

reasonable method to promote licensing individuals presently possessing good moral character and reputation. In *Dickerson v. New Banner Institute, Inc.*, 460 U.S. 103, 103 S.Ct. 986, 74 L. Ed. 2d 845 (1983), the Supreme Court held that an Iowa expungement of a judgment did not remove disabilities imposed by the Federal Gun Control Act of 1968 on the basis of the state conviction, and that the expungement did not nullify the conviction. Information regarding expunged offenses is clearly relevant to, though not necessarily determinative of, an applicant's moral character. See *Wilson v. Wilson*, 416 F.Supp. 984 (D. Oregon 1976). Expungement, for example, does not signify that the person was innocent of the crime. Rather, expungement alleviates certain continuing effects of a conviction under various laws. State bar examiners consider the commission of any crime, including expunged offenses, in weighing an applicant's overall character and fitness to practice law. See *In re Leff*, 619 P.2d 232 (Ariz. 1980); *State Bar v. Langert*, 276 P.2d 596 (Calif. 1954); *Florida Board of Bar Examiners Re: Certified Question—Felony Convictions—Federal Youth Corrections Act*, 361 So.2d 424 (Fla. 1978); *In re Majorek*, 508 N.W.2d 275 (Neb. 1993); *In re McLaughlin*, 675 A.2d 1101 (N.J. 1995); and *In re Davis*, 403 N.E.2d 189 (Ohio 1980). Requiring disclosure of arrests, even if a state court has ordered expungement, does not violate a constitutional right to privacy. See *AFL-CIO v. HUD*, 118 F.3d 786 (D.D.C. 1997). The proposed rule would provide applicants with notice of the requirement for disclosure of expunged records.

The USPTO is seeking comments on the two alternatives proposed below for accepting a state bar's determination on the moral character of persons seeking to become registered practitioners who at the time of filing of their USPTO application, have been admitted as an attorney in a State Bar and continue to be in good standing.

One option is to require applicants who are attorneys to submit a certified copy of their State Bar application and moral character determination. The Office may accept the moral character determination as meeting the requirements set forth in § 11.7(g).

The second option is to require these applicants to submit a certified copy of their State Bar application and moral character determination and for the Office to accept the State Bar's character determination as meeting the requirements set forth in § 11.7(g) if, after review, the Office finds no substantial discrepancy between the

information provided with their USPTO application and the State Bar application and moral character determination. In such a case, OED will accept the moral character determination of the State Bar as meeting the requirements set forth in § 11.7(g), so long as this acceptance is not inconsistent with other rules and the requirements of 35 U.S.C. 2(b)(2)(D). If the USPTO finds that there is substantial discrepancy or if OED obtains or receives other or new information, or if the determination of moral character conflicts with other rules or § 2(b)(2)(D), the USPTO reserves the right to make an independent decision.

The first option, accepting the state bar's determination on moral character without further review, is administratively convenient. However, it raises the issue of equal treatment between patent attorneys and patent agents as to standards applied. The nature of the patent application proceedings before the USPTO allows for registered practitioners to represent clients before the Office who may or may not be attorneys. In addition, "Congress placed the responsibility on Director to protect the public." 35 U.S.C. § 2(b)(2)(D).² Under 35 U.S.C. § 32, the USPTO is under an obligation to consider the moral character of all applicants seeking to become registered practitioners. The states and USPTO have concurrent authority to protect the public. *Kroll v. Finnerty*, 242 F.3d 1359 (Fed. Cir. 2001). Thus, the USPTO may not have authority to resolve all moral character questions of attorneys by deferral to the state determinations. Complete deference to a determination on moral character made by state bars is inconsistent with the USPTO's responsibility of protecting the public. Further, it is possible that state bars may be unaware of violations brought to the attention of the Office. The Office cannot circumvent its responsibility to protect the public. In tandem, it is not the Office's intent to place an unnecessary burden on state bars to make determinations on issues that can be equally addressed by both entities. Thus, while it is appropriate to consider the determination on moral character made by state bars as part of the application process at the USPTO, it is

inconsistent with the statute to accept the state bar determination as dispositive of the issue for USPTO purposes.

Under the first option, the USPTO would give deference to the state bars if the Office allows patent attorneys to submit a copy of their state bar applications and moral character determinations. Under the second option, the USPTO would still give deference, but reserves the authority to look further into the issue of moral character if there is substantial discrepancy between the information provided in the USPTO application form and the state bar application or if new information is provided related to this matter. This is a satisfactory compromise that enables both the states and the USPTO to exercise their respective authorities to protect the public.

Paragraph (h) of § 11.7 would define moral character. The definition is derived from *Konigsberg v. State Bar of Cal.*, 353 U.S. 252, 77 S.Ct. 722, 1 L.Ed.2d 810 (1957); and *In re Matthews*, 462 A.2d 165 (NJ 1983). This paragraph also would provide a nonexclusive list of moral character factors considered by the OED Director. The list would be substantially the same as that considered by the Committee of Bar Examiners of the State Bar of California in "Statement on Moral Character Requirement For Admission to Practice Law in California," which is available at www.calbar.org/shared/2admndx.htm.

Paragraph (h)(1) of § 11.7 would provide not only that an applicant convicted of a felony or crime involving moral turpitude or breach of fiduciary duty is presumed not to be of good moral character, but also that the individual would be ineligible to apply for registration until two years after completion of any sentence and probation or parole. See *In re Dortch*, 687 A.2d 245 (Md. 1997); *Seide v. Committee of Bar Examiners (Calif.)*, 782 P.2d 602 (Cal. 1989). The individual would have to pay the fee required by § 1.21(a)(10) with the application for registration.

Paragraph (h)(4) of § 11.7 would provide that an attorney disbarred or suspended from the practice of law, or an attorney who resigns in lieu of discipline would not be eligible to apply for registration for a period of two years following completion of the discipline. The OED Director would have discretion to waive the two-year period only if the individual demonstrates that he or she has been reinstated to practice law in the State where he or she had been disbarred or suspended, or had resigned. The attorney would have to

² "[T]he primary responsibility for protection of the public from unqualified practitioners before the Patent [and Trademark] Office rests with the Commissioner of Patents [and Trademarks]." *Gager v. Ladd*, 212 F.Supp. 671, 673, 136 USPQ 627, 628 (D.D.C. 1963), (quoting with approval *Cupples v. Marzall*, 101 F.Supp. 579, 583, 92 USPQ 169, 172 (D.D.C. 1952), *aff'd*, 204 F.2d 58, 97 USPQ 1 (D.C. Cir. 1953)).