather, it preserves the USPTO's ability to evaluate fee levels through a transparent rulemaking process that includes notice-and-comment procedures, advisory committee review, and congressional notification.

III. Quality Should Remain the Central Objective

The strength of the patent system depends not simply on the number of patents issued, but on the reliability of the rights granted. Carefully examined patents provide greater certainty to inventors, investors, competitors, courts, and the public. Timely and rigorous examination can support investment and commercialization while reducing avoidable disputes later in a patent's life.

Director Squires has described the goal as ensuring that patents are "born strong." The Chamber supports that objective. Fee-setting authority alone does not guarantee patent quality, but it is a key part of the institutional capacity needed to achieve it. When the USPTO can align resources with operational needs, it is better positioned to support the personnel, training, technology, and quality controls necessary for sound first-instance examination.

This matters well beyond the walls of the agency. American companies seek protection and compete around the world, while global innovators rely on U.S. patent and trademark systems. The timeliness, quality, and predictability of USPTO decisions influence investment, commercialization, research collaboration, and confidence in

the United States as a place to invent, invest, and grow. Reliable intellectual property rights help attract investment, support commercialization, facilitate technology transfer, and encourage research and development. Investors and businesses make significant decisions based on expectations regarding the availability, quality, and predictability of patent protection.

Maintaining a modern and effective USPTO is therefore both an economic and competitiveness priority. It is central to sustaining U.S. leadership in the global innovation economy.

IV. PPAC and TPAC Should Be Fully Populated and Meaningfully Engaged

Congress made advisory committee participation a core part of the Section 10 process. Before proposed fees are published, the Director must submit them to the Patent Public Advisory Committee (PPAC), the Trademark Public Advisory Committee (TPAC), or both, as appropriate. The relevant committee must have time to deliberate, hold a public hearing, and provide written comments, advice, and recommendations. The Director must then consider and analyze that input before setting or adjusting fees.

The process also provides broader public accountability. Proposed fee changes must be published with their rationale, purpose, and anticipated benefits; Congress must be notified and the public must have an opportunity to comment. A final rule is then subject to an additional period of congressional review before fees may take effect. PPAC and TPAC also have broader statutory responsibilities. Each committee is charged with reviewing the policies, goals, performance, budget, and user fees of the relevant USPTO operation and advising the Director on those matters, with the intention of bringing diverse user perspectives and relevant expertise into the agency's decision-making process.

These requirements are more than procedural steps. Fully functioning advisory committees give independent inventors, small and large businesses, experienced practitioners, and other users a meaningful forum to assess the assumptions, tradeoffs, and practical effects of fee proposals. Their input can identify implementation concerns, improve the administrative record, and ensure that the agency hears from affected stakeholders before a proposal becomes final.

For that reason, the Chamber encourages the Administration and the USPTO to ensure that PPAC and TPAC are fully populated with the range of experience Congress envisioned and are fully engaged before and throughout any future fee-setting proceedings. Robust committee participation will strengthen transparency, improve decision-making, and help sustain confidence that fee decisions reflect both the Office's operational needs and the experience of those who rely on its services.

V. Conclusion

The Chamber supports Congress's renewal of USPTO's fee-setting authority in a timely and durable manner. A world-leading innovation economy requires a world-class intellectual property office. Renewing the USPTO's fee-setting authority will help ensure that the Office remains equipped to deliver the quality, predictability, and efficiency that inventors, businesses, investors, and consumers expect.

The Chamber appreciates the Subcommittee's attention to this important matter and stands ready to work with Congress, the Administration, the USPTO, and stakeholders to support a strong, efficient, transparent, and reliable American intellectual property system.

Sincerely,

A handwritten signature in dark ink, appearing to read "Neil Bradley", with a stylized flourish at the end.

Neil Bradley
Executive Vice President, Chief Policy Officer,
and Head of Strategic Advocacy
U.S. Chamber of Commerce

CC: Members of the House Judiciary Committee