"Sovereignty of Reason":
An Approach to Sovereign Immunity
And Copyright Ownership of
Distance-Education Courses
At Public Colleges and Universities

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“SOVEREIGNTY OF REASON”:
AN APPROACH TO SOVEREIGN IMMUNITY
AND COPYRIGHT OWNERSHIP OF DISTANCE-EDUCATION COURSES
AT PUBLIC COLLEGES AND UNIVERSITIES

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What if it tempt you toward the flood, my lord, 
Or to the dreadful summit of the cliff 
That beetles o'er his base into the sea, 
And there assume some other horrible form 
Which might deprive your sovereignty of reason, 
And draw you into madness?

--William Shakespeare, *Hamlet*¹

¹ *William Shakespeare, Hamlet*, act 1, sc. 4.
I. Introduction

When the Software and Information Industry Association (SIIA)—which represents over 600 software makers and content providers—reviewed an inventory of the software on the computers at South Seattle Community College, the SIIA determined some of the software to be pirated and demanded that South Seattle pay $20,473 to the association’s copyright-protection fund. The attorney general of Washington State, relying on the U.S. Supreme Court’s interpretation of sovereign immunity under the Eleventh Amendment, indicated that South Seattle Community College—as an agency of its state’s government—did not have to pay the fine.

Washington’s attorney general’s advice to South Seattle Community College was legally sound. But suppose the plaintiff were not a corporate association, but a member of South Seattle’s faculty who had developed an online distance-education course. If the professor objected to the institution’s use of the course and sued for copyright infringement, should the institution automatically invoke sovereign immunity to fend off the lawsuit?

The chances of this scenario occurring increase directly with the proliferation of online distance-education courses, particularly at public colleges and universities. Faculty members and their institutions, after significantly investing their respective time and resources in developing an online course, may turn to the courts more frequently to protect their perceived rights. Although it may appear that the law is on the side of public colleges and universities in cases of infringement, these institutions—or at least their administrators—could still be

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4 See Chavez v. Arte Publico Press, 204 F.3d 601, 603 (5th Cir. 2000).
5 See infra text accompanying notes 8-31.
susceptible to some types of infringement actions. Moreover, Congress has pursued legislation that would give states incentives to waive their immunity in copyright cases.

In this digital age, it is important for public institutions of higher education and their faculty to understand their rights regarding online courses. Sovereign immunity significantly affects the rights of both parties, and this paper attempts to explain the origins of the doctrine, its current status under the U.S. Supreme Court, its specific impact on copyright law, the susceptibility of public institutions and their administrators to infringement actions despite sovereign immunity, and recommendations for handling copyright ownership disputes between public institutions and their faculty.

II. Online Courses: What They Are and Who Enrolls

A. The Growth of Online Courses at Public Institutions

The U.S. Copyright Office defines distance education as “a form of education in which students are separated from their instructors by time and/or space.” The National Center for Education Statistics defines distance education with more detail: “[E]ducation or training courses delivered to remote (off-campus) sites via audio, video (live or prerecorded), or computer technologies, including both synchronous (i.e., simultaneous) and asynchronous (i.e., not simultaneous) instruction.”

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6 See infra text accompanying notes 172-210.
8 U.S. COPYRIGHT OFFICE, REPORT ON COPYRIGHT AND DIGITAL DISTANCE EDUCATION 10 (1999) [hereinafter U.S. COPYRIGHT OFFICE REPORT].
There is no typical digital distance-education course. Instructors sometimes develop courses from scratch, and they sometimes customize templates from commercial software. They may combine several technologies, including e-mail, threaded discussions, chat rooms, whiteboard programs, shared applications, streaming video or audio, video or audio files, course management infrastructure, links to Web sites, and interactive CDROMs and DVD-ROMs.\textsuperscript{10}

For purposes of this paper, “distance-education course,” “online course,” and “Web-based course” will be used interchangeably. The copyrightable portions of these courses that are the focus of this paper are the materials prepared by the faculty member before the course begins, not the material created during the teaching of the course, such as threaded e-mail dialogues with students, and postings to the course’s Web site.

B. More Online Classes for More Off-Campus Students

In the 2000-01 academic year, 56 percent of the two- and four-year degree-granting institutions in the U.S.—2,320 institutions—offered distance-education courses, up from 44 percent three years earlier.\textsuperscript{11} The percentage was highest among public institutions: 90 percent of public two-year and 89 percent of public four-year institutions offered distance-education courses, compared with 16 percent of private two-year and 40 percent of private four-year institutions.\textsuperscript{12}

As the foregoing statistics suggest, public institutions offered the most distance-education courses in 2000-2001. Public two-year institutions offered 55,900 (44 percent) out of 127,400

\textsuperscript{10} Id. at 53-56. For examples of twelve different online courses and degree programs, see Amy Harmon, Cyberclasses in Session: From Nursing to Music, Online Courses and Degree Programs Are Vast and Varied. A Guide to How Fast-Evolving Virtual Classrooms are Shaping Up, N.Y. TIMES, Nov. 11, 2001, § 4A, at 30-32.

\textsuperscript{11} NCES DISTANCE-EDUCATION REPORT, supra note 9, at 3; Vincent Kiernan, A Survey Documents Growth in Distance Education in Late 1990s, CHRON. OF HIGHER EDUC., Aug. 8, 2003, at A28.

\textsuperscript{12} NCES DISTANCE-EDUCATION REPORT, supra note 9, at 3.
total distance-education courses, and public four-year institutions offered 43,100 courses (34 percent).\textsuperscript{13}

Public four-year institutions offered the most online degree programs as well. According to the National Center for Education Statistics, public four-year institutions were more likely to offer degree programs designed to be completed through distance education than private four-year institutions, which in turn were more likely than public two-year institutions to offer online degree programs (48 percent, 33 percent, and 20 percent, respectively, among institutions that offered distance-education courses).\textsuperscript{14} Out of the 1,090 distance-education degree programs at public four-year institutions, 410 (38 percent) were undergraduate degree programs, and 680 (62 percent) were graduate/first-professional degree programs.\textsuperscript{15}

Students have been flocking to these online course offerings in increasing numbers. In 1997-98, approximately 1.66 million students were enrolled in distance-education courses.\textsuperscript{16} Approximately 1.34 million of those students were enrolled in college-level, credit-granting courses.\textsuperscript{17} By 2000-01, there were an estimated 3.077 million enrollments in all distance education courses offered by two- and four-year institutions.\textsuperscript{18} There were an estimated 2.876 million enrollments in college-level, credit-granting distance education courses, with 82 percent of these at the undergraduate level.\textsuperscript{19}

Enrollments in distance-education course were highest at public institutions. Public two-year institutions had 1.47 million enrollments (48 percent of total distance-education

\textsuperscript{13} Id. at 8-9.
\textsuperscript{14} Id. at 10.
\textsuperscript{15} Id. at 11.
\textsuperscript{16} NATIONAL CENTER FOR EDUCATION STATISTICS, DISTANCE EDUCATION AT POSTSECONDARY EDUCATION INSTITUTIONS, 1997-98, at 15 (Dec. 1999).
\textsuperscript{17} Id. at 50.
\textsuperscript{18} NCES DISTANCE-EDUCATION REPORT, supra note 9, at 6. “Enrollments” include duplicated counts of students enrolled in multiple online courses. Id. at 5.
\textsuperscript{19} Id. at 6.
enrollments), and public four-year institutions had 945,000 enrollments (31 percent of the total). By 2006, the number of students taking online courses at all institutions is projected to grow to five million.

C. Online Offerings at Public Colleges and Universities

Public colleges and universities from coast to coast provide examples of online courses and programs. At the University of Illinois, the master’s program in library and information sciences is offered entirely online, except for an intensive ten-day on-campus introduction at the start of each term. Professors deliver lectures via streaming video over the Internet, allowing students to watch in real time or at their convenience. Students must participate in online discussions, and students are sometimes required to participate in chat sessions.

Many institutions are experimenting with “hybrid” or “blended” courses and degree programs that use online sessions to replace some in-class meetings. For example, the University of Central Florida offers about 100 hybrid courses that meet half the time in classrooms and half online; the University of Wisconsin system has a “hybrid course project,” under which seventeen faculty members on five campuses are developing hybrid courses; and Ohio State University’s introductory statistics course is developing a hybrid option that offers a choice of classroom or virtual activities.

Chemistry 1A at the University of California at Berkeley is the university’s largest course each year, with 2,100 students, and it formerly required more than 100 teaching and support staff.

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20 Id. at 7.
22 Harmon, supra note 10, at 30.
23 Id.
24 Id. at A33-A34.
to teach and manage the course. To make the course more dynamic and engaging for students and faculty, the university added several technological changes, including online quizzes with automatic grading and immediate feedback; enhanced lectures with graphics and animation; and an online lab manual combined with animated, interactive exercises for future lab experiments.

Some public institutions are providing incentives for faculty to develop distance-education courses and online materials. George Mason University recently completed Innovation Hall, a $20-million, 100,000 square-foot facility with classrooms that feature sounds systems, video players, digital projectors, wireless microphones, tables with Internet jacks and power outlets for laptops, and touch-screen computers in podiums. Rather than assigning the building to a particular department, the university selects professors from all disciplines to teach in Innovation Hall, provided the faculty members expand the use of technology in their courses. At the University of North Carolina at Chapel Hill, which started requiring all freshmen to have a laptop computer in the fall of 2000, the office of the vice chancellor for information technology financed two faculty proposals to develop interactive-media books—one on basic cell and molecular biology, the other on three nineteenth-century artists—for laptops. Media books contain hypertext links, audio and video clips, computer simulations, and the ability to graph data that is entered by the student.

The growth of online education at public institutions is causing some state governments to seek partners across state lines and to consider the need for long-range planning. In 2002, West Virginia and Kentucky entered an agreement allowing students in West Virginia to take

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25 BUSINESS-HIGHER EDUCATION FORUM, BUILDING A NATION OF LEARNERS: THE NEED FOR CHANGES IN TEACHING AND LEARNING TO MEET GLOBAL CHALLENGES, at 22 (June 2003).
26 Id.
27 Scott Carlson, A $20 Million Carrot: A University Wants Faculty to Compete to Get into a New High-Tech Building, CHRON. OF HIGHER EDUC., April 18, 2003, at A39.
online courses from community colleges in Kentucky. Virginia is considering legislation that would require its public colleges and universities to plan for the use of distance education. The bill would require that, by January 1, 2005, “each public institution of higher education shall include in its strategic plan information indicating to what extent, if any, it will use distance learning to expand access, improve quality, and minimize the cost of education.” Institutions using or planning to use distance learning in the future would be required to include in their strategic plan “the degree to which distance learning will be integrated into the curriculum, benchmarks for measuring such integration, and a schedule for the evaluation of such courses.”

III. Copyright Ownership of Online Distance-Education Courses

A. Faculty Interests vs. University Interests

The development of online courses has led institutions and their faculty to clash over copyright ownership. Current institutional policies covering intellectual property typically do not adequately cover online courses and their materials, since these materials are part textbook—to which universities rarely claim ownership rights—and part invention, to which universities usually own the patent rights and share in licensing income.

Faculty members assert practical and policy reasons for ownership. First, they often envision making a profit off these courses. They are equally concerned that if they give up ownership of the course and its online materials, they will lose control over content of the course.

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29 Dan Carnevale, *W.Va. Students Get New Option on Online Courses*, CHRON. OF HIGHER EDUC., July 5, 2002, at A33. Kentucky’s community colleges offer more online course than West Virginia’s, which is why the agreement did not provide for Kentucky students to take online courses from West Virginia colleges. *Id.*
30 *Id.*
31 *Id.*
and dissemination of the work—including the manner of distribution, revisions, and derivative works—which in turn would threaten academic freedom. As one author put it: “[F]aculty copyrights are being constructed as badges of autonomy, independence, and control.”

The labor-intensive nature of developing and teaching an online course also leads professors to seek ownership. Besides developing the course, they usually maintain chat rooms and respond to e-mail from students around the clock, which raise concerns over staffing, course loads, advising, faculty support, and teaching-assistant roles.

Universities, like their faculty, have an economic interest in owning online courses. This interest is especially prominent when the institution incurred the primary cost of creating the materials. The distance-education company supported by Oxford University, Stanford University, and Yale University, called AllLearn, spent between $10,000 and $150,000 to produce each of its approximately fifty courses. At Fairleigh Dickinson University, the five-year implementation cost of the university’s requirement that all students take at least one distance-education course each year will be approximately $12 million; the expenses include costs for distance education, technology infrastructure upgrades, and related staffing.

34 See id.; Guernsey and Young, supra note 32, at A22. See also American Association of University Professors, 1940 Statement of Principles on Academic Freedom and Tenure with 1970 Interpretive Comments, at <http://www.aaup.org/statements/Redbook/1940stat.htm> [hereinafter AAUP Statement on Academic Freedom]: “Teachers are entitled to full freedom in research and in the publication of the results, subject to the adequate performance of their other academic duties.”


36 Arthur Levine and Jeffrey C. Sun, Barriers to Distance Education 6 (American Council on Education/EDUCAUSE, No. 6, 2002).

37 “The interest taken by universities in faculty copyrights is primarily monetary, as demonstrated by the universities’ interest in holding copyright in technologically complex work . . . .” Lape, supra note 33, at 265.

38 Gregory Kent Laughlin, Who Owns the Copyright to Faculty-Created Web Sites?: The Work-for-Hire Doctrine’s Applicability to Internet Resources Created for Distance Learning and Traditional Classroom Courses, 41 B.C. L. Rev. 549, 561 (2000).


“electronic-classroom” M.B.A. program at the University of Arizona, which connects its Tucson-based classes to a classroom in Santa Clara, California, features a system of two videoconferencing rooms leased by the university for $17,000 a month.41

Universities may also assert ownership as a way of preventing their faculty from developing courses for rival institutions.42 Consider the incident involving Professor Arthur R. Miller and Harvard Law School in 1999. Professor Miller sold a series of eleven videotaped lectures on civil procedure to Concord University School of Law, an online institution.43 Harvard, although it did not claim ownership of the videotaped course, said that Professor Miller violated university policy by teaching at another institution during the academic year without the dean’s permission.44 Miller contended that he did not violate Harvard’s policy because he did not teach at Concord or even interact with its students.45

Moreover, Professor Miller thought he owned his work, seeing no difference between videotaped lectures prepared for an Web-based course and a textbook.46 Joseph Nye, the dean of Harvard’s John F. Kennedy School of Government, sided with the university, saying, “The basic intellectual capital that goes into a course is provided by the university. The idea the professor can skim the cream, stick a course on the Internet, and get all the gains isn’t acceptable.”47

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42 Guernsey and Young, supra note 32, at A23: Graham B. Spanier, president of Pennsylvania State University, has noted, “Universities may see some of their faculty developing software for other educational institutions, who in turn sell it, perhaps in competition with the home institution’s programs.”
44 Id.
46 In a six-page letter to the dean of the law school, Miller wrote: “I simply do not see any distinction between preparing a few hours of thoughts about civil procedure on videotape for use at another educational institution via frontier technology and the publication, in whatever form, of casebooks, textbooks, hornbooks, student aids, audio tapes, data collections, or other educational materials.” Marcus, supra note 43, at A10.
47 Id.
B. Copyright Ownership Under the Law

Under the Copyright Act and federal case law, the ownership of copyright of an online course developed by a faculty member—like Professor Miller’s videotaped civil-procedure course—is often difficult to determine.\(^{48}\) The work must be analyzed under the work-made-for-hire doctrine\(^ {49}\) and the doctrine’s interpretation by federal courts.\(^ {50}\) As two commentators have concluded: “The reality is that some works may involve a level of university involvement from which one might infer an intent to treat it as made-for-hire, whereas other works may not warrant such a determination. In the former case, the work should be included within the scope of the doctrine and in the latter case, it would not be included.”\(^ {51}\)

To bypass the ambiguity in the law, public institutions and their faculty are increasingly including copyright ownership provisions in their contracts. For example, the University of Massachusetts began negotiations with its faculty union, the Massachusetts Society of Professors, in October 2002 to delineate rights and responsibilities over distance-education courses. The administration quickly agreed to the union’s demands regarding copyright ownership, allowing faculty members to retain ownership and control of courses.\(^ {52}\) In New Jersey, ownership of intellectual property was a central issue in contract negotiations between the

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\(^{51}\) James B. Wadley and JoLynn M. Brown, Working Between the Lines of Reid: Teachers, Copyrights, Work-For-Hire and a New Washburn University Policy, 38 WASHBURN L.J. 385, 413 (1999).

\(^{52}\) Dan Carnevale, Union Seeks Agreement with U. of Mass. on Distance Education, CHRON. OF HIGHER EDUC., Sept. 27, 2002, at A50.
state colleges and universities and their faculty union in 2003, resulting in a new contract provision regarding copyright ownership.\textsuperscript{53}

The determining factor in many such agreements regarding ownership is the financial investment made by the institution in developing the course. "University policy statements and collective bargaining agreements are reposing in the institution ownership of faculty-authored works for which the university provides an extraordinary measure of equipment, facilities, staff assistance or compensation."\textsuperscript{54}

Policies and contract agreements regarding copyright ownership are more important than ever in the new age of federalism under the Rehnquist Court. Under several U.S. Supreme Court decisions, it appears that public colleges and universities, as agencies of their respective states, are shielded by sovereign immunity under the Eleventh Amendment from copyright-infringement actions in federal and in state courts.\textsuperscript{55} Given such protection, institutions appear to have an unfair advantage over their faculty regarding copyright use, which could lead to tense campus relations.

The tension is reflected by the increased number of complaints against public colleges and universities over illegal use of software, although such complaints are not necessarily from faculty members. It is difficult to determine precisely how often public colleges and universities are accused of copyright infringement involving software, but the Software and Information Industry Association estimates that it receives one complaint about every two months that a


public institution has pirated software.\textsuperscript{56} Not all of these cases reach the courts, however. The General Accounting Office, in a study released in September 2001, found that only thirty-seven lawsuits were filed against state colleges and universities for infringement of intellectual property between 1985 and 2000.\textsuperscript{57}

When they do receive a complaint, the accused institutions typically raise a defense of sovereign immunity.\textsuperscript{58} Public colleges and universities are basing such a defense on cases decided since 1996, but the concept of sovereign immunity is deeply rooted in the legal history of the United States.

IV. Sovereign Immunity

A. History of the Eleventh Amendment

To understand the Supreme Court’s sovereign immunity jurisprudence, it must be placed in the context of the American Revolution. Upon declaring independence in 1776, the thirteen colonies effectively created thirteen sovereign nations.\textsuperscript{59} Each state retained the “full Power to levy War, conclude Peace, contract Alliances, establish Commerce, and to do all other Acts and Things which Independent States may of right do.”\textsuperscript{60}

The adoption of the Constitution in 1788 divided sovereignty between two separate sovereigns: the states and the federal government. As James Madison wrote in \textit{The Federalist}: “In the compound republic of America, the power surrendered by the people is first divided

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{56} Foster, \textit{supra} note 2, at A25.
\item \textsuperscript{57} \textit{Id.} at A26.
\item \textsuperscript{58} \textit{Id.} at A25.
\item \textsuperscript{59} \textsc{The Declaration of Independence} para. 23 (U.S. 1776) (“these United Colonies are, and of Right ought to be, Free and Independent States. . .”)
\item \textsuperscript{60} \textit{Id.}
\end{itemize}
\end{footnotesize}
between two distinct governments, and then the portion allotted to each subdivided among distinct and separate departments.”

At the time the Constitution was ratified, sovereignty had its privileges. Among them, based on well-established English law, was that “the Crown could not be sued without consent in its own courts.” As explained by Blackstone: “[T]he law ascribes to the king the attribute of sovereignty, or pre-eminence. . . . Hence it is, that no suit or action can be brought against the king, even in civil matters, because no court can have jurisdiction over him. For all jurisdiction implies superiority of power . . . .” In England, immunity from suit was enjoyed not just by the king, but by local officials as well: “[The King] can not be compelled to answer in his own court, but this is true of every petty lord of every petty manor.”

Within the Constitution, Article III addresses law suits against the states. Article III provides: “The Judicial Power shall extend to all Cases . . . between a State and Citizens of another State; . . . and between a State . . . and foreign States, Citizens or Subjects.” Although the language in Article III seems to indicate that state governments can be sued by certain parties, the Founding Fathers intended for the states to remain immune from suits, as explained by Alexander Hamilton in The Federalist: “It is inherent in the nature of sovereignty not to be amenable to the suit of an individual without its consent. This is the general sense and the general practice of mankind; and the exemption, as one of the attributes of sovereignty, is now enjoyed by the government of every State in the Union.”

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63 1 WILLIAM BLACKSTONE, COMMENTARIES ON THE LAWS OF ENGLAND *234–35.
64 1 F. Pollock & F. Maitland, HISTORY OF ENGLISH LAW 518 (2d ed. 1909).
65 U.S. CONST. art. III § 2.
Despite this intention, the U.S. Supreme Court, in *Chisholm v. Georgia*,\(^{67}\) ruled in 1793 that Article III’s grant of jurisdiction to the federal courts authorized a citizen from South Carolina to sue the State of Georgia without its consent.\(^{68}\) As Chief Justice John Jay wrote in *Chisholm*: “I am clearly of opinion, that a State is suing by citizens of another State . . . [although] there may be exceptions.”\(^{69}\)

This ruling raised fears that states would be liable for Revolutionary War debts.\(^{70}\) The Eleventh Amendment swiftly addressed this concern. Upon its adoption in 1798, the Eleventh Amendment overruled the *Chisholm* Court’s interpretation by providing that Article III should not be construed to give the federal courts jurisdiction over an unconsenting state.\(^{71}\) The Eleventh Amendments provides: “The Judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.”\(^{72}\)

The Court has interpreted the Eleventh Amendment to preclude most potential plaintiffs from suing state governments in federal court. In addition to enjoying immunity from suit in federal court brought by citizens of another state, states are immune from suit brought in federal court by their own citizens under federal law,\(^{73}\) from suits in federal court brought by Indian

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\(^{67}\) 2 U.S. (2 Dall.) 419 (1793).

\(^{68}\) Id.

\(^{69}\) Id. at 479.


\(^{72}\) U.S. CONST. amend. XI.

\(^{73}\) Hans. v. Louisiana, 134 U.S. 1 (1890).
tribes,\textsuperscript{74} and from suits in federal court brought by foreign countries.\textsuperscript{75} The immunity extends to state agencies and individual state officers in their official capacity.\textsuperscript{76}

B. Abrogation of Sovereign Immunity Under the Copyright Act

Despite the Eleventh Amendment’s provision of immunity to states from suit in federal court, the Supreme Court held in \textit{Fitzpatrick v. Bitzer} that Congress could abrogate the states’ immunity through statute.\textsuperscript{77} Congress applied the Court’s holding to copyright law by amending the Copyright Act through the Copyright Remedy Clarification Act of 1990 (hereinafter the CRCA).\textsuperscript{78} The CRCA added three provisions to the Copyright Act regarding state liability.

The CRCA amended the basic infringement provision\textsuperscript{79} to clarify that states could be held liable for infringement. The amendment reads:

As used in this subsection, the term "anyone" includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity.\textsuperscript{80}

The CRCA also clarified that a plaintiff could recover the same remedies against an infringing state as it could from any other defendant.\textsuperscript{81} To make Congress’s intent clear, the CRCA added a new section to the Copyright Act that subjected states to infringement liability. That section states:

\textsuperscript{75} Monaco v. Mississippi, 292 U.S. 313 (1934).
\textsuperscript{77} 427 U.S. 445 (1976).
\textsuperscript{79} 17 U.S.C. § 501(a) (2000): "Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 121 or of the author as provided in section 106A(a), or who imports copies or phonorecords into the United States in violation of section 602, is an infringer of the copyright or right of the author, as the case may be."
\textsuperscript{80} Id.
\textsuperscript{81} Id. at § 511(b).
Any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity, shall not be immune, under the Eleventh Amendment of the Constitution of the United States or under any other doctrine of sovereign immunity, from suit in Federal court by any person, including any governmental or nongovernmental entity, for a violation of any of the exclusive rights of a copyright owner provided by sections 106 through 121, for importing copies of phonorecords in violation of section 602, or for any other violation under this title. 82

"The net effect of these three changes was to make States liable for copyright infringement to the same extent as private parties."83 The constitutionality of these provisions, however, is now in doubt.

C. Seminole Tribe: Abrogating Abrogation

The Supreme Court's first consideration of an abrogation provision was in Seminole Tribe of Florida v. Florida.84 The Seminoles sued under the Indian Gaming Regulatory Act, which affords states some control over Indian gambling operations.85 The act requires tribes to negotiate a compact if they want to establish gambling operations in their territory within a state.86 The act further requires states to negotiate in good faith; otherwise, a tribe could sue a state in federal court to compel good-faith negotiations.87 In this case, the Seminole Tribe alleged that Florida did not negotiate in good faith, and the tribe sued in federal court.88 The Supreme Court took the case, in part, to resolve whether the Eleventh Amendment prevents Congress from authorizing suits by Indian tribes against states to enforce legislation enacted pursuant to Congress's Article I powers, in this case the Indian Commerce Clause.89

82 Id. at § 511(a).
83 Cross, supra note 71, at 345.
86 Id. § 2710(d)(1)(C).
87 Id. §§ 2710(d)(3)(A), 2710(d)(7)(A)(i).
88 Seminole Tribe, 517 U.S. at 51-52.
89 Id. at 58. The Indian Commerce Clause states: "The Congress shall have Power: . . . [t]o regulate Commerce . . . with the Indian Tribes." U.S. CONST. art. I, § 8, cl. 3.
The Court evaluated this issue with a two-part test. The Court asked whether Congress (1) unequivocally expressed its intent to abrogate sovereign immunity, and (2) acted pursuant to a valid exercise of power.\textsuperscript{90}

Under the first part of the test, the Court found that Congress clearly intended to abrogate the states’ sovereign immunity under the Indian Gaming Regulatory Act. The Court wrote: “[25 U.S.C.] Section 2710(d)(7)(A)(i) vests jurisdiction in “[t]he United States district courts . . . over any cause of action . . . arising from the failure of a State to enter into negotiations . . . or to conduct such negotiations in good faith.”\textsuperscript{91}

Under the second part of the test, the Court held that no provision within Article I of the Constitution empowered Congress to expand the jurisdiction of the federal judiciary beyond the limits under Article III and the Eleventh Amendment.\textsuperscript{92} Therefore, “The Eleventh Amendment prohibits Congress from making the State of Florida capable of being sued in federal court.”\textsuperscript{93}

Under the Court’s decision, the Fourteenth Amendment became the only constitutional provision upon which Congress could abrogate the states’ sovereign immunity.\textsuperscript{94}

The following year, however, the Court significantly limited Congress’s use of the Fourteenth Amendment to abrogate states’ sovereign immunity. In \textit{City of Boerne v. Flores},\textsuperscript{95} the Court held that Congress could use section 5 of the Fourteenth Amendment\textsuperscript{96} only to enforce

\textsuperscript{90} 517 U.S. at 55 (citations omitted).
\textsuperscript{91} \textit{Id.} at 56-57. See also \textit{id.} at 57: “[W]e think that the numerous references to the ‘State’ in the text of § 2710(d)(7)(B) make it indubitable that Congress intended through the Act to abrogate the States’ sovereign immunity from suit.”
\textsuperscript{92} \textit{Id.} at 72-73. Article I powers include the Patent Clause (“Congress shall have Power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. CONST. art. I, § 8, cl. 8) and the Commerce Clause (“Congress shall have Power . . . [t]o regulate Commerce with foreign Nations, and among the Several States, and with the Indian Tribes.” U.S. CONST. art. I, § 8, cl. 3).
\textsuperscript{93} Seminole Tribe, 517 U.S. at 76.
\textsuperscript{95} 521 U.S. 507 (1997).
\textsuperscript{96} “The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.” U.S. CONST. amend. XIV, § 5.
the actual substantive guarantees of the Fourteenth Amendment.\(^7\) For an abrogation provision to be constitutional, it must make specific findings that the substantive guarantees of the Fourteenth Amendment are being violated,\(^8\) and that the legislative response is proportional to the violations.\(^9\)

D. *Florida Prepaid: The End of Abrogation in the Patent Act*

As in the Copyright Act, Congress amended the Patent Act to abrogate state immunity for patent infringements.\(^10\) The Patent Act’s general infringement provision provides: “Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.”\(^11\) The Patent and Plant Variety Protection Remedy Clarification Act of 1992 (hereinafter the Patent Remedy Act) specified that states could be held liable for infringement. The amendment states:

> As used in this section, the term "whoever" includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity.\(^12\)

Congress also indicated its intent behind the amendments. The new section states:

> Any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his official capacity, shall not be immune, under the eleventh amendment of the Constitution of the United States or under any other doctrine of sovereign immunity, from suit in Federal court by any person, including any

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\(^7\) *E.g.*, “No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States. Nor shall any State deprive a person of life, liberty or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.” U.S. CONST. amend. XIV, § 1.

\(^8\) 521 U.S. at 530-31.

\(^9\) *Id.* at 519-20.


\(^12\) *Id.* § 271(h).
governmental or nongovernmental entity, for infringement of a patent under section 271, or for any other violation under this title.\textsuperscript{103}

For all of Congress’s explicit intentions, the Supreme Court held in two companion cases—\textit{Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank}, and \textit{College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board}—that states are immune from suit in federal court absent a waiver of their Eleventh Amendment immunity.\textsuperscript{104} In these cases, College Savings Bank, a private financial institution, sued Florida Prepaid Postsecondary Education Expense Board, a state agency, for violating the patent on the financing methodology behind its CollegeSure CD, an annuity contract designed to guarantee investors sufficient funds to pay the cost of a college education.\textsuperscript{105}

The Court held that neither of two federal laws—the Patent Remedy Act\textsuperscript{106} nor the Trademark Remedy Clarification Act\textsuperscript{107}—abrogated state sovereign immunity, although the laws tried to provide federal jurisdiction over private damage actions against the states for patent and trademark infringement, respectively. \textit{Florida Prepaid} focuses on the Patent Remedy Act, and because of the similarity between that statute and the Copyright Remedy Clarification Act, \textit{Florida Prepaid} provides valuable insight into copyright law.\textsuperscript{108}

In \textit{Florida Prepaid}, the Court applied the two-pronged test from \textit{Seminole Tribe}: “first, whether Congress has ‘unequivocally expresse[d] its intent to abrogate the immunity,’ . . . and

\textsuperscript{103} \textit{Id.} at § 296.


\textsuperscript{105} \textit{Florida Prepaid}, 527 U.S. at 630-31.

\textsuperscript{106} 35 U.S.C. §§ 271(h), 296.

\textsuperscript{107} 15 U.S.C. §§ 1114(a), 1122, 1125(a), 1127 (2000).

\textsuperscript{108} In the companion case, \textit{College Savings Bank}, the Court held that College Savings Bank’s claim of false advertising under the Lanham Act was impermissible because the false advertising provisions “bear no relation to any [property] right . . . ” 527 U.S. at 673. As a result, Florida Prepaid’s alleged misrepresentations about its own products could not intrude on a property interest of College Savings Bank, and with no deprivation of property, Congress could not use its Fourteenth Amendment authority to abrogate the state’s immunity. 527 U.S. at 673, 675.
second, whether Congress has acted ‘pursuant to a valid exercise of power.’”\textsuperscript{109} Under the first prong, the Court found that Congress did indeed intend to abrogate state immunity.\textsuperscript{110}

Under the second prong, however, the Court determined that Congress had not acted pursuant to a valid exercise of power.\textsuperscript{111} Since \textit{Seminole Tribe} held that Congress cannot abrogate states’ sovereign immunity pursuant to Article I powers,\textsuperscript{112} the Court examined whether the Patent Remedy Act was an appropriate exercise of authority to enforce section 5 of the Fourteenth Amendment: protections against deprivations of property without due process of law.\textsuperscript{113} To determine whether legislation is appropriate under section 5 of the Fourteenth Amendment, the Court used the standard set in \textit{City of Boerne}: “[F]or Congress to invoke § 5, it must identify conduct transgressing the Fourteenth Amendment’s substantive provisions, and must tailor its legislative scheme to remediying or preventing such conduct.”\textsuperscript{114}

To determine if the Patent Remedy Act met the first prong of the \textit{City of Boerne} test, the Court asked if the Act redressed the Fourteenth-Amendment “wrong” committed by states when they infringe on patents and then use sovereign immunity to deny compensation and remedies to the patent owners.\textsuperscript{115} Looking to the legislative history of the Patent Remedy Act, the Court concluded, “Congress identified no pattern of patent infringement by the States, let alone a pattern of constitutional violations.”\textsuperscript{116} The Court indicated that, while a state infringement of a patent was a deprivation of property,\textsuperscript{117} such deprivation would rise to a constitutional violation.

\textsuperscript{109} 527 U.S. at 635 (quoting \textit{Seminole Tribe}, 517 U.S. at 55).
\textsuperscript{110} \textit{Florida Prepaid}, 527 U.S. at 635.
\textsuperscript{111} \textit{id.} at 636.
\textsuperscript{112} \textit{Seminole Tribe}, 517 U.S. at 72-73 (cited in \textit{Florida Prepaid}, 527 U.S. at 636).
\textsuperscript{113} \textit{Florida Prepaid}, 527 U.S. at 636-37.
\textsuperscript{114} \textit{id.} at 639 (referring to \textit{City of Boerne}, 521 U.S. 507, 519-20 (1997)).
\textsuperscript{115} \textit{id.} at 639, 640.
\textsuperscript{116} \textit{id.} at 640.
\textsuperscript{117} See \textit{id.} at 642: “Patents . . . have long been considered a species of property (citations omitted). As such, they are surely included within the ‘property’ of which no person may be deprived by a State without due process of law.”
of due process only "where the state provides no remedy, or only inadequate remedies, to injured patent owners for its infringement of their patent." The Court cited Congress's inadequate consideration of state remedies for patent infringement as further evidence that the Act did not address a constitutional violation.

With regard to the second prong under City of Boerne—the legislative response must be proportional to the violation—the Court stated that deprivations of property are not unconstitutional when the actor is negligent and causes unintended injury. Looking again at the legislative record, the Court found that Congress did not focus on intentional or reckless acts of infringement by the states, which consequently caused the scope of the Patent Remedy Act to extend to "[a]n unlimited range of state conduct [that] would expose a State to claims of direct, induced, or contributory patent infringement." The Court went on to say:

Despite subjecting States to this expansive liability, Congress did nothing to limit the coverage of the Act to cases involving arguable constitutional violations, such as where a State refuses to offer any state-court remedy for patent owners whose patents it had infringed. Nor did it make any attempt to confine the reach of the Act by limiting the remedy to certain types of infringement, such as nonnegligent infringement or infringement authorized pursuant to state policy; or providing for suits only against States with questionable remedies or a high incidence of infringement.

Given these constitutional weaknesses of the Patent Remedy Act, the Court concluded that the Act cannot be sustained under section 5 of the Fourteenth Amendment.

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118 Id. at 643. A state can satisfy its due-process obligations with a post-deprivation remedy like a civil cause of action, rather than a pre-deprivation notice and hearing. Cross, supra note 71, at 355 (citing id. and Parratt v. Taylor, 451 U.S. 527, 539-41 (1981)).
119 Florida Prepaid, 527 U.S. at 643-45.
120 Id. at 645 (citing Daniels v. Williams, 474 U.S. 327, 328 (1986)).
121 Id.
122 Id. at 646.
123 Id. at 646-47.
124 Florida Prepaid, 527 U.S. at 647.
E. Heightened Scrutiny of Abrogation

In subsequent sessions, the Supreme Court has largely reaffirmed the Florida Prepaid standard. The Court held that Congress did not abrogate sovereign immunity for claims under the Age Discrimination in Employment Act,\textsuperscript{125} or under the Americans with Disabilities Act.\textsuperscript{126} The Court recently upheld abrogation, however, in a case whose significant difference from those above is that it involved gender discrimination, “which triggers a heightened level of scrutiny.”\textsuperscript{127} In Nevada Department of Human Resources \textit{v.} Hibbs, William Hibbs, an employee of the Welfare Division of Nevada’s Department of Human Resources, was granted twelve weeks’ leave under the Family and Medical Leave Act (FMLA) to care for his wife, who was recovering from a car accident and surgery.\textsuperscript{128} After he exhausted his leave time and did not report to work on a date ordered by the Department of Human Resources, the department fired Hibbs.\textsuperscript{129} Hibbs sued the State for damages and injunctive and declaratory relief, which are allowed under the FMLA.\textsuperscript{130}

Conceding that Congress clearly intended to abrogate the states’ sovereign immunity under the FMLA,\textsuperscript{131} the Court indicated that the case turned on “whether Congress acted within its constitutional authority when it sought to abrogate the States’ immunity for purposes of the FMLA’s family-leave provision.”\textsuperscript{132} When analyzing the power of Congress to exercise its so-called prophylactic legislation that proscribes facially constitutional conduct, in order to prevent

\textsuperscript{125} Kimel \textit{v.} Florida Board of Regents, 528 U.S. 62 (2000).
\textsuperscript{126} Board of Trustees of the Univ. of Ala. \textit{v.} Garrett, 531 U.S. 356 (2001).
\textsuperscript{127} Nevada Dep’t of Human Resources \textit{v.} Hibbs, No. 01-1368, slip op. at 13 (May 27, 2003), 538 U.S. ___ (2003).
\textsuperscript{128} \textit{Id.} at 1-2. The FMLA provides employees with up to twelve work weeks of unpaid leave annually for several family-related reasons, including the onset of a “serious health condition” in an employee’s spouse, child, or parent. 29 U.S.C. \S 2612(a)(1)(C) (2000).
\textsuperscript{129} Hibbs, slip op. at 2.
\textsuperscript{130} \textit{Id.;} 29 U.S.C. \S\S 2615(a)(1); 2617(a)(2).
\textsuperscript{131} Hibbs, slip op. at 3.
\textsuperscript{132} \textit{Id.}
and deter unconstitutional conduct.”[133] The Court applied the test in *City of Boerne* to determine if the FMLA was “appropriate prophylactic legislation”: “Valid § 5 legislation must exhibit ‘congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end.’”[134]

In this case, the Court determined the injury to be prevented was “the right to be free from gender-based discrimination in the workplace.”[135] After analyzing “whether Congress had evidence of a pattern of constitutional violations on the part of the States in this area,”[136] the Court concluded that “[t]he States’ record of unconstitutional participation in, and fostering of, gender-based discrimination in the administration of leave benefits is weighty enough to justify the enactment of prophylactic §5 legislation.”[137]

As noted above, the Court distinguished *Hibbs* from its other sovereign-immunity cases on the basis of the heightened scrutiny applied to state gender-discrimination.[138] As explained by the Court:

Because the standard for demonstrating the constitutionality of a gender-based classification is more difficult to meet than our rational-basis test—it must “serv[e] important governmental objectives” and be “substantially related to the achievement of those objectives,”[139]—it was easier for Congress to show a pattern of state constitutional violations.[140]

*Hibbs*, as the exception to the Rehnquist Court’s usual sovereign-immunity jurisprudence, helps in the analysis of the constitutionality of the Copyright Remedy Clarification Act (CRCA). It is reasonable to conclude that, because Congress did not enact the CRCA to address the rights of a protected class, as in *Hibbs*, the Court would not heighten its

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133 *Id.* at 4.
134 *Id.* at 5, citing *City of Boerne* v. Flores, 521 U.S. 507, 520 (1997).
135 *Hibbs*, slip op. at 5.
136 *Id.* at 6.
137 *Id.* at 12.
138 *Id.* at 13.
140 *Hibbs*, slip op. at 13.
scrutiny of the law and would likely find that the CRCA does not abrogate sovereign immunity. As seen below, the Fifth Circuit followed this line of reasoning.

F. Applying Florida Prepaid to the Copyright Act: Chavez v. Arte Publico Press

Given the similarity between the CRCA and the Patent Remedy Act found unconstitutional in Florida Prepaid, it appears that the Supreme Court would easily find the CRCA to be equally unconstitutional. Under the reasoning in Florida Prepaid, “Congressional efforts to subject the states to private damage actions for copyright or trademark infringement must . . . be deemed to be equally invalid [as the sovereign-immunity abrogation provision of the Patent Act].”\textsuperscript{141} The Fifth Circuit has already made such a determination in Chavez v. Arte Publico Press.\textsuperscript{142}

The plaintiff in Chavez sued the University of Houston for infringing her copyright by continuing to publish her book without her consent.\textsuperscript{143} The university argued that the case should be dismissed, because as a public institution, it was immune under the Eleventh Amendment from an “uncontested-to suit in federal court.”\textsuperscript{144} Using the two-part test from Seminole Tribe, the court stated, “Abrogation of a state’s Eleventh Amendment immunity turns on an express statement of intent by Congress and a constitutionally valid exercise of power.”\textsuperscript{145} Finding the express-statement requirement satisfied by the CRCA,\textsuperscript{146} the court moved on to

\textsuperscript{141} Daniel J. Meltzer, Overcoming Immunity: The Case of Federal Regulation of Intellectual Property, 53 Stanford L. Rev. 1331, 1333 (2001). See also Cross, supra note 71 at 355: “After Florida Prepaid, it is extremely unlikely that the [Copyright Act’s abrogation provision] could satisfy the Court’s new, stricter test.”

\textsuperscript{142} 204 F.3d 601, 603 (5th Cir. 2000).

\textsuperscript{143} Id. The plaintiff also charged the university with violating the Lanham Act by naming her, without her permission, as the selector of plays in another book it published. Id.

\textsuperscript{144} Id.

\textsuperscript{145} Id. (citing Seminole Tribe of Fla. v. Florida, 517 U.S. 44, 55 (1996)).

\textsuperscript{146} Id. at 603 n.2. (citing 17 U.S.C. §§ 501(a), 511). See infra text accompanying notes 223-226.
consider whether Congress had the authority to abrogate state sovereign immunity in the CRCA.\textsuperscript{147} 

The court held that the CRCA does not properly enforce the due process clause of the Fourteenth Amendment.\textsuperscript{148} While Congress can abrogate the states' sovereign immunity when enforcing constitutional rights pursuant to section 5 of the Fourteenth Amendment, "there must be a congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end."\textsuperscript{149} Noting that the CRCA is analogous to the Patent Remedy Act, the Chavez court then applied the same principles from City of Boerne that Florida Prepaid Court applied in its review of the Patent Remedy Act: "1) the nature of the injury to be remedied; 2) Congress's consideration of the adequacy of state remedies to redress the injury; and 3) the coverage of the legislation."\textsuperscript{150} 

The Chavez court identified the injury to be addressed by the CRCA as unremedied, or uncompensated, violations of copyrights by states, which would be a deprivation of property\textsuperscript{151} without due process of law.\textsuperscript{152} Examining the legislative history of the CRCA, the court noted that both Register of Copyrights Ralph Oman and Representative Robert Kastenmeier, the sponsor of the bill, testified that states were not engaged in "wholesale" violations of the Copyright Act.\textsuperscript{153}

\textsuperscript{147} Chavez, 204 F.3d at 603.
\textsuperscript{148} Id. at 605.
\textsuperscript{149} Id. (quoting City of Boerne v. Flores, 521 U.S. 507, 520 (1997)).
\textsuperscript{150} Id. at 605.
\textsuperscript{151} Id. at 605 n.6: "The Supreme Court held in Florida Prepaid that patents are considered property within the meaning of the due process clause (citation omitted). Since patent and copyright are of a similar nature, and patent is a form of property protectable against the states, copyright would seem to be so too." The property in this case, as in all copyright infringement cases, is not the physical object, but the intangible bundle of rights identified by 17 U.S.C. § 106. "Therefore, a State confiscates the copyright owner's property only when it exercises one or more of the legal rights of ownership." Cross, supra note 71, at 396.
\textsuperscript{152} Chavez, 204 F.3d at 605.
\textsuperscript{153} Id. at 605-06 (citing Copyright Remedy Clarification Act and Copyright Office Report on Copyright Liability of States: Hearings Before the Subcomm. on Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary, 101st Cong. 53, 48 (1989) [hereinafter House Hearings]). Since the enactment of the
Regarding adequate state remedies, the *Chavez* court found “only two allusions to state remedies in the legislative history” of the CRCA. The court concluded that “Congress barely considered the availability of state remedies for infringement,” including breach of contract claims and granting state courts concurrent jurisdiction over copyright cases.

While reviewing the breadth of coverage of the CRCA, the court stated that a deprivation of property, in order to give rise to a due process claim, “must be intentional; a negligent act that causes unintended injury is not sufficient.” The court then indicated that actions for copyright infringement usually require no intent to infringe, much like patent cases. Moreover, the Register of Copyrights, testifying before Congress in 1990, indicated that states ordinarly do not infringe copyrights intentionally. As a result, the court found that Congress, just as it had with the Patent Remedy Act, did not confine the reach of the CRCA “by limiting the remedy to

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154 *Chavez*, 204 F.3d at 606 (the two “allusions” were: (1) state courts being unavailable to copyright claims because of exclusive federal jurisdiction; and (2) state waivers of Eleventh Amendment immunity).

155 *Id.* at 606.

156 *Id.* at 606, 607. Overall, it is difficult to know what remedies are adequate to satisfy due process: “Unfortunately, the Supreme Court had never made clear what state remedies are considered ‘adequate’ for due process purposes.” *Berman, Reese, and Young, supra note 70, at 1067.* When someone is deprived of property due to a state employee’s “random, unauthorized conduct,” the Supreme Court has held that the state could satisfy the due-process requirement by providing a post-deprivation hearing. *Zinermon v. Burch,* 494 U.S. 113, 115 (1990). When the state’s conduct is intentional, making the infringement a “taking,” the state can constitutionally provide due process through an inverse condemnation action, which is also a post-deprivation remedy. *See, e.g., Williamson County Reg’l Planning Com’n v. Hamilton Bank,* 473 U.S. 172, 194-95 (1985). In conclusion, “[D]ue process for a state’s deprivation of property would seem to require the state at least to provide property owners with a postdeprivation action for compensation.” *Berman, Reese, and Young, supra note 70,* at 1091.

157 *Id.* at 607 (citing Florida Prepaid, 527 U.S. at 645).

158 *Id.* at 607. *See also* Buck v. Jewell-LaSalle Realty Co., 238 U.S. 191, 198 (1931) (“Intention to infringe is not essential under the [Copyright] [A]ct.”).

159 *Id.* (citing House Hearings, *supra* note 153, at 8). Professor John T. Cross from the University of Louisville finds Mr. Oman’s statement hard to believe, noting, “Copying software, photocopying text or graphical material, and borrowing heavily from a book to prepare a derivative work all involve situations where the actor fully knows the consequences of his act.” *Cross, supra* note 71, at 402. On the other hand, Professor Cross concedes that Register of Copyright Oman could have been correct. “Many people do not fully understand copyright law.... [M]any state actors may infringe rights either because they are unaware that copyright exists in a work, or that their particular act violates the rights of the owners. Others may erroneously conclude that their act qualifies as fair use.” *Id.* at 403.
certain types of infringement, . . . or providing for suits only against States with questionable remedies or a high incidence of infringement.” The CRCA, therefore, is not “proportionate to legitimate section 5 ends,” according to the Chavez court.

In summary, the court stated:

[T]he record does not indicate that Congress was responding to the kind of massive constitutional violations that have prompted proper remedial legislation, that it considered the adequacy of state remedies that might have provided the required due process of law, or that it sought to limit the coverage to arguably constitutional violations.

Because of these three deficiencies, the Chavez court held that the CRCA, like the Patent Remedy Act, is “an improper exercise of Congressional legislative power.” Although Article I gives Congress the authority to impose liability on the states, it does not authorize Congress to force states to defend infringement actions in federal court.

G. Implication of Chavez for Public Colleges and Universities

Presuming that the Supreme Court would uphold the Chavez decision, thereby rendering the CRCA unconstitutional, America’s higher-education system could experience a growing rift between faculty and university over copyright ownership. If the Eleventh Amendment indeed “closes the door to federal court,” states would effectively be immune from any monetary liability for copyright infringement. As a result, “America’s public institutions of higher education, almost all of which are considered to be the State for purposes of sovereign immunity, [would] enjoy an almost insurmountable defense to private claims for money damages.”

160 Chavez, 204 F.3d at 607 (quoting Florida Prepaid, 527 U.S. at 647).
161 Id. at 607 (citing Florida Prepaid, 527 at 647).
162 Id.
163 Id.
164 Cross, supra note 71, at 359.
165 Id. at 339.
The new federalism could also create different playing fields for public and independent institutions of higher education. Professor Gorman believes that students at independent institutions “will, as part of the costs of their privately based education, have to pay derivatively for the institution’s copyright permissions, while students at [public] universities—already entitled to greatly lower tuition costs—will not.”

Soon after the Florida Prepaid decision, Senator Patrick Leahy argued that it is wrong for there to be “one law for private universities, libraries, and educational institutions” and another for “State-run institutions.” Professor Gorman further concluded that the copyright rights of authors might be treated differently at public and independent institutions: “[P]ublic institutions may well become indifferent to copyright liability as users of the copyrighted works of others, while there is every reason to assume that they will be quite assertive about their own copyrights in newly developed digital courseware.”

The Office of General Counsel of the University of Texas System—which is directly affected by the Fifth-Circuit decision in Chavez—would take exception to Professor Gorman’s statement. In its online advice to its campuses regarding Chavez, the UT Office of General Counsel writes:

No one can sue UT System or its component institutions for money damages in federal court for infringement of copyright. Are we celebrating? Not really. While we are certainly happy that at least for now one of our worst fears is calmed, we are not running to the copy machine or logging onto every bootleg music and software site we can get to. There are far too many other reasons besides fear of lawsuits for money damages in federal court for us to respect the intellectual property of creative people.

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167 Gorman, supra note 54, at 314.
169 Gorman, supra note 54, at 314. Additionally, universities will want to protect the copyrights under their university presses.
Among UT’s reasons for adhering to the laws of intellectual property are:

1. **"We are creative people too.** It is simply unethical as well as illegal to trample the rights of others. How could we do that and still expect others to respect our rights?”, and
2. **“Copyright infringement is still against the law and copyright owners have many other ways to enforce their rights!"**

**H. Taking States to Court**

1. **Options in Federal Court: Old and Young**

To be sure, immunity from liability under the Eleventh Amendment is not absolute: there are a number of ways—some available since the nineteenth century—in which copyright owners can hold states liable in federal court. Some of these options are mentioned specifically, albeit in footnote language, by the Supreme Court in *Seminole Tribe*. First, the federal government can bring suit in federal court against a state. Second, the Supreme Court “is empowered to review a question of federal law arising from a state-court decision where a State has consented to suit.”

The most likely avenue of success, also listed in *Seminole Tribe*, is an action under the *Ex parte Young* exception to sovereign immunity. The *Ex parte Young* exception allows certain federal suits against state officials in their official capacity rather than the state itself. The

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171 UT COUNSEL ON CHAVEZ, supra note 170 (emphasis in original).
172 Seminole Tribe, 517 U.S. at 71 n.14 (citing United States v. Texas, 143 U.S. 621, 644–45 (1892) (finding such power necessary to the “permanence of the Union”).
173 517 U.S. at 71 n.14 (citing Cohens v. Virginia, 6 Wheat. 264 (1821)).
174 517 U.S. 44, 71 n.14 (citing Ex parte Young, 209 U.S. 123 (1908): “[A]n individual can bring suit against a state officer in order to ensure that the officer’s conduct is in compliance with federal law.”)
exception covers only prospective equitable relief,\textsuperscript{176} and therefore provides no compensation to the copyright owner for any income lost due to past infringement by the state.\textsuperscript{177} But a copyright owner may sue the responsible state officer in federal court for prospective equitable relief,\textsuperscript{178} which would include a declaratory judgment that the state officer is violating federal law, and an injunction forcing the state officer to follow federal law.\textsuperscript{179}

Plaintiffs can sue state officers for monetary damages in the officer’s “individual capacity for unconstitutional or wrongful conduct fairly attributable to the officer himself, so long as the relief is sought not from the state treasury but from the officer personally.”\textsuperscript{180} Professor Daniel J. Meltzer of Harvard Law School finds this option the best one available. He believes that, after \textit{Florida Prepaid}, “the only recourse available under existing law is to sue the responsible state officials for damages to be paid out of their personal resources,” especially if the official’s conduct is tortious.\textsuperscript{181} Sovereign immunity would not bar such suits “since, unlike damage awards against the state treasury, they are thought not to affect the state directly.”\textsuperscript{182}

Such suits could be difficult to pursue, however, for legal and monetary reasons. Legally, the state official may enjoy qualified immunity from suit, meaning “government officials . . . generally are shielded from liability for civil damages insofar as their conduct does not violate clearly established statutory or constitutional rights of which a reasonable person would have

\textsuperscript{176} \textit{See}, e.g., \textit{Edelman v. Jordan}, 415 U.S. 651 (1974) (federal venue not available to recover retroactive monetary payments); \textit{Ford Motor Co. v. Dep’t of the Treasury}, 323 U.S. 459 (1945) (federal venue not available to recover money from the state treasury).

\textsuperscript{177} Cross, \textit{supra} note 71, at 360. If the state continues to infringe the copyright in violation of an injunction, the copyright owner might be able to obtain a compensatory contempt award for harm suffered after the injunction was issued. Meltzer, \textit{supra} note 141, at 1335 n.17 (citing Hutno v. Finney, 437 U.S. 678, 690-93 (1978)).

\textsuperscript{178} \textit{See} \textit{Berman, Reese, and Young, supra} note 70, at 1096 (citing \textit{Woelffer v. Happy States of America, Inc.}, 626 F. Supp. 499, 505 (N.D. Ill., 1985); \textit{Rainey v. Wayne State Univ.}, 26 F. Supp. 2d 973, 976 (E.D. Mich. 1998)).

\textsuperscript{179} \textit{See} \textit{Ex parte Young}, 209 U.S. 123 (1908).

\textsuperscript{180} \textit{Alden v. Maine}, 527 U.S. at 757 (citing \textit{Scheuer v. Rhodes}, 416 U.S. 232, 237-38 (1974); \textit{Ford Motor Co. v. Dep’t of Treasury of Ind.}, 323 U.S. 459, 462 (1945)).

\textsuperscript{181} Meltzer, \textit{supra} note 141, at 1336 (citing \textit{Richard Anderson Photography v. Brown}, 852 F.2d 114, 122 (4th Cir. 1988) as an example of a decision upholding the personal liability of a state official for copyright-infringement damages).

\textsuperscript{182} \textit{Id.}
known."\textsuperscript{183} Monetarily, copyright owners who bring actions under \textit{Ex parte Young} may face increased costs from having to bring two suits: one in federal court for the injunction, and one in state court for compensation.\textsuperscript{184} The need to bring two suits could also result in inconsistent verdicts.\textsuperscript{185}

While suits pursuant to \textit{Ex parte Young} might be more successful than other options for copyright owners, the Supreme Court has imposed two significant limitations on the \textit{Young} doctrine that broadly benefit public colleges and universities in contexts beyond copyright. In \textit{Seminole Tribe}, the Court held that the \textit{Young} doctrine does not apply in situations where Congress has enacted a "detailed remedial scheme."\textsuperscript{186} The Court did not define "detailed remedial scheme," but two authors believe that the complex administrative systems to enforce federal laws like Title VI and Title IX of the Civil Rights Act suggest that "public universities may be able to use this exception to avoid many different suits."\textsuperscript{187}

The second exception, in \textit{Idaho v. Coeur d'Alene Tribe}, states that the \textit{Young} doctrine does not apply when "special sovereign interests" are involved.\textsuperscript{188} In \textit{Coeur d'Alene Tribe}, the Court found that Idaho's interest in maintaining ownership of certain land superceded the need to stop the state from its on-going violation of federal law.\textsuperscript{189} The Court has not defined "special sovereign interests," but two authors again believe that public universities would benefit from the exception, stating "academic freedom of a state university arguably is as important as, if not more important than, the ownership of land."\textsuperscript{190}

\textsuperscript{183} Berman, Reese, and Young, \textit{supra} note 70, at 1122 (quoting Harlow v. Fitzgerald, 457 U.S. 800, 818 (1982).
\textsuperscript{184} \textit{Id.} at 1096.
\textsuperscript{185} \textit{Id.}
\textsuperscript{187} Snow and Thro, \textit{supra} note 166, at 124.
\textsuperscript{188} 521 U.S. 261, 287-88 (1997).
\textsuperscript{189} \textit{Id.} at 287-88.
\textsuperscript{190} Snow and Thro, \textit{supra} note 166, at 125.
2. Options in State Court: Takings and Waivers

The federal courts have exclusive jurisdiction in copyright cases;\textsuperscript{191} therefore, copyright owners cannot bring infringement suits in state courts. If faculty members at public institutions want to sue their employer in their home-state court on grounds other than copyright infringement, the Supreme Court’s decision in \textit{Alden v. Maine} might still preclude such a suit.\textsuperscript{192}

In \textit{Alden}, the State of Maine was sued under the federal Fair Labor Standards Act.\textsuperscript{193} The state courts in Maine dismissed the case under Maine’s sovereign immunity law.\textsuperscript{194} The Supreme Court affirmed the decision to dismiss,\textsuperscript{195} holding that although the Eleventh Amendment does not explicitly address state courts, the basic principles of sovereign immunity under the amendment were “a fundamental aspect of the sovereignty which the States enjoyed before the ratification of the Constitution,” and nothing in the Constitution changed that inherent immunity.\textsuperscript{196} Moreover, “sovereign immunity derives not from the Eleventh Amendment but from the structure of the original Constitution itself.”\textsuperscript{197} Therefore, state governments enjoy the same sovereign immunity from federal claims in both federal and state courts.\textsuperscript{198}

With state-court jurisdiction over copyright infringement now presumably cut off, Professor Eugene Volokh of UCLA Law School believes that plaintiffs could sue state governments in state courts for claims of takings of intellectual property rights.\textsuperscript{199} Such cases

\textsuperscript{194} 715 A.2d 172 (1998).
\textsuperscript{195} 527 U.S. at 712.
\textsuperscript{196} \textit{Id.} at 713.
\textsuperscript{197} \textit{Id.} at 728.
\textsuperscript{198} Snow and Thro, \textit{supra} note 166, at 117. Nothing in the language of the Eleventh Amendment limits a state court from having jurisdiction over another state. The Supreme Court confirmed this interpretation in \textit{Nevada v. Hall}, 440 U.S. 410 (1979), in which the Eleventh Amendment did not preclude California from hearing a civil suit against Nevada.
\textsuperscript{199} Eugene Volokh, \textit{Sovereign Immunity and Intellectual Property}, 73 U.S. C AL. L. REV. 1161, 1163 n.5 (2001). See also \textit{Florida Prepaid}, 527 U.S. at 644 n.9 (citing \textit{Jacobs Wind Elec. Co. v. Florida. Dep’t of Transp.}, 626 So. 2d 1333 (Fla. 1993): “It is worth mentioning that the State of Florida provides remedies to patent owners for alleged
would arise under the Takings Clause and its state equivalents, rather than under an act of Congress. Infringement of a copyright could cause the copyright owner significant economic harm, so it might violate the Fifth Amendment’s Takings Clause, which prohibits the taking of property without adequate compensation. If an infringement is a taking, and the infringing state has paid no or inadequate compensation, plaintiffs can rely on the Fourteenth Amendment to abrogate a state’s immunity, since the Fourteenth Amendment incorporates the substantive terms of the Fifth Amendment and thereby makes them apply to the states. What is unclear is whether government infringement of copyright should be analyzed as a physical possession of an owner’s property, or as a regulatory taking. Professor Cross strongly believes that the nature of copyright infringement makes it unlikely that a court would find such infringement to be a taking.

For suits not based on constitutional issues or federal statutes—such as claims for breach of a copyright license agreement—a state would need to waive its immunity by consenting to infringement on the part of the State. Aggrieved parties may pursue . . . a judicial remedy through a takings or conversion claim."

200 Volokh, supra note 198, at 1163 n.5.
201 U.S. CONST. amend. V: “[N]or shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.”
203 Berman, Reese, and Young, supra note 70, at 1069 (citing Loretto v. Teleprompter Manhattan CATV Corp., 458 U.S. 419 (1982) (physical occupations, no matter how small, require compensation), and Pennsylvania Coal Co. v. Mahon, 260 U.S. 393, 414-15 (1922) (“The general rule at least is, that while property may be regulated to a certain extent, if a regulation goes too far it will be recognized as a taking.”)).
204 Cross, supra note 71, at 398 (“[B]ecause the copyright owner can still sell to every other buyer [other than the infringing state employee], most of the value of the copyright remains.”)
205 Berman, Reese, and Young, supra note 70, at 1088 (citing Bassett v. Mashantucket Pequot Tribe, 204 F.3d 343, 347 (2d Cir. 2000)).
be sued. As the Court said in *Alden*: “[S]overeign immunity bars suits only in the absence of consent.” Under *College Savings Bank*, states may subject themselves to suits only through express waivers of sovereign immunity. Express waivers of sovereign immunity, to be upheld in court, must be “stated ‘by the most express language or by such overwhelming implications from the text as [will] leave no room for any other reasonable construction.’” Moreover, while a state’s general waiver of sovereign immunity may subject it to claims in state court, the state can subject itself to claims in federal court—and thereby waive its immunity under the Eleventh Amendment—only with an express intent to do so.

3. Legislative Action

Some commentators have made creative suggestions that would allow a copyright owner to bring a federal copyright action against a public institution. Most of these approaches, such as having Congress authorize a suit under its power to enforce the Fourteenth Amendment, would require congressional action.

Under one suggestion based on the Fourteenth Amendment, “Congress could create a cause of action against states that intentionally deprive individuals of intellectual property rights in situations in which the state does not afford an adequate post-deprivation remedy—and provide that plaintiffs with a valid claim are entitled to recover damages from the state

This proposal has been described as “plainly—even elegantly—constitutional” because it makes “actual unconstitutionality an element of the plaintiff’s cause of action; abrogation can literally never occur, under this proposal, in the absence of unconstitutional state action.”

Legislation introduced in Congress in 2003 generally took this approach. The bill provides specific causes of action against states for due process violations and takings violations.

The due-process section, with regard to copyrights, states:

Any State or State instrumentality that violates any of the exclusive rights . . . of a copyright owner . . . under title 17, United States Code . . . in a manner that deprives any person of property in violation of the fourteenth amendment of the United States Constitution, shall be liable to the party injured in a civil action in Federal court for compensation for the harm caused by such violation.

The takings section, with regard to copyrights, states:

Any State or State instrumentality that violates any of the exclusive rights . . . of a copyright owner . . . under title 17, United States Code . . . in a manner that takes property in violation of the fifth and fourteenth amendments of the United States Constitution, shall be liable to the party injured in a civil action in Federal court for compensation for the harm caused by such violation.

The major thrust of this legislation is to induce states to waive their immunity under the Eleventh Amendment. The bill would not allow state governments or their agencies to collect damages in actions to protect their own intellectual property, including copyrights, unless the

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212 Meltzer, supra note 141, at 1346. For a discussion of the constitutionality and efficacy of such a statute, see id. at 1347-57.
213 Berman, Reese, and Young, supra note 70, at 1085 (emphasis in original).
215 S. 1191, supra note 7, §§ 5(a) and (b). For a constitution analysis of this approach, see Berman, Reese, and Young, supra note 70, at 1146-1166.
216 Id., § 5(a).
217 Id., § 5(b).
states voluntarily waive their Eleventh Amendment immunity from suit in federal court for infringement of intellectual property.\textsuperscript{218}

The House sponsor of the bill was hoping to level the playing field between state governments and other copyright owners. "States now have the ability to infringe copyrights, patents, and trademarks with impunity," said Representative Lamar Smith, a Republican from Texas, during a hearing on the bill before the House Judiciary Committee's Subcommittee on the Courts, the Internet, and Intellectual Property.\textsuperscript{219}

One university counsel argues that the proposal is unconstitutional. William E. Thro, general counsel for Christopher Newport University and deputy state solicitor for Virginia, reasons that just as the government cannot require individuals to give up their constitutional rights in exchange for accepting a benefit, Congress cannot require states to give up their immunity rights under the Eleventh Amendment in exchange for the right to bring infringement actions to protect their intellectual property.\textsuperscript{220}

In another approach to entice states to waive their immunity from copyright infringement suits, Congress could require state agencies that receive federal research funding to agree, as a condition to receiving the funding, to waive their immunity from suit under the Copyright Act.\textsuperscript{221} Such a requirement for waiver would be similar to Congress's requirement that states raise their drinking age to twenty-one in order to be eligible to receive five percent of their federal highway funding grants.\textsuperscript{222}

\textsuperscript{218} \textit{Id.}, § 3. The provision specifically regarding copyright is § 3(b).
\textsuperscript{219} Foster, \textit{supra} note 2, at A25.
\textsuperscript{220} \textit{Id.} at A26. \textit{But see} Berman, Reese, and Young, \textit{supra} note 70, at 1146-66.
\textsuperscript{221} Meltzer, \textit{supra} note 141, at 1375. \textit{See also} Berman, Reese, and Young, \textit{supra} note 70, at 1132-34. For a discussion of the constitutionality of trading sovereign immunity under the Copyright Act for federal funding, \textit{see} Meltzer, \textit{supra} note 141, at 1375-80; Berman, Reese, and Young, \textit{supra} note 70, at 1134-37, 1143-46.
\textsuperscript{222} This action was upheld in South Dakota v. Dole, 483 U.S. 203 (1987).
Congress could take other action as well. Theoretically, Congress could insert the federal government as a party in copyright actions. Congress could authorize the United States to sue infringing states on behalf of the copyright owners, with the proceeds resulting from such actions to be paid to the copyright owners.\textsuperscript{223} Constitutionally, such a system would be sound, since it is well established that states are not immune from suits by the United States.\textsuperscript{224} But as a practical matter, this option is not plausible.\textsuperscript{225}

Congress could also expand jurisdiction over copyright issues to help enforce copyright rights. If Congress finds that the copyright system faces serious jeopardy because states are immune under the Eleventh Amendment, "it might consider giving the state courts concurrent jurisdiction in copyright infringement cases involving State defendants."\textsuperscript{226}

Despite all these options, and despite legislation already before Congress, no legislative remedies are speeding through Congress to address immunity. With no real incentives for states to waive their immunity, it falls to the universities and their faculty members to discuss their respective copyright interests and enter agreements that foster creativity and cooperation.

V. Campus Copyright Policies

A. The High Cost of Piracy

\textsuperscript{223} See Meltzer, supra note 141, at 1362. See also Berman, Reese, and Young, supra note 70, at 1116 ("It is . . . at least theoretically possible that, although state sovereign immunity will bar suits to enforce federal intellectual property rights by the private rightsholders themselves, the federal government might bring suit to enforce those rights on the rightsholders' behalf").

\textsuperscript{224} Meltzer, supra note 141, at 1362 (citing United States v. Mississippi, 380 U.S. 128, 140 (1965); United States v. Texas, 143 U.S. 621, 641-45 (1892)).

\textsuperscript{225} See Berman, Reese, and Young, supra note 70, at 1117: "We . . . think it unlikely that the United States government will be willing or able to intervene on behalf of all federal intellectual property plaintiffs with claims against state governments . . . ."

\textsuperscript{226} Cross, supra note 71, at 364. See id. at 364-68 for a discussion of whether Congress could grant states "sister jurisdiction" over each other for copyright infringement cases.
Colleges and universities are concerned that, under legislative remedies like the Intellectual Property Protection Restoration Act, they will be unfairly saddled with hefty fines. "Colleges and universities are pretty big institutions, and they have a lot of computers in them," said Derek L. Edward, an assistant attorney general for Washington State. "We do our best to police our networks and educate our employees. But there's always the possibility that somebody will put a rogue or unauthorized piece of software on their computer."\textsuperscript{227}

Moreover, audits to identify the unauthorized use of software are costly and time-consuming to the institution. For example, in response to SIIA's request, South Seattle Community College's staff spent 500 hours determining whether software from approximately 1,000 vendors was installed on 1,300 computers.\textsuperscript{228}

Another weakness in the proposal before Congress, from the perspective of public institutions, is that the proposed law would give the state—rather than the college or university—the authority to waive sovereign immunity.\textsuperscript{229} If a state decided not to waive its immunity, then public colleges and universities would not be able to bring infringement suits of their own to protect their patents, trademarks, and copyrights.\textsuperscript{230}

If public colleges and universities did not have the ability to protect their intellectual property, millions of dollars could potentially be in jeopardy. According to the survey of the Association of University Technology Managers for Fiscal Year 2002, the gross license income received by U.S. colleges and universities was $997,830,761, which included running income from royalties from the sale of licensed products; cashed-in equity from the sale of equity of a

\textsuperscript{227} Foster, supra note 2, at A26.
\textsuperscript{228} Id. The college found that it had failed to remove twenty-one copies of Macromedia Dreamweaver, and that nineteen copies of other software were installed—without the institution's permission or knowledge—on other computers. Id.
\textsuperscript{229} Id.; S-1181 § 3(b).
\textsuperscript{230} Foster, supra note 2, at A26.
licensee; and other types of license income, including up-front fees, annual minimum royalties, and milestone payments. The National Collegiate Athletic Association anticipated earning $400 million in 2003 from licensing the exclusive broadcast rights to its games and events.

With so much money at stake, public colleges and universities would serve themselves—and their faculty—well by resolving disputes at the campus level and avoiding litigation. As institutions increasingly adopt intellectual property policies, these policies should include a dispute-resolution provision to specifically address disagreements over copyright ownership between faculty and their institutions.

B. Dispute-Resolution Provisions

1. Informal Process

Institutions could require, as a first step toward resolving disputes regarding copyright ownership, that the parties try to work things out themselves informally, and then move incrementally up the administrative ladder. For example, the University of Michigan has an "Informal Resolution" provision in its copyright policy, which states:

If an issue arises with regard to the interpretation of this policy and cannot be resolved by the parties themselves, one or more of the parties may go to the appropriate supervisor, department chair or unit head (or his or her designee(s)). If the matter cannot be resolved at the departmental or unit level, or if the parties involved are from different departments or units, it may be necessary to bring the matter to the attention of a dean or director.

2. Formal Process

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232 Foster, supra note 2, at A26.
If informal procedures fail, institutions should then provide for a formal process, typically involving a committee, to resolve copyright-ownership disputes. Under Michigan’s policy:

Any member of the University community may file a request for formal dispute resolution or policy interpretation with the Offices of the Provost . . . The Provost will appoint an ad hoc committee and designate a chair. The committee will consist of a combination of administrators, faculty, staff and/or students as appropriate[,] given the nature of the complaint and the respective roles of the parties involved. Members of the committee will be selected from a pool of candidates nominated by . . . appropriate governing and administrative bodies.

3. Standing Committee

A better approach than Michigan’s ad hoc committee might be a standing committee to review and resolve disputes. The American Association of University’s Intellectual Property Task Force recommends the formation of such a committee. According to the Task Force, the committee should recommend policy changes that are required to respond to the rapid development of new forms of information technology and new types of relationships that develop among the university, its faculty members, and external for[-]profit companies (i.e., those “partners” who are either directly or indirectly involved in the creation of new media content that will bear the university’s name or claim its sponsorship).

Columbia University has a Copyright Policy Standing Committee appointed by the provost. The committee consists of faculty members, a student officer, and academic administrators, “with the majority of the Committee consisting of faculty members who do not hold administrative positions.” A representative of Columbia’s general counsel’s office serves as an ex officio member of the committee. Columbia’s committee addresses “any issues

234 Lape, supra note 33, at 264.
235 Id.
237 Id.
239 Id.
concerning the proper interpretation of [the university’s copyright] Policy and to resolve any
disputes between creators and the University concerning ownership of works and what
constitutes substantial use of University resources.”

A subset of the University of North Carolina at Chapel Hill's University Copyright
Committee resolves disputes. The copyright committee, appointed by the chancellor, consists of
faculty members, who constitute a majority of the members; one or more graduate students; and
"members from campus units that are involved in intellectual property matters, such as the
Office of Technology Development." Faculty must file written requests to the provost to
request that a copyright-ownership dispute be resolved. The provost then refers the request to
the chair of the University Copyright Committee, “who shall appoint a panel of not less than
three members of the Copyright Committee to hear such dispute.”

The dispute resolution panel at UNC has the discretion either to conduct a hearing or
make a recommendation based on a written record, “provided that all parties to the dispute are
given an opportunity to present evidence and arguments in support of their respective
positions.” The panel reports its findings and conclusions to the provost, along with a written
recommendation for resolving the matter within forty-five days of the appointment of the
panel.

4. Final Campus Arbiter

An institution's chief academic officer sometimes has the final say in copyright-
ownership conflict. For example, at the University of North Carolina at Chapel Hill, the

240 Id.
242 Id., § VII.A.
243 Id.
244 Id. § VII.B.
245 Id.
provost—upon receiving the findings, conclusions, and recommendation from the dispute resolution panel—issues a written decision.\textsuperscript{246} "The Provost’s decision shall be final, subject to appeal to the Board of Trustees."\textsuperscript{247}

More often, colleges and universities designate their president as the final arbiter of copyright-ownership disputes. Michigan’s policy indicates: "The decisions of the [ad hoc] committee may be appealed to the President (or his or her designee). The decisions of the President (or designee) shall be final."\textsuperscript{248} Similarly, at Columbia, "The creator of the work may appeal the decision of the [Copyright Policy Standing] Committee to the President. The decision of the President will be final."\textsuperscript{249}

5. Arbitration

In some cases, institutions allow campus disagreements over copyright ownership to be resolved by arbitration. At the University of Washington, unresolved disputes are "submitted for binding arbitration either to a single arbitrator agreed on by all parties[,] or to a special three-person panel consisting of one person representing the faculty or staff member, one person representing the University, and a third person designated by the first two."\textsuperscript{250}

Carnegie Mellon University uses a more formal arbitration system. Any party dissatisfied with the decision of the university’s Intellectual Property Adjudication Committee "may seek binding arbitration in Pittsburgh, Pennsylvania and in accordance with the Rules of the American Arbitration Association then in effect. Judgment upon the award rendered by the

\textsuperscript{246} UNC POLICY, supra note 241, § VII.C.
\textsuperscript{247} Id.
\textsuperscript{248} MICHIGAN POLICY, supra note 233.
\textsuperscript{249} COLUMBIA POLICY, supra note 238.
arbitrator(s) may be entered in any court having jurisdiction thereof.\textsuperscript{251} Carnegie Mellon’s intellectual property policy requires the arbitration panel to “give some weight to the decision of the Intellectual Property Adjudication Committee in reaching a decision.”\textsuperscript{252} Unless the arbitrators rule otherwise, “[t]he losing party of the arbitration hearing will pay for all costs of the arbitration.”\textsuperscript{253}

VI. Conclusion: “How to Relate to One Another in This Environment”

During the dispute between Arthur Miller and Harvard Law School over the videotaped course that Professor Miller prepared for another law school,\textsuperscript{254} Harvard professor Henry Louis Gates, Jr. agreed a bit with both arguments over ownership of the course: “I see both sides. The university makes the course possible, but the professor does the course.”\textsuperscript{255} Professor Gates then considered the ownership of his own courses. “I’ve been teaching the same course, with modifications, for 23 years. I’ve taught at Yale, Cornell, and Duke, too, and when I would go to a new university nobody said to me I couldn’t take my course with me because the university owned it.”\textsuperscript{256}

Suppose Professor Gates had worked at the University of Massachusetts—a public institution—on his way toward Harvard, and he developed an online course that UMass had someone else teach once Professor Gates left for Harvard Yard. Could Professor Gates sue UMass for copyright infringement? Under the Supreme Court’s decision in \textit{Florida Prepaid}, he probably wouldn’t even be able to keep UMass in court: the case would most likely be


\textsuperscript{252} \textit{Id}.

\textsuperscript{253} \textit{Id}.

\textsuperscript{254} See \textit{supra} text accompanying notes 43-47.

\textsuperscript{255} Marcus, \textit{supra} note 43, at A10.

\textsuperscript{256} \textit{Id}.
dismissed because the institution enjoys sovereign immunity from such actions,257 and the Copyright Act’s provision to abrogate that immunity is constitutionally flawed.258

But just because UMass would prevail does not mean that public colleges and universities should flout the copyright interests that faculty have in the online work they create. While it appears that public institutions “are not likely to be named in a copyright infringement suit in federal court asking for money damages, it does not mean that [they] should throw caution to the wind and ignore people’s copyrights (or patents and trademarks for that matter).”259 The University of Texas System’s Office of General Counsel advises it component campuses, employees, and students to continue to read about copyright law, to follow university guidelines regarding fair use when using others’ works, to get permission either when needed or when in doubt, to seek opportunities to license comprehensive access to digital materials, and to carefully manage UT System copyrights.260

Public institutions would be wise to follow this advice from UT’s general counsel. Even with U.S. Supreme Court rulings on their side, public colleges and universities—and their officials—can still be successfully brought before a federal court or a state court under the right circumstances.261 Moreover, Congress continues to craft legislation that it hopes will meet the Supreme Court’s test to abrogate sovereign immunity in copyright infringement cases.262 Perhaps most importantly, institutions and their faculty would enjoy a more harmonious relationship if each side understood its respective copyright-ownership rights.

258 Chavez v. Arte Publico Press, 204 F.3d 601, 603 (5th Cir. 2000).
259 UT COUNSEL ON CHAVEZ, supra note 170.
260 Id.
261 See supra text accompanying notes 172-210.
262 See, e.g., S. 1191 and H.R. 2344, supra note 7; see supra text accompanying notes 214-219.
A well-crafted institutional copyright policy could help achieve the important goal of campus unity. Professor Stan Katz at Princeton University, in an article encouraging universities to begin “thinking creatively about how [technology] might enrich our basic educational mission,” pointed out that “the law of intellectual property, as applied to information technology, is changing how a university works and relates to its constituencies.”

He called on colleges and universities—public and private alike—to meet the needs of those constituencies through comprehensive campus policies:

[We] definitely need specification and clarification of the rights and responsibilities of faculty members, students, and administrators on a whole range of issues relating to information technology. Some of the problems are already quite apparent: ownership of courseware; more generally, the legal terms of faculty employment in the electronic environment; allocation of faculty time to outside dot-com activities; copying of research and teaching materials; limits on the use of the Internet (and intranets); electronic privacy; rules governing the authority of research material taken from the Web. And many, many more.

When disagreements over such campus policies arise, a dispute-resolution provision would help keep the issue out of court and provide a fairer, more local, arena where public institutions would not have the advantage of sovereign immunity, but where each side is equally represented. By implementing such rules, public colleges and universities would help clarify—and potentially strengthen—the relationship between campus administration and faculty.

Stan Katz advises doing just that: “I am not proposing a rule-bound environment, but rather advocating that educational institutions put on the table some general propositions for roles and responsibilities in the era of information technology. We need to understand better how to relate to one another in this environment.”

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264 Id. at B9.
265 Id.