

A BILL FOR AN ACT

To enact a new title 44 of the Code of the Federated States of Micronesia entitled The Controlled Substances Act of 2002, to control the availability, abuse and trade of certain drugs; to supersede chapter 11 of title 11 of the Code of the Federated States of Micronesia and provide transitional provisions therefor; and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1           Section 1. The Code of the Federated States of Micronesia, as  
2 amended, is hereby further amended by enacting a new title 44  
3 entitled "The Controlled Substances Act of 2002".

4           Section 2. The Code of the Federated States of Micronesia, as  
5 amended, is hereby further amended by enacting a new chapter 1 of  
6 title 44, entitled "General Provisions".

7           Section 3. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 101 of  
9 chapter 1 of title 44 to read as follows:

10           "Section 101. Short title and purpose. This act shall  
11           be known and may be cited as 'The Controlled Substances  
12           Act of 2002'. The purpose of this act is to provide for  
13           the implementation in the Federated States of Micronesia  
14           of the provisions of the international drug control  
15           conventions to which the Federated States of Micronesia  
16           is a party, and to establish effective mechanisms by  
17           which the Federated States of Micronesia can carry out  
18           its responsibilities under such international drug  
19           conventions."

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1 Section 4. The Code of the Federated States of Micronesia, as  
2 amended, is hereby further amended by enacting a new section 102 of  
3 chapter 1 of title 44 to read as follows:

4 "Section 102. Jurisdiction and application.

5 (1) Each of the provisions of this act shall extend and  
6 apply throughout all of the territory of the Federated  
7 States of Micronesia, including the land and waters and  
8 the air space above such land and waters with respect to  
9 which the Federated States of Micronesia has legislative  
10 jurisdiction.

11 (2) In addition, chapter 3 of this act also applies to  
12 conduct engaged in:

13 (a) inside or outside the Federated States of  
14 Micronesia, on board a Federated States of Micronesia  
15 ship or Federated States of Micronesia aircraft;

16 (b) outside the Federated States of Micronesia by:

17 (i) a Federated States of Micronesia citizen  
18 or any person ordinarily resident in the Federated States  
19 of Micronesia;

20 (ii) a corporate body incorporated in the  
21 Federated States of Micronesia or carrying on business in  
22 the Federated States of Micronesia; or

23 (iii) any other person, relating to the supply  
24 or possible supply by that person of any controlled  
25 substance, analogue, controlled chemical, or item of

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1           controlled equipment or controlled material to a person  
2           in the Federated States of Micronesia;

3                   (c) outside the Federated States of Micronesia on  
4           a ship:

5                           (i) registered in or having the nationality  
6           of a convention state other than the Federated States of  
7           Micronesia;

8                           (ii) not registered in any state; or

9                           (iii) of no nationality, including a ship  
10           assimilated under the international law of the sea to a  
11           ship of no nationality."

12           Section 5. The Code of the Federated States of Micronesia, as  
13 amended, is hereby further amended by enacting a new section 103 of  
14 chapter 1 of title 44 to read as follows:

15           "Section 103. Definitions.

16                   (1) In this act, unless the context indicates  
17           otherwise:

18                           (a) 'Acquire' means to gain, obtain, receive, come  
19           to have, or to get by any means or in whatever manner,  
20           state or condition, and includes, without limitation, to  
21           acquire by way of gift, purchase, exchange, lease or  
22           hire.

23                           (b) 'Analogue' means any substance not listed in  
24           any schedule of this act whose chemical structure is  
25           substantially similar to any controlled substance, or

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1 whose psychoactive effects it simulates.

2 (c) 'Animal' means a living, and in the higher  
3 orders, sentient being, as distinguished from a vegetable  
4 or mineral, and includes, without limitation, mammals,  
5 fish, reptiles, birds, invertebrates or other fauna.

6 (d) 'Attorney General' and/or 'Attorney General of  
7 the Federated States of Micronesia' means and is  
8 synonymous with the 'Secretary of the Department of  
9 Justice' of the Federated States of Micronesia, or with  
10 the chief law enforcement officer of the Federated States  
11 of Micronesia whatever the title of such position is or  
12 in the future becomes.

13 (e) 'Authorized officer' means a person or class  
14 of persons designated by the Attorney General pursuant to  
15 section 545 of this title as an authorized officer.

16 (f) 'Cannabis' means any part of the cannabis  
17 plant (including the seeds and leaves) from which  
18 cannabis resin has not been extracted; 'cannabis plant'  
19 means any plant of the genus Cannabis; and 'cannabis  
20 resin' means the separated resin, whether crude or  
21 purified, obtained from the cannabis plant.

22 (g) 'Coca bush' means the plant of any of the  
23 species Erythroxylon.

24 (h) 'Controlled chemical' means a substance listed  
25 in schedule V of this act, and includes a controlled

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1           chemical preparation.

2                   (i) 'Controlled equipment' means anything listed  
3           as such in schedule VI of this act.

4                   (j) 'Controlled delivery' means the investigative  
5           technique of allowing an unlawful or suspect consignment  
6           of a controlled substance, an analogue, a controlled  
7           chemical, an innocuous substitute substance, an item of  
8           controlled equipment or controlled material, or property  
9           believed to be derived directly or indirectly from any  
10           offense, to pass into, through or out of the Federated  
11           States of Micronesia under the supervision of an  
12           authorized officer, with a view to gathering evidence to  
13           identify any person involved in any serious offense, or  
14           to facilitate prosecution of that offense.

15                   (k) 'Controlled material' means anything listed as  
16           such in schedule VI of this act.

17                   (l) 'Controlled substance' means a prohibited  
18           drug, a high-risk drug, or a risk drug, and includes a  
19           preparation.

20                   (m) 'Convention State' means a party to the United  
21           Nations Convention Against Illicit Traffic in Narcotic  
22           Drugs and Psychotropic Substances, 1988.

23                   (n) 'Cultivate' has its normal and usual  
24           dictionary meaning, and includes, without limitation,  
25           culturing, planting, sowing, scattering the seed,

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1 growing, nurturing, tending or harvesting, and also  
2 includes the separating of opium, coca leaves, cannabis  
3 and cannabis resin from the plant from which they are  
4 obtained.

5 (o) 'Data' means representations, in any form, of  
6 information or concepts.

7 (p) 'Dentist' means any person who:

8 (i) is licensed in the Federated States of  
9 Micronesia by the Secretary of Health; or

10 (ii) licensed by the appropriate authority of  
11 another jurisdiction recognized by the Secretary of  
12 Health and the Federated States of Micronesia; and

13 (iii) is legally entitled under the laws of the  
14 Federated States of Micronesia and its states or  
15 political subdivisions to practice the profession of  
16 dentistry in the Federated States of Micronesia.

17 (q) 'Document' means any material on which data is  
18 recorded or marked and which is capable of being read or  
19 understood by a person, computer system or other device,  
20 and any record of information, and includes, without  
21 limitation:

22 (i) anything on which there is writing;

23 (ii) anything on which there are marks,  
24 figures, symbols, or perforations having meaning for  
25 persons qualified to interpret them;

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1                   (iii) anything from which sounds, images or  
2                   writings can be produced, with or without the aid of  
3                   anything else; and

4                   (iv) a map, plan, drawing, photograph or  
5                   similar thing.

6                   (r) 'Drug abuser' in relation to a controlled  
7                   substance or analogue, means any person who uses it:

8                   (i) without a medical prescription; and/or

9                   (ii) for a purpose other than a medical,  
10                  scientific or related purpose recognized and accepted in  
11                  the global medical and/or scientific community.

12                  (s) 'Drug dependent person' in relation to a  
13                  controlled substance or analogue, means any person who  
14                  has a condition such that:

15                  (i) administration of the drug to him or her  
16                  results in the person demonstrating impaired control in  
17                  relation to the use of that drug, or drug-seeking  
18                  behavior suggesting such impaired control; or

19                  (ii) cessation of the administration of the  
20                  drug is likely to result in the person experiencing  
21                  symptoms of mental or physical distress or disorder.

22                  (t) 'Encapsulating machine' means any device which  
23                  may be used to fill shells, capsules or other containers  
24                  with a controlled substance or analogue in whatever  
25                  physical form.

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1           (u) 'Federated States of Micronesia aircraft'  
2           means an aircraft, whether publicly or privately owned,  
3           that is:

4                   (i) registered in the Federated States of  
5                   Micronesia or any State or political subdivision of the  
6                   Federated States of Micronesia as a Federated States of  
7                   Micronesia aircraft in accordance with the laws of the  
8                   Federated States of Micronesia;

9                   (ii) owned by or in the possession or control  
10                  of the Federated States of Micronesia, the Government of  
11                  the Federated States of Micronesia or an authority of the  
12                  Government; or

13                  (iii) registered in a foreign state, and leased  
14                  with or without crew to a person ordinarily, or having  
15                  the principal place of business, in the Federated States  
16                  of Micronesia.

17           (v) 'Federated States of Micronesia ship' means a  
18           ship, whether publicly or privately owned, that is:

19                   (i) registered in the Federated States of  
20                   Micronesia or any State or political subdivision of the  
21                   Federated States of Micronesia as a Federated States of  
22                   Micronesia ship in accordance with the laws of the  
23                   Federated States of Micronesia;

24                   (ii) unregistered but has a Federated States  
25                   of Micronesia nationality; or



1                   (iii) a ship that belongs to any part of the  
2                   Federated States of Micronesia, including its States or  
3                   political subdivisions.

4                   (w) 'Foreign state' means:

5                   (i) any country other than the Federated  
6                   States of Micronesia; and

7                   (ii) every constituent part of such country,  
8                   including a territory, dependency or protectorate, which  
9                   administers its own laws relating to controlled  
10                   substances, analogues, controlled equipment and/or  
11                   controlled materials.

12                   (x) 'High-risk drug' means a substance listed in  
13                   schedule II of this act;

14                   (y) 'Inspector' means any person appointed  
15                   pursuant to section 501 of this act;

16                   (z) 'Institution' means a hospital, nursing home  
17                   or other institution used for the accommodation,  
18                   treatment and care of persons suffering from physical or  
19                   mental conditions.

20                   (aa) 'International drug control conventions'  
21                   means:

22                   (i) the Single Convention on Narcotic Drugs  
23                   done at New York on 30 March 1961, as amended by the 1972  
24                   Protocol amending the Single Convention, done at Geneva  
25                   on 25 March 1972;

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1                   (ii) the Convention on Psychotropic Substances  
2                   done at Vienna on 21 February 1971;

3                   (iii) the United Nations Convention Against  
4                   Illicit Traffic in Narcotic Drugs and Psychotropic  
5                   Substances done at Vienna on 20 December 1988; and

6                   (iv) any other international convention to  
7                   which the Federated States of Micronesia may become party  
8                   after the commencement of this act relating in whole or  
9                   in part to the control of controlled substances,  
10                  controlled chemicals or controlled equipment.

11                  (bb) 'License' means a certificate or document  
12                  issued by the Secretary of Health under section 208 of  
13                  this act, granting official permission by the Federated  
14                  States of Micronesia to the person named in such document  
15                  or certificate, to be an operator as defined by  
16                  subsection (1)(ff) of this section, for the purpose of  
17                  and limited to engaging in the business and activities  
18                  expressly specified in or on the license, relating to the  
19                  manufacture, acquisition, supply, import and/or export of  
20                  controlled substances, controlled chemicals, controlled  
21                  equipment, and/or controlled material.

22                  (cc) 'Manufacture' means to carry out any process by  
23                  which a controlled substance, analogue, controlled  
24                  chemical or controlled material is produced, and includes  
25                  extracting, refining, formulating, preparing, mixing,

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1           compounding, transforming it into another drug, analogue  
2           or chemical, making a controlled substance into dosage  
3           form, and packing.

4           (dd) 'Medical practitioner' means any person who:

5                   (i) is licensed in the Federated States of  
6           Micronesia by the Secretary of Health; or

7                   (ii) is licensed by the appropriate authority  
8           of another jurisdiction recognized by the Secretary of  
9           Health and the Federated States of Micronesia; and

10                  (iii) is legally entitled under the laws of the  
11           Federated States of Micronesia and its States or  
12           political subdivisions to practice the profession of  
13           medicine in the Federated States of Micronesia.

14           (ee) 'Open individual authorization' means an  
15           authorization permitting an operator to export from the  
16           Federated States of Micronesia such quantities of such  
17           controlled chemicals, equipment or materials to such  
18           countries or regions during such periods as may be  
19           specified in the authorization.

20           (ff) 'Operator' means any person who carries on a  
21           business of the manufacture, acquisition or supply of:

22                   (i) a controlled substance, intended for  
23           medical, scientific use or other lawful use;

24                   (ii) a controlled chemical or any item of  
25           controlled equipment or controlled material, intended for

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1 lawful use or a related business, such as import, export,  
2 transit or acting as a broker, but excludes a person  
3 carrying on a business of customs agent, warehouse  
4 depositor or carrier when acting solely in that capacity.

5 (gg) 'Opium poppy' means the plant of the species  
6 Papaver somniferum.

7 (hh) 'Permit' means a permit of the kind referred  
8 to in section 211, 212, 213 or 214 of this act, as the  
9 case may be.

10 (ii) 'Person' means any natural or legal person.

11 (jj) 'Pharmacist' means any person who:

12 (i) is licensed in the Federated States of  
13 Micronesia by the Secretary of Health; or

14 (ii) is licensed by the appropriate authority  
15 of another jurisdiction recognized by the Secretary of  
16 Health and the Federated States of Micronesia; and

17 (iii) is legally entitled under the laws of the  
18 Federated States of Micronesia and its States or  
19 political subdivisions to practice the profession of  
20 pharmacy in the Federated States of Micronesia.

21 (kk) 'Place' has its normal and usual dictionary  
22 meaning, and includes any land (whether vacant, enclosed  
23 or built upon, or not), and any premises.

24 (ll) 'Practitioner' means:

25 (i) a dentist, medical practitioner or

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1           veterinarian; or

2                       (ii) any person who is licensed in the  
3           Federated States of Micronesia by the Secretary of  
4           Health, and is legally entitled under the laws of the  
5           Federated States of Micronesia to practice any other  
6           recognized profession whose members may lawfully  
7           prescribe, dispense or administer any controlled  
8           substance in the Federated States of Micronesia.

9                       (mm) 'Premises' has its normal and usual dictionary  
10          meaning, and includes the whole or any part of a  
11          structure, building, aircraft, or vessel.

12                      (nn) 'Prescription' means a written direction by a  
13          practitioner that a stated amount of a controlled  
14          substance be dispensed for the person named therein.

15                      (oo) 'Preparation' means a solution or mixture, in  
16          whatever physical state, containing:

17                               (i) a controlled substance; or

18                               (ii) a controlled chemical.

19                      (pp) 'Proceeding' or 'proceedings' means any  
20          procedure conducted by or under the supervision of a  
21          judge, magistrate or judicial officer however described  
22          in relation to any alleged or proven offense, or property  
23          derived from such offense, and includes an inquiry,  
24          investigation, or preliminary or final determination of  
25          facts.

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1           (qq) 'Prohibited drug' means a substance listed in  
2           schedule I of this act.

3           (rr) 'Property' means real or personal property of  
4           every description, whether situated in the Federated  
5           States of Micronesia or elsewhere, and whether tangible  
6           or intangible, and includes an interest in any such real  
7           or personal property.

8           (ss) 'Property derived from an offense' means any  
9           property derived or realized directly or indirectly from  
10           a serious offense and includes, on a proportional basis,  
11           property into which any property derived or realized  
12           directly from the offense was later successively  
13           converted, transformed or intermingled, as well as  
14           income, capital or other economic gains derived or  
15           realized from such property at any time since the  
16           offense.

17           (tt) 'Record' means any material on which data is  
18           recorded or marked and which is capable of being read or  
19           understood by a person, computer system or other device.

20           (uu) 'Registration' means a notation or entry made  
21           by the Secretary of Health in an official register,  
22           thereby recording in the public records of the Federated  
23           States of Micronesia, the fact that the person whose name  
24           appears therein has complied with the requirements of  
25           section 205 of this act, and, granting official

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1 permission by the Federated States of Micronesia to the  
2 person named in the register, to be an operator as  
3 defined by subsection (1)(ff) of this section, for the  
4 purpose of and limited to engaging in the business and  
5 activities expressly specified in or on the register,  
6 relating to the manufacture, acquisition, supply, import  
7 and/or export of controlled chemicals, and/or items of  
8 controlled equipment or controlled material.

9 (vv) 'Risk drug' means a substance listed in  
10 schedule III of this act.

11 (ww) 'Secretary' and/or 'Secretary of Health' means  
12 the Secretary of the Department of Health, Education and  
13 Social Affairs of the Federated States of Micronesia, or  
14 the successor position, whatever the title of such  
15 position in the future becomes.

16 (xx) 'Serious offense' means a violation of:

17 (i) any law of Federated States of Micronesia  
18 or any of its States or political subdivisions, which is  
19 a criminal offense punishable by imprisonment for a term  
20 of more than one year;

21 (ii) a law of a foreign state, in relation to  
22 acts or omissions, which, had they occurred in the  
23 Federated States of Micronesia or any of its States or  
24 political subdivisions, would have constituted a criminal  
25 offense punishable by imprisonment for a term of more

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1           than one year; or

2                   (iii) subchapter I of chapter 3 of this act.

3           (yy) 'Supply' has its normal and usual dictionary  
4 meaning, and includes, without limitation, sale,  
5 consignment, dispatch, transport, delivery, distribution,  
6 dispensing, as well as offer to supply.

7           (zz) 'Supreme Court' means the Supreme Court of the  
8 Federated States of Micronesia, and all its divisions,  
9 wherever or whenever constituted.

10          (aaa) 'Tableting machine' means any device which may  
11 be used to compact or mold a controlled substance or  
12 analogue into a solid tablet.

13          (bbb) 'Toxic chemical inhalant' means a substance  
14 listed in schedule IV of this act.

15          (ccc) 'Trafficable' amount or quantity means that  
16 amount or quantity of a controlled substance established  
17 in regulations adopted by the Secretary of Health, to be  
18 more than an amount or quantity of a controlled substance  
19 which could reasonably be considered to be for personal  
20 use exclusively, and conclusively presumed for purposes  
21 of this act, to be intended for the purpose of sale,  
22 supply, or distribution in illegal commerce.

23          (ddd) 'Transit' means the physical transfer of any  
24 controlled substance, analogue, controlled chemical or  
25 controlled material into and out of the territory of the



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1           Federated States of Micronesia.

2                   (i) without it passing through the Federated  
3           States of Micronesia Customs inspection; and

4                   (ii) where the Federated States of Micronesia  
5           is neither its place of origin nor destination.

6                   (eee) 'Undercover operations' means operations  
7           (which may include conduct which, apart from this act, is  
8           illegal), for the purpose of providing persons who may  
9           have committed, be committing or be about to commit a  
10           serious criminal offense with an opportunity to manifest  
11           evidence thereof.

12                   (fff) 'Veterinarian' means any person who is:

13                           (i) licensed in the Federated States of  
14           Micronesia by the Secretary of Health; or

15                           (ii) licensed by the appropriate authority of  
16           another jurisdiction recognized by the Secretary of  
17           Health and the Federated States of Micronesia; and

18                           (iii) legally entitled, under the laws of the  
19           Federated States of Micronesia and its States or  
20           political subdivisions, to practice the profession of  
21           veterinary medicine in the Federated States of  
22           Micronesia.

23           (2) A reference in this act to the law of:

24                           (a) the Federated States of Micronesia;

25                           (b) any State of the Federated States of

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1           Micronesia; or

2                   (c) any foreign state, includes a reference to a  
3           written or unwritten law of, or in force in, any part or  
4           State of the Federated States of Micronesia, or that  
5           foreign state, as the case may be."

6           Section 6. The Code of the Federated States of Micronesia, as  
7 amended, is hereby further amended by enacting a new chapter 2 of  
8 title 44, entitled "Regulation of Controlled Substances, and the  
9 Controlled Chemicals, Equipments and Materials Used to Make Them".

10          Section 7. The Code of the Federated States of Micronesia, as  
11 amended, is hereby further amended by enacting a new subchapter I of  
12 chapter 2 of title 44, entitled "Classification and Scheduling of  
13 Controlled Substances and Controlled Chemicals".

14          Section 8. The Code of the Federated States of Micronesia, as  
15 amended, is hereby further amended by enacting a new section 201 of  
16 chapter 2 of title 44 to read as follows:

17           "Section 201. Classification of controlled substances  
18           and controlled chemicals.

19                   (1) Each of the controlled substances to which this act  
20           applies is classified by the schedule in which it appears  
21           under its international non-proprietary name or, lacking  
22           such a name, under its scientific name.

23                   (2) Different measures of control are specified in this  
24           act for different controlled substances according to the  
25           classification so adopted, with the strictest measures

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1 being applied in relation to controlled substances listed  
2 in schedule I, less strict measures in relation to those  
3 listed in schedule II, and the least strict in relation  
4 to those listed in schedule III.

5 (3) Each of the controlled chemicals to which this act  
6 applies is classified by the division of schedule V in  
7 which it appears.

8 (4) Different measures of control are provided for in  
9 this act for different controlled chemicals according to  
10 the classification so adopted, and pre-export  
11 notification to the Secretary of Health of exports of  
12 controlled chemicals is required only for those listed in  
13 division I of schedule V. Measures of control relating to  
14 registration or licensing (sections 204, 205 and 206 of  
15 this act), reporting of material changes (section 218 of  
16 this act), suspicious transactions (section 220 of this  
17 act) and loss or theft (section 237 and 239 of this act),  
18 documentation, labeling, record keeping (sections 228,  
19 229, 230, 231, 232, 234 and 235 of this act) generally  
20 apply in respect of all such chemicals, equipment and  
21 materials, and any supplementary control measures  
22 provided for in the act for the regulatory oversight of  
23 lawful trade in controlled chemicals, controlled  
24 equipment and controlled materials; open individual  
25 authorization (section 215 of this act), or import,

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1           export, transit or redirection permits (sections 206, 210  
2           and 212 of this act) apply only if the Secretary of  
3           Health so determines under section 204(1) of this act."

4           Section 9. The Code of the Federated States of Micronesia, as  
5 amended, is hereby further amended by enacting a new section 202 of  
6 chapter 2 of title 44 to read as follows:

7           "Section 202. Preparations.

8           (1) Preparations shall be subject to the same measures  
9           of control under this act as the controlled substances or  
10           controlled chemicals they contain, and where any  
11           preparation contains two or more constituent controlled  
12           substances, it shall be subject to the measures governing  
13           the most strictly controlled constituent.

14           (2) The Secretary of Health may not exempt a  
15           preparation containing a schedule I prohibited drug from  
16           any measure of control imposed by this act or  
17           regulations, but may, by regulations made under section  
18           703 of this act, exempt any preparation containing:

19           (a) a controlled substance listed in schedule II  
20           or III of this act from such measure of control provided  
21           in this act, when the Secretary is satisfied that:

22                   (i) the preparation is compounded in such a  
23                   way as to present no or negligible risk of abuse; and

24                   (ii) the controlled substance cannot be  
25                   readily recovered from it in a quantity liable to present

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1           such a risk;

2                   (b) a controlled chemical, when the Secretary of  
3           Health is satisfied that it is in such a state that the  
4           chemical cannot easily be used for the illicit  
5           manufacture of a controlled substance.

6           (3) The Secretary of Health shall not exempt any  
7           preparation pursuant to subsection (2) above:

8                   (a) insofar as it relates to the manufacture,  
9           import or export of preparations containing schedule II  
10          high risk drugs or schedule III risk drugs, or the making  
11          and keeping of records related to such activities;

12                  (b) otherwise, except to the extent, if any, to  
13          which it may be exempted under any international drug  
14          control convention applicable to the particular  
15          preparation or class of preparation.

16                  (4) The Secretary of Health shall maintain a register  
17          of the preparations exempted under this section,  
18          specifying in relation to each such preparation, each  
19          control measure from which it is exempted."

20           Section 10. The Code of the Federated States of Micronesia, as  
21   amended, is hereby further amended by enacting a new section 203 of  
22   chapter 2 of title 44 to read as follows:

23           "Section 203. Amendment of schedules.

24                  (1) The Secretary of Health may, by regulations  
25          promulgated under section 703 of this act, in accordance

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1 with subsection (2) of this section, amend any schedule  
2 to this act by adding or deleting a controlled substance,  
3 controlled chemical, toxic chemical inhalant, item of  
4 controlled equipment or controlled material to or from  
5 the relevant schedule or, in the case of a controlled  
6 substance, by transferring it from one schedule to  
7 another.

8 (2) In deciding whether to, and if so, how to amend  
9 schedule I, II or III of this act in relation to any  
10 controlled substance, or schedule V of this act in  
11 relation to any controlled chemical, the Secretary of  
12 Health shall take into consideration:

13 (a) in the case of a controlled substance or  
14 controlled chemical, whether the opinion of any  
15 international drug control convention to which the  
16 Federated States of Micronesia may, from time to time, be  
17 a party, applies to it, and if so, to its classification  
18 under the relevant convention;

19 (b) any recommendation made to the Secretary  
20 concerning classification of that controlled substance by  
21 anybody exercising public interest supervisory functions  
22 in the Federated States of Micronesia in relation to  
23 pharmacists or practitioners or any law enforcement  
24 agency in the Federated States of Micronesia;

25 (c) the extent to which any likely public

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1           detriment associated with the actual or potential abuse  
2           of the drug in the Federated States of Micronesia might  
3           outweigh any likely public benefit associated with its  
4           actual or potential medical or scientific use in the  
5           Federated States of Micronesia.

6           (3) For the avoidance of doubt, the powers of the  
7           Secretary of Health under subsection (1) of this section:

8                   (a) subject to subsection (3)(b) below, extend to  
9                   transferring any controlled substance listed in schedule  
10                   II or III of this act to schedule I of this act and vice  
11                   versa;

12                   (b) shall not be exercised, in relation to any  
13                   such drug, if to do so would have the effect of reducing  
14                   controls below the minimum regulatory or control  
15                   requirements for that substance established by the  
16                   international drug control conventions."

17           Section 11. The Code of the Federated States of Micronesia, as  
18 amended, is hereby further amended by enacting a new subchapter II  
19 of chapter 2 of title 44, entitled "Registration, Licensing and  
20 Permit System".

21           Section 12. The Code of the Federated States of Micronesia, as  
22 amended, is hereby further amended by enacting a new section 204 of  
23 chapter 2 of title 44 to read as follows:

24                   "Section 204. Control measures for controlled chemicals,  
25                   equipment and materials operators to be determined by the

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1           Secretary of Health.

2           (1) To help ensure that there is no significant risk  
3           that controlled chemicals, controlled equipment and/or  
4           controlled materials may be diverted from lawful use to  
5           the unlawful manufacture of any controlled substance in  
6           the Federated States of Micronesia or elsewhere, the  
7           Secretary of Health may, by regulations promulgated under  
8           section 703 of this act, and with notice made pursuant to  
9           title 17 of the Code of the Federated States of  
10           Micronesia, determine, in relation to any operator or  
11           class of operators, which control measure or combination  
12           of measures specified in subsection (2) of this section  
13           shall apply for the purposes of this subchapter.

14           (2) The control measures or combination of control  
15           measures which the Secretary of Health may determine  
16           shall apply for the purposes of subsection (1) of this  
17           section are:

18                   (a) registration, pursuant to section 205 of this  
19                   act; and/or

20                   (b) the grant of a license, pursuant to section  
21                   208 of this act; and

22                   (c) in the case of export activities, registration  
23                   and/or licensing, plus:

24                           (i) an open individual authorization issued  
25                           to the operator by the Secretary of Health under section



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1           215 of this act for all designated export activities,  
2           provided that the Secretary may, by later written notice,  
3           restrict the open authorization temporarily or  
4           indefinitely, to designated transactions or countries, as  
5           the Secretary may specify in the notice; or

6                     (ii) a permit for each intended export  
7           transaction;

8                     (iii) an export permit for each intended export  
9           transaction, conditional on the prior receipt of an  
10          import certificate issued by the competent authorities of  
11          the country of intended import; or

12                    (iv) a pre-export notification made by the  
13          operator to the Secretary of Health in accordance with  
14          the prescribed form, within a prescribed period before  
15          each export transaction.

16                    (d) in the case of import, transit or redirection  
17          activities, registration and/or licensing, plus, a permit  
18          for each intended import, or for each transit or  
19          redirection, issued under section 211 or 212 of this act.

20                    (3) In determining, under subsection (2) of this  
21          section, which control measure shall apply in which case,  
22          the Secretary shall take into account:

23                    (a) the likely quantities and ultimate uses  
24          (lawful or unlawful) of the controlled chemicals,  
25          equipment or materials involved;

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1           (b) in the case of transit or export, the  
2           countries or regions to which any such chemicals,  
3           equipment or materials are likely to be destined,  
4           particularly if they are ones in which controlled  
5           substances or the raw materials for making them are  
6           believed to be illicitly produced;

7           (c) the commercial experience and integrity of  
8           operators and their staff, including their experience in  
9           dealing with the chemicals, equipment or materials  
10          concerned; and

11          (d) any other relevant matter.

12          (4) No operator shall manufacture, import, export,  
13          acquire, supply or possess any controlled chemical or  
14          item of controlled equipment or controlled material,  
15          except pursuant to and in accordance with the relevant  
16          control measure determined by the Secretary of Health  
17          under subsection (2) of this section. A person who  
18          knowingly violates or fails to comply with this  
19          subsection commits a felony offense, punishable by  
20          imprisonment for a maximum term of five years or a  
21          maximum fine of \$50,000, or both; provided, however, in  
22          the case of a corporation, company, commercial  
23          enterprise, commercial entity or other legal person, the  
24          maximum fine shall be increased to \$250,000.

25          (5) The Secretary of Health may attach such terms and

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1           conditions to any control measure as the Secretary deems  
2           fit, including ones which limit or prohibit imports or  
3           exports of specified chemicals or specified quantities  
4           thereof, whether to or from specified countries, persons  
5           or classes of persons, or during specified periods, or  
6           not.

7           (6) The Secretary of Health may, by regulations  
8           promulgated under section 703 of this act, and with  
9           notice made pursuant to title 17 of the Code of the  
10          Federated States of Micronesia, exempt any operator or  
11          class of operators, other than those whose business  
12          includes the manufacture, import or export of any  
13          controlled chemical, controlled equipment or controlled  
14          material, from the operation of this section, if  
15          satisfied that to do so would not give rise to any  
16          significant risk of unlawful diversion.

17          (7) This section does not apply to the following  
18          classes of persons in relation to the following  
19          activities, except to the extent, if any, to which their  
20          activities include the import or export of any controlled  
21          chemical, controlled equipment or controlled material:

22                (a) a pharmacist, acting in accordance with the  
23                norms and standards of the pharmacy profession, in the  
24                ordinary course of compounding and dispensing  
25                preparations containing a controlled substance for

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1           medical, scientific or related purposes;

2                   (b) any person who holds a license issued under  
3           this act to manufacture a preparation in which a  
4           controlled substance is an essential ingredient, in the  
5           ordinary course of such manufacture;

6                   (c) any person engaged in the conduct of  
7           scientific education or research in a laboratory which is  
8           attached to a university or hospital, and the activities  
9           of whom are recognized by the Secretary of Health, in the  
10          ordinary course of such education or research.

11                  (8) The Secretary of Health shall be allowed to  
12          establish and collect reasonable fees for registration,  
13          licensing, permits, and grants for authorizations  
14          pursuant to this act, as well as for related services,  
15          including non-refundable application fees."

16           Section 13. The Code of the Federated States of Micronesia, as  
17 amended, is hereby further amended by enacting a new section 205 of  
18 chapter 2 of title 44 to read as follows:

19                  "Section 205. Registration of controlled chemical,  
20          equipment and material operators.

21                  (1) An operator who is required to be registered for  
22          the purposes of this act with regard to the manufacture,  
23          import, export, acquisition, supply or possession of any  
24          controlled chemical or item of controlled equipment or  
25          controlled material shall, within fifteen working days

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1 from the day on which this act enters into force, notify  
2 the Secretary of Health in writing of:

3 (a) the operator's full name, date of birth,  
4 social security number, passport number, residence and  
5 business address;

6 (b) the activity for which registration is sought;

7 (c) if the operator is a corporation, company, or  
8 other commercial enterprise or entity, the full name and  
9 residential address of each director, the chief executive  
10 officer, chief financial officer, president, vice-  
11 president and other managing officers; a copy of the  
12 articles of incorporation, partnership or any other  
13 enabling agreement under which it operates, together with  
14 a complete list of subsidiaries and parent companies;

15 (d) the business name under which the operator  
16 will engage the activity, if any;

17 (e) each controlled chemical or item of controlled  
18 equipment or controlled material for which registration  
19 is sought;

20 (f) the address of each:

21 (i) place where the proposed activity would  
22 be carried out;

23 (ii) place where the controlled chemical or  
24 item of controlled equipment or controlled material is to  
25 be stored; and the

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1                   (iii) security arrangements that would be  
2                   implemented at each address;

3                   (g) whether the applicant, or in the case of a  
4                   corporation, company, or other commercial enterprise or  
5                   entity, the director, chief executive officer, chief  
6                   financial officers, president, vice-president or any  
7                   other managing officer has ever been convicted in the  
8                   Federated States of Micronesia or any of its States or  
9                   political subdivisions, or elsewhere, for a serious  
10                   offense or any offense, however described, relating to  
11                   drug trafficking, controlled chemicals, controlled  
12                   equipment or controlled material;

13                   (h) the full name, date of birth, social security  
14                   number, passport number, residence and business address  
15                   and qualifications of each person under whose supervision  
16                   the activity would be carried out, and whether any such  
17                   person has ever been convicted of a serious offense in  
18                   any jurisdiction; and

19                   (i) such other particulars as may be requested by  
20                   the Secretary.

21                   (2) An application for registration shall be  
22                   accompanied by:

23                   (a) a plan of each of the relevant premises,  
24                   indicating where the controlled chemical or item of  
25                   controlled equipment or controlled material would be

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1 stored, and the location and nature of any security  
2 devices; and

3 (b) the prescribed fee;

4 (c) a sworn statement made under penalty of  
5 perjury that the applicant has personal knowledge of the  
6 information contained in the application and that such  
7 information is known by the applicant to be accurate and  
8 true.

9 (3) Subject to subsection (4) of this section, and if  
10 satisfied as to the integrity and competence of the  
11 operator, on receipt of a notification made in accordance  
12 with subsection (1) of this section, the Secretary of  
13 Health shall register the operator, include the  
14 particulars of the notification, and give notice of  
15 registration to the operator.

16 (4) The Secretary of Health may refuse to register any  
17 operator if the operator has ever been convicted for any  
18 offense referred to in subsection (1)(g) of this section  
19 or has provided false or misleading information on the  
20 application, or for any other good cause, or with regard  
21 to a corporation, company, or other commercial enterprise  
22 or entity, any person or official thereof who has been  
23 convicted of such an offense or has provided false or  
24 misleading information on the application, or for any  
25 other good cause."

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1 Section 14. The Code of the Federated States of Micronesia, as  
2 amended, is hereby further amended by enacting a new section 206 of  
3 chapter 2 of title 44 to read as follows:

4 "Section 206. Licensing and permits required for  
5 controlled substances operators.

6 (1) Subject to subsection (2) of this section, no  
7 operator shall:

8 (a) cultivate any cannabis plant, coca bush, opium  
9 poppy, or any other plant that is or contains a  
10 controlled substance; or

11 (b) manufacture, acquire or supply any controlled  
12 substance, except pursuant to and in accordance with the  
13 terms and conditions of a license granted by the  
14 Secretary of Health under section 208 of this act.

15 (2) Subsection (1)(b) above does not apply to the  
16 professional supply of controlled substances by  
17 authorized persons pursuant to section 225(1) of this  
18 act.

19 (3) No operator shall import, export, bring into the  
20 Federated States of Micronesia in transit, or redirect  
21 from the Federated States of Micronesia while in transit,  
22 any controlled substance, except pursuant to and in  
23 accordance with any terms or conditions of:

24 (a) a license issued by the Secretary of Health  
25 under section 208 of this act authorizing the applicant



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1           to carry out such activities in general; and

2                   (b) a separate import permit, export permit,  
3           transit permit or redirection permit, as the case may be,  
4           issued by the Secretary of Health and authorizing the  
5           applicant to carry out the specific transaction of the  
6           permit application.

7           (4) A person who knowingly fails to comply with this  
8           section commits a felony offense, punishable by  
9           imprisonment for a maximum term of five years or a  
10          maximum fine of \$50,000, or both; provided, however, in  
11          the case of a corporation, company, commercial  
12          enterprise, commercial entity or other legal person, the  
13          maximum fine shall be increased to \$250,000.

14          (5) The Secretary of Health shall be allowed to  
15          establish and collect reasonable fees for licensing and  
16          permits as required by this act, as well as for related  
17          services, including non-refundable application fees."

18          Section 15. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new section 207 of  
20 chapter 2 of title 44 to read as follows:

21          "Section 207. Application for operators license.

22               (1) An operator who is required by this act to be  
23               licensed shall, within fifteen working days from the day  
24               on which this act enters into force, apply in writing to  
25               the Secretary of Health for the grant of a license and

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1           specify:

2                   (a) the operator's full name, date of birth,  
3                   social security number, passport number, residence and  
4                   business address;

5                   (b) each activity to which the license application  
6                   relates;

7                   (c) if the applicant is a corporation, company, or  
8                   other commercial enterprise or entity, the full name and  
9                   residential address of each director, chief executive  
10                   officer, chief financial officer, president, vice-  
11                   president and other managing officers, and shall supply  
12                   to the Secretary of Health a copy of the Articles of  
13                   Incorporation, partnership or any other enabling  
14                   agreement under which it operates, together with a  
15                   complete list of subsidiaries and parent companies;

16                   (d) if the applicant proposes to engage in the  
17                   activity under a business name, that name;

18                   (e) the controlled substance, controlled chemical  
19                   or item of controlled equipment or controlled material to  
20                   which the application relates;

21                   (f) the address of each:

22                           (i) place where the proposed activity would  
23                           be carried out;

24                           (ii) premises where the controlled substance,  
25                           controlled chemical or item of controlled equipment or

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1           controlled material would be stored;

2                   (g) the security arrangements that would be  
3           implemented at each address;

4                   (h) the full name, date of birth, social security  
5           number, passport number, residence and business address  
6           and qualifications of each person under whose supervision  
7           the activity would be carried out, and whether any such  
8           person has ever been convicted of a serious offense in  
9           any jurisdiction; and

10                   (i) whether the applicant (and, if the operator is  
11           a corporation, company, or other commercial enterprise or  
12           entity, whether any director, chief executive officer,  
13           chief financial officer, president, vice-president or any  
14           other managing officer) has ever been convicted in the  
15           Federated States of Micronesia or any of its States or  
16           political subdivisions, or elsewhere, for a serious  
17           offense or any offense, however described, relating to  
18           drug trafficking, controlled substances, controlled  
19           chemicals, controlled equipment or controlled material;  
20           and

21                   (j) such other particulars as may be prescribed by  
22           the Secretary of Health.

23           (2) An application for license shall be accompanied by:

24                   (a) a plan of each of the relevant premises,  
25           indicating where the controlled substance, controlled

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1           chemical or item of controlled equipment or controlled  
2           material would be stored, the location and nature of any  
3           security devices;

4                   (b) the prescribed fee; and

5                   (c) a sworn statement under penalty of perjury  
6           that the applicant has personal knowledge of the  
7           information contained in the application and that such  
8           information is known by the applicant to be accurate and  
9           true."

10           Section 16. The Code of the Federated States of Micronesia, as  
11 amended, is hereby further amended by enacting a new section 208 of  
12 chapter 2 of title 44 to read as follows:

13           "Section 208. Grant of license. Where an application  
14           has been made in accordance with section 207 of this act,  
15           the Secretary of Health shall submit to the Department of  
16           Justice a request for verification of the accuracy of the  
17           information, together with a request for verification of  
18           the criminal record of the applicant and any person or  
19           official listed in section 207(1)(c) of this act. Upon  
20           receipt of the verification by the Department of Justice,  
21           the Secretary of Health may grant a license if satisfied  
22           that:

23                   (1) the applicant and, if a corporation, company, or  
24           other commercial enterprise or entity, person or official  
25           listed in section 207 (1)(c) of this act:

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1           (a) has never been convicted in the Federated  
2           States of Micronesia, or any of its States or political  
3           subdivisions, or elsewhere for any serious offense, or  
4           any offense, however described, relating to a controlled  
5           substance, controlled chemical or item of controlled  
6           equipment or controlled material; and

7           (b) is otherwise a fit and proper person to hold a  
8           license;

9           (2) the applicant proposes to engage in the activity;

10          (3) all places and premises at or in which the activity  
11          is to be undertaken are in fit and appropriate condition;

12          (4) the security arrangements and devices proposed at  
13          each relevant place and premises are appropriate and  
14          sufficient;

15          (5) the activity will, at all times, be carried out  
16          under the supervision of a person who is a fit and proper  
17          person to carry out that supervision; and

18          (6) where the activity relates to a controlled  
19          substance, the activity will be carried out exclusively  
20          for medical or scientific purposes recognized and  
21          accepted by the global medical or scientific community."

22          Section 17. The Code of the Federated States of Micronesia, as  
23          amended, is hereby further amended by enacting a new section 209 of  
24          chapter 2 of title 44 to read as follows:

25          "Section 209. Contents and conditions of licenses.

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1           A license issued by the Secretary of Health under section  
2           208 of this act shall specify:

3           (1) the full name and address of the licensee;

4           (2) each activity to which the license relates;

5           (3) the controlled substance, controlled chemical or  
6           item of controlled equipment or controlled material to  
7           which the license relates;

8           (4) the address of each place and premises at which:

9           (a) the licensed activity is to be carried out;

10          and

11           (b) the controlled substance, controlled chemical  
12           or item of controlled equipment or controlled material is  
13           to be stored;

14           (5) such terms and conditions as are necessary and  
15           reasonable for ensuring the proper:

16           (a) carrying out and supervision of the licensed  
17           activity;

18           (b) establishment, maintenance and preservation of  
19           records relating to that activity;

20           (c) reporting to the Secretary of Health in  
21           relation to the carrying out of that activity;

22           (d) maintenance and security of all places and  
23           premises at or in which the licensed activity will be  
24           carried out;

25           (6) in the case of any license to import, export or

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1 bring to the Federated States of Micronesia in transit a  
2 controlled substance, controlled chemical or item of  
3 controlled equipment or controlled material, the  
4 condition that a separate import, export or transit  
5 permit be first obtained in relation to any such  
6 transaction before it takes place; and

7 (7) such other particulars as may be prescribed."

8 Section 18. The Code of the Federated States of Micronesia, as  
9 amended, is hereby further amended by enacting a new section 210 of  
10 chapter 2 of title 44 to read as follows:

11 "Section 210. Applications for import, export or transit  
12 permits.

13 (1) An application for an import, export or transit  
14 permit shall be made in writing to the Secretary of  
15 Health and shall specify:

16 (a) the full name, date of birth, social security  
17 number, passport number, the residence and business  
18 address of the importer, exporter, carrier, consignee  
19 and, if known, of any ultimate consignee;

20 (b) the quantity, mass, and volume or volume  
21 percent in mixture of any controlled substance,  
22 controlled chemical or controlled material that is the  
23 subject of the proposed operation;

24 (c) a description of the quantity and type of any  
25 controlled equipment that is the subject of the

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1           operation;

2                   (d) the date, or period within which, the planned  
3           import, export or transit is to take place;

4                   (e) the planned transport route, if known,  
5           including the planned point of entry or exit from the  
6           Federated States of Micronesia;

7                   (f) in the case of a proposed import, export or  
8           transit of a controlled chemical, the name as specified  
9           in schedule V of this act and trade name; and

10                   (g) in the case of a proposed import, export or  
11           transit of a controlled substance:

12                           (i) its international non-proprietary name or  
13           if none, its name as listed in schedule I, II or III of  
14           this act, together with its trade name, if any;

15                           (ii) its pharmaceutical form; and

16                           (iii) for a proposed importation of a  
17           controlled substance to a bonded warehouse, the identity  
18           and address of the warehouse; and

19                           (iv) for a proposed exportation of a  
20           controlled substance the intended point of entry in the  
21           foreign state of intended import.

22                   (2) In the case of a proposed export of a controlled  
23           substance, the import permit (by whatever name described)  
24           issued by the government of the foreign state of intended  
25           import shall be attached to the application for export



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1           permit."

2           Section 19. The Code of the Federated States of Micronesia, as  
3 amended, is hereby further amended by enacting a new section 211 of  
4 chapter 2 of title 44 to read as follows:

5           "Section 211. Grant of import, export or transit  
6           permits.

7           (1) The Secretary of Health may, upon written  
8           application made in accordance with section 210 of this  
9           act by a registered or licensed importer or licensed  
10           exporter, grant an import permit, export permit, or  
11           transit permit in relation to a specified import or  
12           export transaction involving a controlled substance,  
13           controlled chemical or item of controlled equipment or  
14           controlled material.

15           (2) An import permit, export permit or transit permit  
16           granted pursuant to subsection (1) of this section may  
17           allow import, export or transit in more than one  
18           consignment.

19           (3) The Secretary of Health shall not grant an export  
20           permit in relation to any consignment of a controlled  
21           substance to a bonded warehouse in a foreign state,  
22           unless the competent authority of that state has  
23           certified on the import permit referred to in section  
24           210(2) of this act that it has approved the import to a  
25           bonded warehouse.

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1           (4) An import permit, export permit or transit permit  
2           shall specify:

3           (a) the full name and address of the registered or  
4           licensed operator, together with the registration and/or  
5           license number of the operator;

6           (b) the name (including any international non-  
7           proprietary name and trade name), quantity and form of  
8           any controlled substance, controlled chemical or item of  
9           controlled equipment or controlled material for which it  
10           is granted;

11           (c) in the case of an import permit:

12           (i) the name and address of the exporter; and

13           (ii) whether the import is to be effected in a  
14           single consignment or more than one consignment;

15           (d) in the case of an export permit:

16           (i) the name and address of the immediate  
17           consignee, and if known, of the ultimate consignee;

18           (ii) the number and date of any required  
19           import permit, affirming that the import of the  
20           controlled substance or preparation has been authorized;

21           (iii) the intended point of entry in the  
22           foreign state of import;

23           (iv) if the export consignment is intended for  
24           a bonded warehouse and is not prohibited under subsection  
25           (3) of this section, that the consignment is to be so

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1           exported; and

2                       (v) the period during which the import or  
3           export is to be effected;

4                       (e) in the case of an intended import to a bonded  
5           warehouse, a requirement that:

6                               (i) any subsequent withdrawal from the bonded  
7           warehouse shall require a permit from the Secretary of  
8           Health; and

9                               (ii) if the withdrawal is intended for a  
10           foreign destination, a separate export permit shall be  
11           first obtained prior to export;

12                              (f) such terms and conditions as the Secretary of  
13           Health may consider necessary and reasonable; and

14                              (g) such other particulars as may be prescribed."

15           Section 20. The Code of the Federated States of Micronesia, as  
16           amended, is hereby further amended by enacting a new section 212 of  
17           chapter 2 of title 44 to read as follows:

18                       "Section 212. Redirection permits.

19                              (1) The Secretary of Health may, on production by a  
20           licensed operator of a valid import authorization issued  
21           by an authority in the foreign state to which it is  
22           proposed to redirect a controlled substance, controlled  
23           chemical or item of controlled equipment or controlled  
24           material, issue a redirection permit in respect of the  
25           drug, chemical, equipment or material in transit.

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1           (2) A redirection permit shall specify:

2                   (a) the full name and address of the registered or  
3                   licensed operator, together with the registration and/or  
4                   license number of the operator;

5                   (b) the name (including any international non-  
6                   proprietary name and trade name), quantity and form of  
7                   any controlled substance, controlled chemical or item of  
8                   controlled equipment or controlled material for which it  
9                   is granted;

10                  (c) the name and address of the immediate  
11                  consignee, and if known, of the ultimate consignee;

12                  (d) the number and date of any required import  
13                  permit affirming that the import of the controlled  
14                  substance or controlled chemical or item of controlled  
15                  equipment or controlled material has been authorized;

16                  (e) the intended point of entry in the foreign  
17                  state of import;

18                  (f) if the export consignment is intended for a  
19                  bonded warehouse and is not prohibited under subsection  
20                  (3) of this section, that the consignment is to be so  
21                  exported; and

22                  (g) the period during which import or export is to  
23                  be effected;

24                  (h) in the case of an intended import to a bonded  
25                  warehouse, a requirement that:

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1                   (i) any subsequent withdrawal from the bonded  
2                   warehouse shall require a permit from the Secretary of  
3                   Health; and

4                   (ii) if the withdrawal is intended for a  
5                   foreign destination, a separate export permit shall be  
6                   first obtained prior to export;

7                   (i) such terms and conditions as the Secretary of  
8                   Health may consider necessary and reasonable; and

9                   (j) such other particulars as may be prescribed.

10                  (3) The Secretary shall not issue a redirection permit  
11                  under subsection (1) of this section unless the Secretary  
12                  is satisfied that the controlled substance, controlled  
13                  chemical or item of controlled equipment or controlled  
14                  material is to be sent to the new country of destination  
15                  in a lawful manner and for a proper purpose."

16                  Section 21. The Code of the Federated States of Micronesia, as  
17 amended, is hereby further amended by enacting a new section 213 of  
18 chapter 2 of title 44 to read as follows:

19                  "Section 213. Permits in relation to first-aid kits.

20                  (1) The Secretary of Health may, upon written  
21                  application made in the prescribed form, grant a permit  
22                  to include a controlled substance in a first-aid kit for  
23                  medical use during international flights or voyages.

24                  (2) A permit to include a controlled substance in a  
25                  first-aid kit shall specify:

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1           (a) the full name, date of birth, social security  
2           number, passport number, residence and business address  
3           of the authorized person;

4           (b) the name and maximum quantity of the  
5           controlled substance that may be kept in the first aid  
6           kit at any one time;

7           (c) such terms and conditions as are necessary and  
8           reasonable to ensure the proper use and safe keeping of  
9           the controlled substance; and

10           (d) such other particulars as may be prescribed."

11           Section 22. The Code of the Federated States of Micronesia, as  
12 amended, is hereby further amended by enacting a new section 214 of  
13 chapter 2 of title 44 to read as follows:

14           "Section 214. Permits in relation to programs for  
15           medical and scientific purposes.

16           (1) The Secretary of Health may, upon written  
17           application made in the prescribed form, grant a permit  
18           to conduct a program for scientific or strictly limited  
19           medical purposes that would require the import,  
20           possession or use of:

21           (a) a controlled substance; or

22           (b) an analogue.

23           (2) An application to conduct such a program shall  
24           specify:

25           (a) the full name, date of birth, social security

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1           number, passport number, the residence and business  
2           address, together with the academic, professional or  
3           other relevant qualifications of the applicant;

4           (b) the controlled substance or analogue of which  
5           the permit is sought;

6           (c) the strength and form in which the controlled  
7           substance or analogue is to be used;

8           (d) the maximum quantity of the controlled  
9           substance or analogue to be possessed at any one time,  
10          and the total quantity to be possessed during the period  
11          of the program;

12          (e) details of the manner in which the controlled  
13          substance or analogue would be used;

14          (f) the name and address of the place where the  
15          program is to be conducted;

16          (g) the full name, date of birth, social security  
17          number, passport number, residence and business address,  
18          and academic, professional or other relevant  
19          qualifications of any person, other than the applicant,  
20          under whose supervision the program would be conducted;  
21          and

22          (h) the security arrangements that would be  
23          undertaken while the controlled substance or analogue is  
24          possessed, used or disposed of.

25          (3) An application to conduct such a program shall be

1 accompanied by:

2 (a) a written description of the program,  
3 including its estimated duration;

4 (b) in the case of a program of research, a  
5 research protocol;

6 (c) in the case of a clinical trial, a clinical  
7 trial protocol; and

8 (d) a written statement approving the program,  
9 signed by the person in charge of the institution in  
10 relation to which the permit is granted.

11 (4) The Secretary of Health may authorize such a  
12 program if satisfied that:

13 (a) the program cannot be carried out  
14 satisfactorily without the use of the specified  
15 controlled substance or analogue;

16 (b) the program is scientifically viable having  
17 regard to any relevant protocol;

18 (c) the applicant is a fit and proper person to  
19 conduct the program;

20 (d) the program will be adequately supervised; and

21 (e) the program is to be conducted at, or under  
22 the auspices of, a recognized institution.

23 (5) A permit shall specify:

24 (a) the full name and address of the authorized  
25 person;



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1           (b) the controlled substance or analogue to which  
2           the permit relates;

3           (c) the strength and form in which the controlled  
4           substance or analogue may be used;

5           (d) the maximum quantity of the controlled  
6           substance or analogue that may be possessed at any one  
7           time, and the total quantity that may be possessed during  
8           the period of the program;

9           (e) the purpose for which the permit is granted,  
10          the duration of the permit and expiration date;

11          (f) the institution in relation to which the  
12          permit is granted;

13          (g) such conditions as are necessary and  
14          reasonable for ensuring:

15                 (i) the proper use and safe-keeping of the  
16                 controlled substance or analogue; and

17                 (ii) that proper records are kept concerning  
18                 its receipt, use and disposal;

19                 (h) the condition that such reports as the  
20                 Secretary of Health may specify are sent to him on the  
21                 use of the controlled substance or analogue in the  
22                 program, including particulars of the quantities  
23                 acquired, used, disposed of and still held; and

24                 (i) such other particulars as may be prescribed."

25         Section 23. The Code of the Federated States of Micronesia, as

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1 amended, is hereby further amended by enacting a new section 215 of  
2 chapter 2 of title 44 to read as follows:

3 "Section 215. Open individual authorization for exports  
4 of controlled chemicals, equipment or material.

5 (1) Where an operator is required, under section 204 of  
6 this act, to hold an open individual authorization issued  
7 by the Secretary of Health, the operator shall, within  
8 fifteen working days from the day on which this  
9 act enters into force, notify the Secretary of Health in  
10 writing of:

11 (a) the full name, date of birth, social security  
12 number, passport number, residence and business address  
13 of the operator;

14 (b) the activity for which authorization is  
15 sought;

16 (c) if the applicant is a corporation, company, or  
17 other commercial enterprise or entity, the full name and  
18 residential address of each director, chief executive  
19 officer, chief financial officer, president, vice-  
20 president and other managing officers, and shall supply  
21 to the Secretary of Health a copy of the Articles of  
22 Incorporation, partnership or other enabling agreement  
23 under which it operates, together with a complete list of  
24 subsidiaries and parent companies;

25 (d) if the operator will engage in the activity

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1           under a business name, that name;

2                   (e) each controlled chemical or item of controlled  
3           equipment or controlled material for which authorization  
4           is sought;

5                   (f) details of the operator's commercial  
6           experience relevant to the controlled chemicals,  
7           equipment or materials concerned, and of each person  
8           under whose supervision the activity will be carried out;

9                   (g) details in summary form of export transactions  
10           in the relevant chemicals, equipment or materials during  
11           the preceding twelve months, specifying by country of  
12           export in relation to each chemical or item of equipment  
13           or material exported, the total quantities and total  
14           number of transactions involved; and

15                   (h) such other particulars as may be prescribed.

16           (2) Subject to subsection (3) of this section, upon  
17           receipt of an application made in accordance with  
18           subsection (1) of this section, the Secretary of Health  
19           may:

20                   (a) grant an open individual authorization; and

21                   (b) subject the authorization to such terms and  
22           conditions as the Secretary deems fit.

23           (3) The Secretary of Health may refuse to grant the  
24           open individual authorization, if the operator, or in the  
25           case of a corporation, company, or other commercial

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1 enterprise or entity, any director, chief executive  
2 officer, chief financial officer, president, vice-  
3 president or other managing officer has ever:

4 (a) failed to comply with a provision of this act  
5 or any other law in the Federated States of Micronesia or  
6 elsewhere relating to any controlled substance,  
7 controlled chemical or item of controlled equipment or  
8 controlled material; or

9 (b) been convicted in the Federated States of  
10 Micronesia, any of its States or political subdivisions,  
11 or elsewhere for any serious offense or any offense  
12 however described, relating to drug trafficking,  
13 controlled substances, controlled chemicals, equipment or  
14 material; or

15 (c) if the operator provided false or misleading  
16 information on the application; or

17 (d) for other good cause."

18 Section 24. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new section 216 of  
20 chapter 2 of title 44 to read as follows:

21 "Section 216. Extended authorization for related  
22 activities. Where a person is registered or licensed, or  
23 holds a permit or authorization under this chapter in  
24 relation to any activity, the person shall, subject to  
25 this act and to any terms or conditions of the license,

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1           permit or authorization, be deemed to be entitled to  
2           possess the relevant controlled substance, analogue,  
3           controlled chemical or item of controlled equipment or  
4           controlled material for the purpose of that activity."

5           Section 25. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new section 217 of  
7 chapter 2 of title 44 to read as follows:

8           "Section 217. Duration of registration, licenses,  
9           permits and open individual authorizations.

10           (1) A registration or license shall remain in force for  
11           one year, unless earlier surrendered, suspended or  
12           revoked, and may be successively renewed (provided the  
13           applicant continues to meet the relevant requirements for  
14           such registration or licensing) for a period of twelve  
15           months by application in writing, signed by the applicant  
16           and accompanied by the prescribed fee.

17           (2) A permit or open individual authorization shall  
18           only remain in force for such period as may be specified  
19           in it, which, in the case of an import permit, export  
20           permit or transit permit shall not exceed six months."

21           Section 26. The Code of the Federated States of Micronesia, as  
22 amended, is hereby further amended by enacting a new section 218 of  
23 chapter 2 of title 44 to read as follows:

24           "Section 218. Duty to notify Secretary of Health of  
25           material changes.

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1           (1) Where, in relation to any license or permit granted  
2           to any person under this chapter, a material change  
3           occurs in the:

4           (a) name or address of the person, or in the case  
5           of a corporation, company, or other commercial enterprise  
6           or entity, name and residential address of any director,  
7           chief executive officer, chief financial officer,  
8           president, vice-president and/or other managing officers;

9           (b) address of the place where:

10           (i) the licensed or permitted activity is  
11           carried out; or

12           (ii) any controlled substance, controlled  
13           chemical or item of controlled equipment or controlled  
14           material is stored;

15           (c) raw materials, or manufacturing or denaturing  
16           processes used in the licensed manufacture of any  
17           controlled substance;

18           (d) security arrangements implemented at any  
19           relevant address or where there has been any significant  
20           breach of security of the operation under which the  
21           authorized activity has been carried out, including,  
22           without limitation the theft or loss of a controlled  
23           substance or a controlled chemical or material or  
24           controlled item of equipment;

25           (e) identity of persons under whose supervision

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1           the licensed activity is carried out;

2                   (f) planned transport route, including the planned  
3           point of entry or exit from the Federated States of  
4           Micronesia of any import, export or transit consignment  
5           for which a permit has been granted under section 211(1)  
6           of this act; or

7                   (g) data or information required to be supplied or  
8           reported to the Secretary of Health under any provision  
9           of this act, the person shall, within fourteen days of  
10          its occurrence, furnish the Secretary of Health with a  
11          written notice containing full particulars of the change,  
12          and shall return to the Secretary any license or permit  
13          issued under this chapter.

14                  (2) Where, in relation to any registration or open  
15          individual authorization granted to any person under this  
16          chapter, a material change occurs in the:

17                   (a) name or address of the person, or in the case  
18          of a corporation, company, or other commercial enterprise  
19          or entity, the name and residential address of any  
20          director, chief executive officer, chief financial  
21          officer, president, vice-president and/or other managing  
22          officers; or

23                   (b) address of the place where:

24                           (i) the registered or authorized activity is  
25          carried out; or

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1                   (ii) the controlled chemical, or item of  
2                   controlled equipment or controlled material is stored; or  
3                   where

4                   (iii) there has been any significant breach of  
5                   security of the operation under which the open individual  
6                   authorization has been carried out, including, without  
7                   limitation the theft or loss of a controlled chemical or  
8                   item of controlled equipment or controlled material, the  
9                   person shall, within fourteen days of its occurrence,  
10                  furnish the Secretary of Health with a written notice  
11                  containing full particulars of the change."

12                  Section 27. The Code of the Federated States of Micronesia, as  
13 amended, is hereby further amended by enacting a new section 219 of  
14 chapter 2 of title 44 to read as follows:

15                  "Section 219. Variation, suspension or revocation of  
16                  registration, licenses, permits or authorizations.

17                  (1) If, at any time after the grant of a license,  
18                  permit, registration or open individual authorization, it  
19                  appears to the Secretary of Health that:

20                         (a) it was granted on the basis of information  
21                         that was false or misleading in any material way;

22                         (b) a material change of circumstances referred to  
23                         in section 218 of this act has occurred since it was  
24                         granted, whether notified under that section or not;

25                         (c) a condition to which it was subject has not



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1           been complied with;

2                   (d) the person has been charged or convicted of a  
3           violation of this chapter, or of a serious offense; or

4                   (e) security measures have proved inadequate,  
5           the Secretary may, as the Secretary deems necessary and  
6           reasonable, given all the circumstances to prevent the  
7           risk of unlawful diversion:

8                   (i) impose conditions, or vary any existing  
9           conditions specified in the license, permit or  
10          authorization, which shall take effect twenty-eight days  
11          following the date of issue of a notice of variation,  
12          unless an earlier effective date is noted in such notice;

13                  (ii) suspend the registration, license, permit  
14          or authorization for such period as the Secretary deems  
15          fit; or

16                  (iii) revoke the registration, license, permit  
17          or authorization.

18           (2) Any person whose license, permit or authorization  
19          is suspended or revoked under subsection (1) of this  
20          section, shall return it to the Secretary of Health no  
21          later than twenty-one days after the Secretary notifies  
22          the person in writing of the revocation or suspension."

23           Section 28. The Code of the Federated States of Micronesia, as  
24          amended, is hereby further amended by enacting a new section 220 of  
25          chapter 2 of title 44 to read as follows:

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1           "Section 220. Duty of operators to check and notify  
2           Secretary of Health of suspicious orders and transactions.

3           (1) Whenever an operator who is registered, licensed,  
4           permitted or authorized under this chapter receives an  
5           order, or becomes party to a transaction involving a  
6           controlled substance, controlled chemical or item of  
7           controlled equipment or controlled materials, and has  
8           reasonable grounds to suspect that information the  
9           operator has concerning the order or transaction may be  
10           relevant to an offense, or a possible offense against  
11           chapter 3 of this act, the operator shall, immediately  
12           after forming that suspicion, communicate to the  
13           Secretary of Health particulars of the suspicion, the  
14           basis for it, and such other information, if requested,  
15           as the person has in relation to the order or  
16           transaction.

17           (2) An operator who knowingly fails to comply with this  
18           section commits a felony offense, punishable by  
19           imprisonment for a maximum term of five years or a  
20           maximum fine of \$50,000, or both; provided, however, in  
21           the case of a corporation, company, commercial  
22           enterprise, commercial entity or other legal person, the  
23           maximum fine shall be increased to \$250,000."

24           Section 29. The Code of the Federated States of Micronesia, as  
25           amended, is hereby further amended by enacting a new section 221 of

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1 chapter 2 of title 44 to read as follows:

2 "Section 221. Licensed operators not to deal with  
3 unlicensed parties.

4 (1) No operator licensed under this chapter, in  
5 relation to any controlled substance, shall supply to or  
6 acquire from another party in the Federated States of  
7 Micronesia any controlled substance, unless the second  
8 party is also licensed under this chapter.

9 (2) A person who knowingly fails to comply with this  
10 section commits a felony offense, punishable by  
11 imprisonment for a maximum term of five years or a  
12 maximum fine of \$50,000, or both; provided, however, in  
13 the case of a corporation, company, commercial  
14 enterprise, commercial entity or other legal person, the  
15 maximum fine shall be increased to \$250,000."

16 Section 30. The Code of the Federated States of Micronesia, as  
17 amended, is hereby further amended by enacting a new section 222 of  
18 chapter 2 of title 44 to read as follows:

19 "Section 222. Unlawful interference with controlled  
20 substances, or controlled chemicals, equipment or  
21 materials in lawful transit.

22 (1) No person shall:

23 (a) cause a controlled substance lawfully in  
24 transit, to be subjected to any process which could alter  
25 its nature; or

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1           (b) otherwise than in accordance with instructions  
2           issued by the Secretary of Health or official Federated  
3           States of Micronesia Customs inspector, knowingly open or  
4           break any package or container containing any controlled  
5           substance in transit.

6           (2) No licensed operator shall, except under the  
7           authority of a redirection permit issued under this  
8           chapter, procure or cause any controlled substance or  
9           controlled chemical, or item of controlled equipment or  
10           controlled material in transit, to be redirected to any  
11           destination other than that shown on the export permit or  
12           redirection permit accompanying the drug, chemical,  
13           equipment or material.

14           (3) A person who knowingly fails to comply with this  
15           section commits a felony offense, punishable by  
16           imprisonment for a maximum term of five years or a  
17           maximum fine of \$50,000, or both; provided, however, in  
18           the case of a corporation, company, commercial  
19           enterprise, commercial entity or other legal person, the  
20           maximum fine shall be increased to \$250,000."

21           Section 31. The Code of the Federated States of Micronesia, as  
22 amended, is hereby further amended by enacting a new section 223 of  
23 chapter 2 of title 44 to read as follows:

24           "Section 223. Secretary of Health to determine annual quota.

25           (1) On or before December 31 of each year, the

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1           Secretary of Health shall, in the light of the prevailing  
2           market conditions, determine the maximum quantities (if  
3           any), of each controlled substance and controlled  
4           chemical that each operator licensed or registered under  
5           subchapter I of this chapter may manufacture or stock for  
6           the normal conduct of its business during the following  
7           year.

8           (2) The Secretary of Health may, at any time amend any  
9           quota determined pursuant to subsection (1) of this  
10          section, and shall promptly notify each licensed or  
11          registered operator in writing of the amended quota.

12          (3) When the Secretary of Health is satisfied that a  
13          person authorized to stock a controlled substance or  
14          controlled chemical holds a quantity in excess of the  
15          person's annual quota as revised in accordance with  
16          subsection (2) of this section, the Secretary may  
17          requisition the surplus quantity upon payment of an  
18          amount not less than the amount paid by the person to  
19          acquire it."

20          Section 32. The Code of the Federated States of Micronesia, as  
21 amended, is hereby further amended by enacting a new subchapter III  
22 of chapter 2 of title 44, entitled "Professional Supply of  
23 Controlled Substances".

24          Section 33. The Code of the Federated States of Micronesia, as  
25 amended, is hereby further amended by enacting a new section 224 of

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1 chapter 2 of title 44 to read as follows:

2 "Section 224. Meaning of 'authorized person' and  
3 'professional supply'. For the purposes of this  
4 subchapter, unless the context indicates otherwise:

5 (1) 'authorized person' means a person referred to in  
6 section 225(1) of this act; and

7 (2) 'professional supply' means supply by an authorized  
8 person in the circumstances referred to in section 225 of  
9 this act, and in that context, includes supply by such  
10 person by way of retail sale, offering for such sale, and  
11 acquisition and possession for the purpose of such sale."

12 Section 34. The Code of the Federated States of Micronesia, as  
13 amended, is hereby further amended by enacting a new section 225 of  
14 chapter 2 of title 44 to read as follows:

15 "Section 225. Persons authorized to engage in  
16 professional supply of controlled substances.

17 (1) No person shall engage in conduct that constitutes  
18 professional supply of any controlled substance except:

19 (a) a pharmacist, acting in accordance with the  
20 norms and standards of the pharmacy profession, who  
21 supplies to another person on prescription or on  
22 requisition, as defined by section 227 of this act, in  
23 the ordinary course of a pharmacy business;

24 (b) a person licensed under section 206(1)(b) of  
25 this act, provided that such supply at all times takes

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1 place under the immediate supervision of a pharmacist;

2 (c) a practitioner who, in accordance with the  
3 norms and standards of the practitioner's profession:

4 (i) administers the controlled substance  
5 directly to a patient or animal in the ordinary course of  
6 treatment; or

7 (ii) supplies the controlled substance to a  
8 patient or for an animal in the ordinary course of  
9 treatment.

10 (2) A person who knowingly violates or fails to comply  
11 with subsection 1 of this section commits a felony  
12 offense, punishable by imprisonment for a maximum term of  
13 five years or a maximum fine of \$50,000, or both;  
14 provided, however, in the case of a corporation, company,  
15 commercial enterprise, commercial entity or other legal  
16 person, the maximum fine shall be increased to \$250,000.

17 (3) Notwithstanding subsection (1) of this section,  
18 where access to a practitioner is not reasonably possible  
19 by virtue of distance, the Secretary of Health may  
20 authorize a licensed retail distributor to supply a  
21 controlled substance without prescription, in exceptional  
22 cases for use by individuals in small quantities for  
23 exclusively medical purposes."

24 Section 35. The Code of the Federated States of Micronesia, as  
25 amended, is hereby further amended by enacting a new section 226 of

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1 chapter 2 of title 44 to read as follows:

2 "Section 226. Prescriptions.

3 (1) No person shall prescribe a controlled substance,  
4 unless that person is:

5 (a) a medical practitioner, who prescribes the  
6 controlled substance in the ordinary course of treatment  
7 of another person's physical or mental condition;

8 (b) a dentist, who prescribes the controlled  
9 substance in the ordinary course of treatment of another  
10 person's dental condition;

11 (c) a veterinarian, who prescribes the controlled  
12 substance in the ordinary course of treatment of an  
13 animal; or

14 (d) a person or class of persons which the  
15 Secretary of Health may authorize from time to time for  
16 the purposes of this section to prescribe certain  
17 controlled substances in places where access to a  
18 practitioner is not reasonably possible.

19 (2) A person referred to in subsection (1) of this  
20 section shall not, except in cases of medical necessity,  
21 or in the ordinary course of treatment under subchapter  
22 II of chapter 4 of this title, prescribe a controlled  
23 substance to a person who he or she knows to be a drug  
24 dependent person.

25 (3) Subject to subsection (4) of this section, a



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1           prescription for a controlled substance shall:

2                   (a) be on a form prescribed by the Secretary of  
3           Health;

4                   (b) be legible;

5                   (c) be written in terms and symbols used in  
6           ordinary professional practice;

7                   (d) specify the name, address, qualifications and  
8           registration number of the prescribing practitioner;

9                   (e) specify the date on which it is issued if  
10           different from the date on which it is signed, and the  
11           period during which it may be filled;

12                   (f) specify the name and address of the patient,  
13           or the owner of the animal, as the case may be;

14                   (g) specify the name, quantity, form and strength  
15           of the controlled substance;

16                   (h) specify the number of times up to a maximum of  
17           three, the controlled substance may be refilled and, if  
18           more than once, the interval to elapse between  
19           dispensing, provided however, in exceptional cases where  
20           undue hardship would result because of the geographical  
21           location of the patient on an outer island, where no  
22           person referred to in subsection (1) of this section is  
23           readily available, and where the patient suffers from a  
24           life threatening, chronic condition requiring  
25           administration of a controlled substance on a regular and

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1           long-term basis, the prescription for such controlled  
2           substance may be of sufficient quantity to allow for the  
3           patient's continued use of the necessary controlled  
4           substance for six month intervals;

5                   (i) if the prescription is for an unusual or  
6                   dangerous dose, bear the initials of the prescribing  
7                   practitioner beside an underlined reference to the dose;

8                   (j) if the prescription is issued by a  
9                   veterinarian:

10                           (i) be endorsed as being for the treatment of  
11                           an animal;

12                           (ii) specify the name and address of the owner  
13                           or caretaker of the animal;

14                           (iii) specify the species of animal;

15                           (iv) if possible, specify a means of  
16                           identifying the animal; and

17                           (k) be signed and dated by the prescribing  
18                           practitioner.

19                   (4) Where the need for treatment is urgent, a  
20                   prescription may be given orally and acted upon, provided  
21                   it is confirmed by a written prescription within twenty-  
22                   four hours.

23                   (5) A person who knowingly violates or fails to comply  
24                   with this section commits a felony offense, punishable by  
25                   imprisonment for a maximum term of five years or a

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1           maximum fine of \$50,000, or both; provided, however, in  
2           the case of a corporation, company, commercial  
3           enterprise, commercial entity or other legal person, the  
4           maximum fine shall be increased to \$250,000."

5           Section 36. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new section 227 of  
7 chapter 2 of title 44 to read as follows:

8           "Section 227. Requisitions.

9           (1) A 'requisition' is defined, for purposes of this  
10          chapter, as an order, demand, direction or request, made  
11          orally, in writing, or by any other form of communication,  
12          for the production, supply or provision of drugs,  
13          pharmaceuticals, chemicals, equipment or materials.

14          (2) No person shall issue a requisition for a controlled  
15          substance unless the person is:

16                  (a) a pharmacist in a dispensary in an institution;

17                  (b) a practitioner practicing in an institution; or

18                  (c) a person in charge of a ward in an institution.

19          (3) A person shall not supply a controlled substance  
20          against a requisition except to a person referred to in  
21          subsection (2)(a), (b) or (c) of this section at an  
22          institution for the treatment of a person therein.

23          (4) Subject to subsection (5) of this section, a  
24          requisition for a controlled substance shall:

25                  (a) be in writing;

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- 1                   (b) be legible;
- 2                   (c) specify the name of the person issuing it and  
3                   the capacity in which he or she issues it;
- 4                   (d) specify the name, quantity, form and strength  
5                   of the controlled substance;
- 6                   (e) specify the ward or dispensary where the  
7                   controlled substance is required;
- 8                   (f) be signed and dated by the person issuing it;  
9                   and
- 10                   (g) be countersigned by either the pharmacist who  
11                   is to supply the controlled substance, or a medical  
12                   practitioner.
- 13                   (5) Where the need is urgent, a requisition may be  
14                   given orally and acted upon, provided it is confirmed by  
15                   a written requisition within twenty-four hours.
- 16                   (6) A person who knowingly violates or fails to comply  
17                   with this section commits a felony offense, punishable by  
18                   imprisonment for a maximum term of five years or a  
19                   maximum fine of \$50,000, or both; provided, however, in  
20                   the case of a corporation, company, commercial  
21                   enterprise, commercial entity or other legal person, the  
22                   maximum fine shall be increased to \$250,000."

23           Section 37. The Code of the Federated States of Micronesia, as  
24 amended, is hereby further amended by enacting a new subchapter IV  
25 of chapter 2 of title 44 entitled "Commercial Documentation and

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1 Labeling, Records and Security".

2 Section 38. The Code of the Federated States of Micronesia, as  
3 amended, is hereby further amended by enacting a new section 228 of  
4 chapter 2 of title 44 to read as follows:

5 "Section 228. Commercial documents. Any commercial  
6 document, such as an invoice, cargo manifest or a  
7 customs, transport or other shipping document, relating  
8 to any transaction by an operator involving a controlled  
9 substance, controlled chemical, item of controlled  
10 equipment or controlled material, shall include:

11 (1) the name and quantity of the controlled substance,  
12 controlled chemical, item of controlled equipment or  
13 controlled material as listed in the relevant schedule of  
14 this act;

15 (2) in the case of any import or export, the name,  
16 address and license, registration and/or permit number of  
17 the exporter, the importer and, where known, the  
18 consignee."

19 Section 39. The Code of the Federated States of Micronesia, as  
20 amended, is hereby further amended by enacting a new section 229 of  
21 chapter 2 of title 44 to read as follows:

22 "Section 229. Import permit to be forwarded in advance  
23 to a proposed foreign exporter. Where the Secretary of  
24 Health issues an import permit under this chapter to an  
25 operator, the operator shall, as soon as possible but no

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1           later than five working days after its receipt, forward  
2           the permit to the exporter named in the permit."

3           Section 40. The Code of the Federated States of Micronesia, as  
4 amended, is hereby further amended by enacting a new section 230 of  
5 chapter 2 of title 44 to read as follows:

6           "Section 230. Export permits to be attached to  
7           consignments. Where the Secretary of Health issues  
8           an export permit under this chapter to an operator, the  
9           operator shall attach an authenticated copy of the permit  
10           to each consignment on export."

11          Section 41. The Code of the Federated States of Micronesia, as  
12 amended, is hereby further amended by enacting a new section 231 of  
13 chapter 2 of title 44 to read as follows:

14           "Section 231. Endorsement and return of export permits  
15           following import. After an imported consignment has  
16           entered the Federated States of Micronesia or when the  
17           period stipulated in the import permit expires without  
18           importation of the consignment, the Secretary of Health  
19           shall cause the export permit issued by the competent  
20           authority of the exporting country or territory to be  
21           returned to that authority, with an endorsement  
22           specifying the quantity of each controlled substance or  
23           controlled chemical, item of controlled equipment or  
24           controlled material actually imported."

25          Section 42. The Code of the Federated States of Micronesia, as

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1 amended, is hereby further amended by enacting a new section 232 of  
2 chapter 2 of title 44 to read as follows:

3 "Section 232. Forwarding of redirection permits.

4 (1) Where a redirection permit is issued under section  
5 212(1) of this act:

6 (a) one copy shall accompany the controlled  
7 substance, controlled chemical, equipment or material  
8 when it is exported from the Federated States of  
9 Micronesia; and

10 (b) the Secretary of Health shall cause another  
11 copy of the redirection permit to be sent forthwith, to  
12 the authority in the foreign country to which the  
13 consignment has been redirected.

14 (2) Upon issuance of a redirection permit by the  
15 Secretary of Health under section 212(1) of this act, any  
16 person holding the export permit or redirection permit  
17 accompanying the drug, chemical, equipment or material  
18 upon its arrival in the Federated States of Micronesia  
19 shall remit it to the Secretary of Health who shall  
20 return it to the competent authority issuing it, together  
21 with:

22 (a) notice of the name of the foreign country to  
23 which the consignment has been redirected; and

24 (b) an endorsement specifying the quantity of each  
25 controlled substance or controlled chemical, item of

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1           controlled equipment or controlled material actually  
2           imported."

3           Section 43. The Code of the Federated States of Micronesia, as  
4 amended, is hereby further amended by enacting a new section 233 of  
5 chapter 2 of title 44 to read as follows:

6           "Section 233. Confiscation and forfeiture of improperly  
7           documented or undocumented consignments.

8           (1) A consignment of a controlled substance or  
9           controlled chemical, or item of controlled equipment or  
10           controlled material is liable for confiscation and  
11           forfeiture if:

12                   (a) it is accompanied by an export permit or  
13                   redirection permit, and there are reasonable grounds to  
14                   believe that the permit is false, or has been obtained by  
15                   fraud or knowing misrepresentation of a material fact;

16                   (b) there are reasonable grounds to believe that  
17                   any import permit relating to it is false; or

18                   (c) in the case of a consignment of a controlled  
19                   substance, it is not accompanied by any import, export or  
20                   redirection permit.

21           (2) Where the Secretary of Health is satisfied that any  
22           consignment referred to in subsection (1) of this section  
23           is legitimate, the consignment shall be released  
24           forthwith to the person lawfully entitled to it."

25           Section 44. The Code of the Federated States of Micronesia, as



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1 amended, is hereby further amended by enacting a new section 234 of  
2 chapter 2 of title 44 to read as follows:

3 "Section 234. Controlled substances registers.

4 (1) The following persons shall keep, or cause to be  
5 kept at a place where any controlled substance is kept, a  
6 register in accordance with the form prescribed from time  
7 to time by the Secretary of Health:

8 (a) any person granted registration, or a license  
9 or a permit under subchapter II of this chapter in  
10 relation to any controlled substance;

11 (b) any person authorized under subchapter III of  
12 this chapter to issue a prescription or requisition for a  
13 controlled substance, or to supply such a controlled  
14 substance by retail;

15 (c) any pharmacist, including a pharmacist  
16 responsible for the supervision of all other pharmacists  
17 employed in a hospital or other institution for medical  
18 treatment or care; or

19 (d) any duly qualified person for the time being  
20 in charge of a ward or other area of an institution in  
21 which any controlled substance is administered.

22 (2) A person required by subsection (1) of this section  
23 to keep or cause to be kept a register in relation to any  
24 controlled substance, shall within twenty-four hours of  
25 any import, export, manufacture, administration, supply,

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1           acquisition, disposal or return of such controlled  
2           substance, enter or cause to be entered in the register:

3                   (a) the date of the import, export, manufacture,  
4           administration, supply, acquisition, disposal or return;

5                   (b) the name, quantity, dosage, form and strength  
6           of the controlled substance, imported, exported,  
7           manufactured, administered, supplied, acquired, disposed  
8           of or returned;

9                   (c) the name and occupational or business address  
10          of the person to or from whom the controlled substance  
11          was imported, exported, supplied or acquired;

12                  (d) in the case of export or supply, the quantity  
13          of the controlled substance, if any, still kept;

14                  (e) in the case of supply on prescription for the  
15          purpose of treatment, or of administration of a  
16          controlled substance for that purpose:

17                          (i) the name and address of the person who  
18          prescribed the controlled substance or ordered its  
19          administration;

20                          (ii) the name and residential address of the  
21          person for whom or to whom the controlled substance was  
22          supplied or administered, or where prescribed for or  
23          administered to an animal, of the person having custody  
24          of the animal at the time;

25                          (iii) the name and residential address of the

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1 patient to whom the controlled substance was prescribed,  
2 if different from the person referred to in (e)(ii) of  
3 this subsection; and

4 (iv) where applicable, the name and address of  
5 any person other than the treating practitioner who  
6 administered the controlled substance, the time of  
7 administration, and any particulars sufficient to  
8 identify any animal for whose treatment the controlled  
9 substance was administered, prescribed or supplied on  
10 prescription;

11 (f) in the case of supply on requisition in an  
12 institution, details of the dispensary, ward or other  
13 place to which the controlled substance was supplied;

14 (g) in the case of return, the name of the person  
15 to whom the controlled substance was returned; and

16 (h) in the case of disposal:

17 (i) the method of disposal; and

18 (ii) the signature, name and designation of  
19 the person responsible for the disposal, and of at least  
20 one witness to the disposal.

21 (3) A person who makes an entry in a controlled  
22 substances register shall date and sign the entry.

23 (4) A person may, in the presence of a witness,  
24 correct, by notation, a mistake in an entry in a  
25 controlled substances register, providing the person

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1           making the correction makes, signs and dates the  
2           notation, and the witness countersigns the notation.

3           (5) Any person who:

4                   (a) delivers a controlled substance to a ward or  
5           other area of an institution; or

6                   (b) in the ordinary course of duties in a medical,  
7           dental or veterinary practice, or in a ward or other area  
8           of an institution, witnesses the administration of that  
9           controlled substance, shall countersign the relevant  
10           entry in the controlled substances register.

11           (6) Any person required by this section to keep a  
12           controlled substances register shall, subject to any  
13           written direction to the person by the Secretary of  
14           Health retain possession of the register and all  
15           prescriptions, requisitions and commercial documents  
16           relating to entries therein such as orders, invoices,  
17           dispatch notes, cargo manifests or customs or other  
18           shipping documents, for three years after the date of the  
19           last entry in the register."

20           Section 45. The Code of the Federated States of Micronesia, as  
21 amended, is hereby further amended by enacting a new section 235 of  
22 chapter 2 of title 44 to read as follows:

23           "Section 235. Controlled chemicals, equipment and  
24           materials registers.

25           (1) Any person granted registration, a license, a

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1 permit or open individual authorization under subchapter  
2 II of this chapter in relation to any controlled chemical  
3 or item of controlled equipment or controlled material  
4 shall keep, or cause to be kept, at a place where any  
5 such chemical, equipment or material is kept by that  
6 person, a register in accordance with the form prescribed  
7 from time to time by the Secretary of Health.

8 (2) Any person required under subsection (1) of this  
9 section to keep and maintain a register in relation to  
10 any controlled chemical or item of controlled equipment  
11 or controlled material shall, within twenty-four hours of  
12 any import, export, manufacture, supply, acquisition or  
13 disposal by that person of any such chemical or item,  
14 enter or cause to be entered in such register:

15 (a) the date of the import, export, manufacture,  
16 supply, acquisition or disposal;

17 (b) the name of the chemical, equipment or  
18 material, and the quantity involved;

19 (c) in the case of a controlled chemical, its form  
20 and strength;

21 (d) in the case of disposal, the method of  
22 disposal; and

23 (e) in the case of import, export, acquisition or  
24 supply, the name and occupational or business address of  
25 the person to or from whom the chemical, equipment or

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1 material was imported, exported, acquired or supplied,  
2 and where known, the name of any ultimate consignee.

3 (3) Any register required to be kept under subsection  
4 (1) of this section, and all commercial documents  
5 relating to entries therein such as orders, invoices,  
6 dispatch notes, cargo manifests or customs or other  
7 shipping documents shall be kept for at least three years  
8 after the date of the last entry in the register."

9 Section 46. The Code of the Federated States of Micronesia, as  
10 amended, is hereby further amended by enacting a new section 236 of  
11 chapter 2 of title 44 to read as follows:

12 "Section 236. False or misleading entries in registers  
13 and records.

14 (1) Any person required to keep a register or other  
15 record under this act shall not:

16 (a) make, or cause or permit to be made, an entry  
17 in or on it that is, to the knowledge of that person,  
18 false or misleading in any material way; or

19 (b) cancel, obliterate or alter any entry, except  
20 to correct an error in accordance with section 234(4) of  
21 this act.

22 (2) A person who knowingly violates or fails to comply  
23 with this section commits a felony offense, punishable by  
24 imprisonment for a maximum term of five years or a  
25 maximum fine of \$50,000, or both; provided, however, in

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1           the case of a corporation, company, commercial  
2           enterprise, commercial entity or other legal person, the  
3           maximum fine shall be increased to \$250,000."

4           Section 47. The Code of the Federated States of Micronesia, as  
5 amended, is hereby further amended by enacting a new section 237 of  
6 chapter 2 of title 44 to read as follows:

7           "Section 237. Duty to notify Secretary of Health of  
8           register loss, destruction or discrepancies.

9           (1) Any person required to keep a register under this  
10          subchapter shall, immediately on discovering:

11           (a) the loss or destruction of the register, or of  
12          the whole or any part of the contents of the register; or

13           (b) any discrepancy in the register, other than a  
14          mistaken entry, advise the Secretary of Health in writing  
15          accordingly.

16          (2) A person who knowingly violates or fails to comply  
17          with this section commits a felony offense, punishable by  
18          imprisonment for a maximum term of five years or a  
19          maximum fine of \$50,000, or both; provided, however, in  
20          the case of a corporation, company, commercial  
21          enterprise, commercial entity or other legal person, the  
22          maximum fine shall be increased to \$250,000."

23          Section 48. The Code of the Federated States of Micronesia, as  
24 amended, is hereby further amended by enacting a new section 238 of  
25 chapter 2 of title 44 to read as follows:

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1           "Section 238. Safe keeping of controlled substances and  
2           controlled chemicals.

3           (1) Any person authorized:

4                   (a) to import, export, manufacture, administer,  
5                   supply or acquire a controlled substance or controlled  
6                   chemical in accordance with this chapter; or

7                   (b) to engage in professional supply in accordance  
8                   with section 225 of this act, shall, while the controlled  
9                   substance or chemical is in the person's custody or  
10                   control, keep it or cause it to be kept in a vault, safe  
11                   or other prescribed secure storage.

12           (2) A person referred to in subsection (1) of this  
13           section shall take such measures as the Secretary of  
14           Health may direct in writing to ensure that no  
15           unauthorized person has:

16                   (a) access to the combination, key or other means  
17                   of access to any secure receptacle containing a  
18                   controlled substance or controlled chemical; or

19                   (b) the controlled substance or chemical contained  
20                   therein.

21           (3) A person who knowingly violates or fails to comply  
22           with this section commits a felony offense, punishable by  
23           imprisonment for a maximum term of five years or a  
24           maximum fine of \$50,000, or both; provided, however, in  
25           the case of a corporation, company, commercial



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1           enterprise, commercial entity or other legal person, the  
2           maximum fine shall be increased to \$250,000."

3           Section 49. The Code of the Federated States of Micronesia, as  
4 amended, is hereby further amended by enacting a new section 239 of  
5 chapter 2 of title 44 to read as follows:

6           "Section 239. Duty to report loss or theft of a  
7           controlled substance or controlled chemical.

8           (1) Any person authorized:

9                   (a) to import, export, manufacture, administer,  
10                   supply or acquire a controlled substance or controlled  
11                   chemical in accordance with this chapter; or

12                   (b) to engage in professional supply in accordance  
13                   with section 225 of this act, shall, immediately upon  
14                   becoming aware of the loss or theft of any quantity of  
15                   the controlled substance or chemical in the person's  
16                   custody or control:

17                           (i) if the person believes on reasonable  
18                           grounds that the controlled substance or chemical has  
19                           been stolen, notify an inspector and an authorized  
20                           officer orally, and in writing within twenty-four hours;

21                                   (ii) in the case of loss, give a written  
22                                   report of the circumstances of the loss to an inspector;  
23                                   and

24   (iii) record relevant particulars of the loss  
25   or theft in the appropriate register.

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1           (2) A person who knowingly violates or fails to comply  
2           with this section commits a felony offense, punishable by  
3           imprisonment for a maximum term of five years or a  
4           maximum fine of \$50,000, or both; provided, however, in  
5           the case of a corporation, company, commercial  
6           enterprise, commercial entity or other legal person, the  
7           maximum fine shall be increased to \$250,000."

8           Section 50. The Code of the Federated States of Micronesia, as  
9 amended, is hereby further amended by enacting a new chapter 3 of  
10 title 44 entitled "Trafficking and Related Serious Offenses".

11           Section 51. The Code of the Federated States of Micronesia, as  
12 amended, is hereby further amended by enacting a new subchapter I of  
13 chapter 3 of title 44, entitled "Trafficking in Controlled  
14 Substances, Analogues, or Controlled Chemicals, Equipment or  
15 Materials".

16           Section 52. The Code of the Federated States of Micronesia, as  
17 amended, is hereby further amended by enacting a new section 301 of  
18 chapter 3 of title 44 to read as follows:

19           "Section 301. Unlawful cultivation or possession of  
20           controlled substance plants.

21           (1) Except as permitted by or authorized under this  
22           act, no person shall knowingly cultivate or possess a  
23           cannabis plant, coca bush or opium poppy; or any other  
24           plant that is, for the purposes of this act, a controlled  
25           substance.

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1           (2) Where the subject of the offense is cannabis or  
2           cannabis plants, notwithstanding other provisions of this  
3           act relating to schedule I prohibited drugs, violation of  
4           subsection (1) of this section is:

5                   (a) a misdemeanor offense, punishable by  
6                   imprisonment for a maximum term of thirty days or a  
7                   maximum fine of \$1,000, or both, where the amount of  
8                   cultivated or possessed cannabis does not exceed:

9                           (i) 5 plants;

10                           (ii) 1 ounce of cannabis plants (dried  
11                           weight); or

12                           (iii) 1 ounce of cannabis;

13                   (b) a misdemeanor offense, punishable by  
14                   imprisonment for a maximum term of one year or a maximum  
15                   fine of \$5,000, or both, where the amount of cannabis  
16                   cultivated or possessed is:

17                           (i) more than 5 plants but does not exceed 20  
18                           plants;

19                           (ii) more than 1 ounce, but does not exceed 4  
20                           ounces of cannabis plants (dried weight); or

21                           (iii) more than 1 ounce, but does not exceed 4  
22                           ounces of cannabis;

23                   (c) a felony offense, punishable by imprisonment  
24                   for a maximum term of five years or a maximum fine of  
25                   \$50,000, or both, where the amount of cannabis cultivated

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1           or possessed is:

2                   (i) more than 20 plants but does not exceed  
3           1,000 plants;

4                   (ii) more than 4 ounces, but does not exceed  
5           200 ounces of cannabis plants (dried weight); or

6                   (iii) more than 4 ounces, but does not exceed  
7           200 ounces of cannabis;

8                   (d) a felony offense, punishable by imprisonment  
9           for a maximum term of ten years or a maximum fine of  
10           \$100,000, or both, where the subject of the offense is  
11           cannabis or cannabis plants, and the amount cultivated or  
12           possessed is:

13                   (i) more than 1,000 plants;

14                   (ii) more than 200 ounces of cannabis plants  
15           (dried weight); or

16                   (iii) more than 200 ounces of cannabis.

17           (3) Where the subject of the offense is coca bush,  
18           opium poppy, or, any other plant that is, for the  
19           purposes of this act, a controlled substance other than  
20           cannabis or cannabis plants, notwithstanding other  
21           provisions of this act relating to schedule I, II or III  
22           drugs, violation of subsection (1) of this section is:

23                   (a) a misdemeanor offense, punishable by  
24           imprisonment for a maximum term of one year or a maximum  
25           fine of \$5,000, or both, where the amount cultivated or

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1           possessed does not exceed:

2                   (i) 5 plants;

3                   (ii) 1 ounce of plants (dried weight);

4           (b) a felony offense, punishable by imprisonment  
5           for a maximum term of five years or a maximum fine of  
6           \$50,000, or both, where the amount cultivated or  
7           possessed is:

8                   (i) more than 5 plants but does not exceed 20  
9           plants; or

10                   (ii) more than 1 ounce of plants (dried  
11           weight), but does not exceed 4 ounces;

12           (c) a felony offense, punishable by imprisonment  
13           for a maximum term of ten years or a maximum fine of  
14           \$100,000, or both, where the amount cultivated or  
15           possessed is:

16                   (i) more than 20 plants but does not exceed  
17           1,000 plants; or

18                   (ii) more than 4 ounces of plants (dried  
19           weight), but does not exceed 200 ounces;

20           (d) a felony offense, punishable by imprisonment  
21           for a maximum term of life or a maximum fine of \$500,000,  
22           or both, where the amount cultivated or possessed is:

23                   (i) more than 1,000 plants; or

24                   (ii) more than 200 ounces of plants (dried  
25           weight).

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1           (4) Upon conviction for any offense under this section,  
2           the offender shall be sentenced in accordance with the  
3           penalties established by this act; provided, however,  
4           that the maximum allowable fine for each offense shall,  
5           in the case of a corporation, company or other commercial  
6           enterprise, commercial entity or legal person, be  
7           increased to five times the maximum allowable fine for a  
8           natural person."

9           Section 53. The Code of the Federated States of Micronesia, as  
10          amended, is hereby further amended by enacting a new section 302 of  
11          chapter 3 of title 44 to read as follows:

12           "Section 302. Unlawful import or export, or possession  
13           for those purposes.

14           (1) Except as is otherwise permitted by, or authorized,  
15           under this act, no person shall knowingly:

16                   (a) import any controlled substance or analogue  
17                   into the Federated States of Micronesia;

18                   (b) export any controlled substance or analogue  
19                   from the Federated States of Micronesia;

20                   (c) bring any controlled substance or analogue  
21                   into the Federated States of Micronesia in transit; or

22                   (d) acquire or possess any controlled substance or  
23                   analogue for the purpose of importing it into the  
24                   Federated States of Micronesia, exporting it from the  
25                   Federated States of Micronesia, or bringing it into the

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1 Federated States of Micronesia in transit.

2 (2) Violation of subsection (1) of this section is a  
3 misdemeanor offense, punishable by imprisonment for a  
4 maximum term of one year or a maximum fine of \$5,000, or  
5 both, where the subject of the offense was less than a  
6 trafficable quantity of a schedule III risk drug under  
7 this act.

8 (3) Violation of subsection (1) of this section is a  
9 felony offense, punishable by imprisonment for a maximum  
10 term of five years or a maximum fine of \$50,000, or both,  
11 where the subject of the offense was:

12 (a) less than a trafficable quantity of an  
13 analogue; or

14 (b) less than a trafficable quantity of a schedule  
15 II high risk drug under this act; or

16 (c) a trafficable quantity of a schedule III risk  
17 drug under this act.

18 (4) Violation of subsection (1) of this section is a  
19 felony offense, punishable by imprisonment for a maximum  
20 term of ten years or a maximum fine of \$100,000, or both,  
21 where the subject of the offense was:

22 (a) less than a trafficable quantity of a schedule  
23 I prohibited drug under this act;

24 (b) a trafficable quantity of an analogue; or

25 (c) a trafficable quantity of a schedule II high

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1           risk drug under this act.

2           (5) Violation of subsection (1) of this section is a  
3           felony offense, punishable by imprisonment for a maximum  
4           term of life imprisonment or a maximum fine of \$500,000,  
5           or both, where the subject of the offense was a  
6           trafficable quantity of a schedule I prohibited drug  
7           under this act.

8           (6) Except as is otherwise permitted by or authorized  
9           under this act, no person shall knowingly:

10           (a) import any controlled chemical, controlled  
11           equipment or controlled material into the Federated  
12           States of Micronesia;

13           (b) export any controlled chemical, controlled  
14           equipment or controlled material from the Federated  
15           States of Micronesia;

16           (c) bring any controlled chemical, controlled  
17           equipment or controlled material into the Federated  
18           States of Micronesia in transit; or

19           (d) acquire or possess any controlled chemical,  
20           controlled equipment or controlled material for the  
21           purpose of importing it into the Federated States of  
22           Micronesia, exporting it from the Federated States of  
23           Micronesia, or bringing it into the Federated States of  
24           Micronesia in transit.

25           (7) Violation of subsection (6) of this section is a



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1 misdemeanor offense, punishable by imprisonment for a  
2 maximum term of thirty days or a maximum fine of \$1,000,  
3 or both, where the subject of the offense was:

4 (a) controlled equipment or controlled material  
5 commonly used in the manufacture of a schedule II high  
6 risk drug under this act, an analogue, or a schedule III  
7 risk drug under this act; or

8 (b) a controlled chemical listed in division 2 of  
9 schedule V of this act commonly used in the manufacture  
10 of a schedule II high risk drug under this act, an  
11 analogue, or a schedule III risk drug under this act; or

12 (c) a controlled chemical listed in division 1 of  
13 schedule V of this act, commonly used in the manufacture  
14 of a schedule III risk drug under this act;

15 (d) a controlled chemical listed in division 1 of  
16 schedule V of this act, commonly used in the manufacture  
17 of a schedule III risk drug under this act.

18 (8) Violation of subsection (6) of this section is a  
19 misdemeanor offense, punishable by imprisonment for a  
20 maximum term of one year or a maximum fine of \$5,000, or  
21 both, where the subject of the offense was:

22 (a) controlled equipment or controlled material  
23 commonly used in the manufacture of a schedule I  
24 prohibited drug under this act;

25 (b) a controlled chemical listed in division 2 of

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1 schedule V of this act, commonly used in the manufacture  
2 of a schedule I prohibited drug under this act;

3 (c) a controlled chemical listed in division 1 of  
4 schedule V of this act, commonly used in the manufacture  
5 of:

6 (i) an analogue; or

7 (ii) a schedule II high risk drug under this  
8 act.

9 (9) Violation of subsection (6) of this section is a  
10 felony offense, punishable by imprisonment for a maximum  
11 term of five years or a maximum fine of \$50,000, or both,  
12 where the subject of the offense was a controlled  
13 chemical listed in division 1 of schedule V of this act  
14 commonly used in the manufacture of a schedule I  
15 prohibited drug under this act.

16 (10) Upon conviction for any offense under this section,  
17 the offender shall be sentenced in accordance with the  
18 penalties established by this act; provided, however, the  
19 maximum allowable fine for each offense shall, in the  
20 case of a corporation, company or other commercial  
21 enterprise, commercial entity or legal person, be  
22 increased to five times the maximum allowable fine for a  
23 natural person."

24 Section 54. The Code of the Federated States of Micronesia, as  
25 amended, is hereby further amended by enacting a new section 303 of

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1 chapter 3 of title 44 to read as follows:

2 "Section 303. Unlawful manufacture, or possession for  
3 that purpose.

4 (1) Except as otherwise permitted by or authorized  
5 under this act, no person shall knowingly:

6 (a) manufacture a controlled substance or analogue  
7 in the Federated States of Micronesia; or

8 (b) acquire or possess a controlled substance or  
9 analogue in the Federated States of Micronesia:

10 (i) for the purpose of such manufacture; or

11 (ii) for the purpose of manufacturing another  
12 controlled substance or analogue.

13 (2) Violation of subsection (1) of this section is a  
14 misdemeanor offense, punishable by imprisonment for a  
15 maximum term of one year or a maximum fine of \$5,000, or  
16 both, where the subject of the offense was less than a  
17 trafficable quantity of a schedule III risk drug under  
18 this act.

19 (3) Violation of subsection (1) of this section is a  
20 felony offense, punishable by imprisonment for a maximum  
21 term of five years or a maximum fine of \$50,000, or both,  
22 where the subject of the offense was:

23 (a) less than a trafficable quantity of an  
24 analogue; or

25 (b) less than a trafficable quantity of a schedule

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1           II high risk drug under this act; or

2                   (c) a trafficable quantity of a schedule III risk  
3 drug under this act.

4           (4) Violation of subsection (1) of this section is a  
5 felony offense, punishable by imprisonment for a maximum  
6 term of ten years or a maximum fine of \$100,000, or both,  
7 where the subject of the offense was:

8                   (a) less than a trafficable quantity of a schedule  
9 I prohibited drug under this act;

10                   (b) a trafficable quantity of an analogue; or

11                   (c) a trafficable quantity of a schedule II high  
12 risk drug under this act.

13           (5) Violation of subsection (1) of this section is a  
14 felony offense, punishable by imprisonment for a maximum  
15 term of life imprisonment or a maximum fine of \$500,000,  
16 or both, where the subject of the offense was a  
17 trafficable quantity of a schedule I prohibited drug  
18 under this act.

19           (6) Except as otherwise permitted by or authorized  
20 under this act, no person shall knowingly:

21                   (a) manufacture a controlled chemical, or  
22 controlled equipment or controlled material in the  
23 Federated States of Micronesia; or

24                   (b) acquire or possess a controlled chemical, or  
25 controlled equipment or controlled material in the

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1           Federated States of Micronesia, for the purpose of such  
2           manufacture;  
3           if the person knows or has reasonable grounds for  
4           believing that it is to be used, in the Federated  
5           States of Micronesia or elsewhere:

6                   (i) for the unlawful manufacture of a  
7                   controlled substance or analogue; or

8                   (ii) in the unlawful cultivation of a cannabis  
9                   plant, coca bush, opium poppy, or other plant which is a  
10                  controlled substance.

11                  (7) Violation of subsection (6) above is a misdemeanor  
12                  offense, punishable by imprisonment for a maximum term of  
13                  thirty days or a maximum fine of \$1,000, or both, where  
14                  the subject of the offense was:

15                   (a) controlled equipment or controlled material  
16                   commonly used in the manufacture of a schedule II high  
17                   risk drug under this act, an analogue, or a schedule III  
18                   risk drug under this act; or

19                   (b) a controlled chemical listed in division 2 of  
20                   schedule V of this act commonly used in the manufacture  
21                   of a schedule II high risk drug under this act, an  
22                   analogue, or a schedule III risk drug under this act; or

23                   (c) a controlled chemical listed in division 1 of  
24                   schedule V of this act, commonly used in the manufacture  
25                   of a schedule III risk drug under this act.

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1           (8) Violation of subsection (6) of this section is a  
2           misdemeanor offense, punishable by imprisonment for a  
3           maximum term of one year or a maximum fine of \$5,000, or  
4           both, where the subject of the offense was:

5                   (a) controlled equipment or controlled material  
6                   commonly used in the manufacture of a schedule I  
7                   prohibited drug under this act;

8                   (b) a controlled chemical listed in division 2 of  
9                   schedule V of this act, commonly used in the manufacture  
10                  of a schedule I prohibited drug under this act;

11                  (c) a controlled chemical listed in division 1 of  
12                  schedule V of this act, commonly used in the manufacture  
13                  of:

14                           (i) an analogue; or

15                           (ii) a schedule II high risk drug under this  
16                           act.

17           (9) Violation of subsection (6) of this section is a  
18           felony offense, punishable by imprisonment for a maximum  
19           term of five years or a maximum fine of \$50,000, or both,  
20           where the subject of the offense was a controlled  
21           chemical listed in division 1 of schedule V of this act  
22           commonly used in the manufacture of a schedule I  
23           prohibited drug under this act.

24           (10) Upon conviction for any offense under this section,  
25           the offender shall be sentenced in accordance with the

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1 penalties established by this act; provided, however, the  
2 maximum allowable fine for each offense shall, in the  
3 case of a corporation, company or other commercial  
4 enterprise, commercial entity or legal person, be  
5 increased to five times the maximum allowable fine for a  
6 natural person."

7 Section 55. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 304 of  
9 chapter 3 of title 44 to read as follows:

10 "Section 304. Unlawful supply or administration, or  
11 possession for those purposes.

12 (1) Except as otherwise permitted by or authorized  
13 under this act, no person shall knowingly:

14 (a) supply a controlled substance or analogue in  
15 the Federated States of Micronesia;

16 (b) administer a controlled substance or analogue  
17 to another person in the Federated States of Micronesia;  
18 or

19 (c) acquire or possess a controlled substance or  
20 analogue for the purpose of such supply or administration.

21 (2) Violation of subsection (1) of this section is a  
22 misdemeanor offense, punishable by imprisonment for a  
23 maximum term of one year or a maximum fine of \$5,000, or  
24 both, where the subject of the offense was less than a  
25 trafficable quantity of a schedule III risk drug under

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1           this act.

2           (3) Violation of subsection (1) of this section is a  
3           felony offense, punishable by imprisonment for a maximum  
4           term of five years or a maximum fine of \$50,000, or both,  
5           where the subject of the offense was:

6                   (a) less than a trafficable quantity of an  
7                   analogue; or

8                   (b) less than a trafficable quantity of a schedule  
9                   II high risk drug under this act; or

10                   (c) a trafficable quantity of a schedule III risk  
11                   drug under this act.

12           (4) Violation of subsection (1) of this section is a  
13           felony offense, punishable by imprisonment for a maximum  
14           term of ten years or a maximum fine of \$100,000, or both,  
15           where the subject of the offense was:

16                   (a) less than a trafficable quantity of a schedule  
17                   I prohibited drug under this act;

18                   (b) a trafficable quantity of an analogue; or

19                   (c) a trafficable quantity of a schedule II high  
20                   risk drug under this act.

21           (5) Violation of subsection (1) of this section is a  
22           felony offense, punishable by imprisonment for a maximum  
23           term of life imprisonment or a maximum fine of \$500,000,  
24           or both, where the subject of the offense was a  
25           trafficable quantity of a schedule I prohibited drug



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1           under this act.

2           (6) Except as otherwise permitted by or authorized  
3           under this act, no person shall knowingly:

4                   (a) supply any controlled chemical, controlled  
5                   equipment or controlled material in the Federated States  
6                   of Micronesia; or

7                   (b) acquire or possess any controlled chemical,  
8                   controlled equipment or controlled material for the  
9                   purpose of such supply, if the person knows or has  
10                   reasonable grounds for believing that the controlled  
11                   chemical or item of controlled equipment or controlled  
12                   material is to be used, in the Federated States of  
13                   Micronesia or elsewhere:

14                           (i) for the unlawful manufacture of a  
15                           controlled substance or analogue; or

16                           (ii) in the unlawful cultivation of a cannabis  
17                           plant, coca bush, opium poppy, or another plant which is  
18                           a controlled substance.

19           (7) Violation of subsection (6) of this section is a  
20           maximum term of thirty days or a maximum fine of \$1,000,  
21           or both, where the subject of the offense was:

22                   (a) controlled equipment or controlled material  
23                   commonly used in the manufacture of a schedule II high  
24                   risk drug under this act, an analogue, or a schedule III  
25                   risk drug under this act; or

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1           (b) a controlled chemical listed in division 2 of  
2           schedule V of this act commonly used in the manufacture  
3           of a schedule II high risk drug under this act, an  
4           analogue, or a schedule III risk drug under this act; or

5           (c) a controlled chemical listed in division 1 of  
6           schedule V of this act, commonly used in the manufacture  
7           of a schedule III risk drug under this act.

8           (8) Violation of subsection (6) of this section is a  
9           misdemeanor offense, punishable by imprisonment for a  
10           maximum term of one year or a maximum fine of \$5,000, or  
11           both, where the subject of the offense was:

12           (a) controlled equipment or controlled material  
13           commonly used in the manufacture of a schedule I  
14           prohibited drug under this act;

15           (b) a controlled chemical listed in division 2 of  
16           schedule V of this act, commonly used in the manufacture  
17           of a schedule I prohibited drug under this act;

18           (c) a controlled chemical listed in division 1 of  
19           schedule V of this act, commonly used in the manufacture  
20           of:

21                   (i) an analogue; or

22                   (ii) a schedule II high risk drug under this  
23           act.

24           (9) Violation of subsection (6) of this section is a  
25           felony offense, punishable by imprisonment for a maximum

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1 term of five years or a maximum fine of \$50,000, or both,  
2 where the subject of the offense was a controlled  
3 chemical listed in division 1 of schedule V of this act  
4 commonly used in the manufacture of a schedule I  
5 prohibited drug under this act.

6 (10) Upon conviction for any offense under this section,  
7 the offender shall be sentenced in accordance with the  
8 penalties established by this act; provided, however, the  
9 maximum allowable fine for each offense shall, in the  
10 case of a corporation, company or other commercial  
11 enterprise, commercial entity or legal person, be  
12 increased to five times the maximum allowable fine for a  
13 natural person."

14 Section 56. The Code of the Federated States of Micronesia, as  
15 amended, is hereby further amended by enacting a new section 305 of  
16 chapter 3 of title 44 to read as follows:

17 "Section 305. Facilitating personal use by others.

18 (1) Except as permitted by or authorized under this  
19 act, no person shall:

20 (a) publish or display; or

21 (b) cause or permit to be published or displayed,  
22 any thing promoting or encouraging the use of any:

23 (i) controlled substance; or

24 (ii) analogue;

25 for any purpose other than a medical or scientific

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1           purpose.

2                   (2) No owner, occupier or person in charge of any  
3           place used by or accessible to the public shall cause or  
4           permit there the unlawful use of any:

5                   (a) controlled substance; or

6                   (b) analogue;

7                   (3) No person shall knowingly and unlawfully add to the  
8           food or drink of another person any:

9                   (a) controlled substance; or

10                   (b) analogue;

11           without the knowledge and consent of the consumer.

12                   (4) No person shall knowingly issue a prescription for a  
13           controlled substance to a drug abuser or drug-dependent  
14           person, except for the purposes of treatment of that person:

15                   (a) in accordance with the provisions of subchapter  
16           II of chapter 4 of this act; or

17                   (b) for a condition unrelated to drug abuse or  
18           dependency.

19                   (5) No person shall supply any controlled substance on  
20           presentation of a prescription, if the person knows or  
21           has reason to believe that the prescription is:

22                   (a) forged, unlawfully altered, or cancelled; or

23                   (b) issued more than six months before  
24           presentation.

25                   (6) A person who knowingly violates or fails to comply

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1           with this section commits a felony offense, punishable by  
2           imprisonment for a maximum term of five years or a maximum  
3           fine of \$50,000, or both; provided, however, in the case of  
4           a corporation, company, commercial enterprise, commercial  
5           entity or other legal person, the maximum fine shall be  
6           increased to \$250,000."

7           Section 57. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 306 of  
9 chapter 3 of title 44 to read as follows:

10           "Section 306. Supply of toxic chemical inhalants.

11           (1) No person shall supply any toxic chemical inhalant  
12           to any person, if the person supplying it knows or has  
13           reasonable grounds for suspecting that the person  
14           acquiring it is acquiring it for the purposes of abuse by  
15           that person or by another.

16           (2) With respect to subsection (1) above, 'purposes of  
17           abuse' includes:

18           (a) inhaling, inspiring, breathing, smelling,  
19           sniffing or ingesting a toxic chemical inhalant for  
20           recreational purposes; and/or,

21           (b) using the toxic chemical inhalant for any  
22           purpose other than the purpose for which the toxic  
23           chemical inhalant or the product containing the toxic  
24           chemical inhalant was legally intended.

25           (3) A person who knowingly violates or fails to comply

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1           with subsection (1) of this section commits a felony  
2           offense, punishable by imprisonment for a maximum term of  
3           five years or a maximum fine of \$50,000, or both; provided,  
4           however, in the case of a corporation, company, commercial  
5           enterprise, commercial entity or other legal person, the  
6           maximum fine shall be increased to \$250,000."

7           Section 58. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 307 of  
9 chapter 3 of title 44 to read as follows:

10           "Section 307. Facilitation via computerized data  
11           networks.

12           (1) For the purposes of subsection (2) of this section,  
13           'server supplier' means any person who, in the normal  
14           course of business, supplies any online server facility.

15           (2) No server supplier shall supply any online server  
16           facility to enable access to any computerized data  
17           exchange network, including a network such as 'Internet',  
18           so as to permit any other person to offer via such  
19           network accessible in the Federated States of Micronesia,  
20           any data the purpose or effect of which is to permit,  
21           incite, facilitate or promote the unlawful cultivation,  
22           manufacture, supply or use of any controlled substance,  
23           analogue or controlled chemical.

24           (3) It shall be an affirmative defense to any  
25           prosecution for a violation of subsection (2) of this

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1           section to establish that he, she or it had taken  
2           reasonable steps to prevent persons from offering such  
3           data.

4           (4) No person shall, without lawful authority, input,  
5           or cause to be input into a computerized data exchange  
6           network accessible in the Federated States of Micronesia,  
7           any data knowing or having reasonable grounds to believe  
8           that its effect will be to permit, incite, facilitate or  
9           promote the unlawful cultivation, manufacture, supply or  
10           use of any controlled substance, analogue or controlled  
11           chemical.

12           (5) A person who knowingly violates or fails to comply  
13           with this section commits a felony offense, punishable by  
14           imprisonment for a maximum term of ten years or a maximum  
15           fine of \$100,000, or both; provided, however, in the case  
16           of a corporation, company, commercial enterprise,  
17           commercial entity or other legal person, the maximum fine  
18           shall be increased to \$500,000."

19           Section 59. The Code of the Federated States of Micronesia, as  
20 amended, is hereby further amended by enacting a new section 308 of  
21 chapter 3 of title 44 to read as follows:

22           "Section 308. Conspiracy, attempt, aiding and abetting.

23           (1) Any person who:

24                   (a) conspires to commit, or attempts to engage in  
25           conduct that constitutes a violation of this act;

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1           (b) aids, abets, counsels or procures, or is by  
2           act or omission in any way directly or indirectly  
3           knowingly concerned in, or party to, any conduct that  
4           constitutes a violation of this act; or

5           (c) incites to commit, or urges or encourages, any  
6           conduct that constitutes a violation of this act, commits  
7           a violation of this section.

8           (2) A person convicted of attempt, solicitation, or  
9           conspiracy shall be punished:

10           (a) by imprisonment for not more than ten years or  
11           a fine of \$100,000, or both, if the maximum term of  
12           imprisonment provided for any offense which was the  
13           object of the attempt, solicitation, or conspiracy is  
14           life imprisonment; or

15           (b) by imprisonment for not more than one-half the  
16           maximum term of imprisonment, and/or fine, which is  
17           provided for the most serious offense which was the  
18           object of the attempt, solicitation, or conspiracy if the  
19           maximum is less than life imprisonment.

20           (3) For the purposes of subsection (1) of this section  
21           a person commits the offense of conspiracy if the person  
22           agrees with one or more persons:

23           (a) to commit any crime against this act; and

24           (b) any party to the conspiracy commits an overt  
25           act in furtherance of the conspiracy.



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1           (4) If a person conspires to commit a number of crimes,  
2           the person is guilty of only one conspiracy if the  
3           multiple crimes are the object of the same agreement or  
4           continuous conspiratorial relationship.

5           (5) The agreement to conspire may be implicit or  
6           explicit and need not be oral or in writing but may be  
7           shown by the circumstances surrounding the conduct of the  
8           conspirators.

9           (6) The crime underlying the conspiracy need not have  
10          been accomplished for the crime of conspiracy to occur.

11          (7) Nothing in this section shall be construed as a bar  
12          to prosecution of the underlying crime.

13          (8) A defendant is responsible for all actions of a co-  
14          conspirator that are taken in furtherance of the conspiracy,  
15          whether or not those actions were part of any plan and  
16          whether or not the defendant was privy to them.

17          (9) It is an affirmative defense to a prosecution for  
18          conspiracy under this section, that the defendant, under  
19          circumstances showing a complete and voluntary  
20          renunciation of criminal intent, made a reasonable effort  
21          to prevent the conduct or result which is the object of  
22          the conspiracy, and as soon as possible after withdrawing  
23          from the conspiracy, reported the matter to the police.

24          (10) A person may be found guilty of conspiracy under  
25          this section, even though commission of the principal

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1           offense was impossible.

2           (11) In the case of conviction of a corporation,  
3           company, commercial enterprise, commercial entity or  
4           other legal person, under this section, the maximum fine  
5           shall be increased to five times the maximum allowable  
6           fine for a natural person."

7           Section 60. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 309 of  
9 chapter 3 of title 44 to read as follows:

10           "Section 309. Assisting in or influencing the commission  
11           of an offense abroad.

12           (1) A person commits an offense if in the Federated  
13           States of Micronesia the person knowingly assists in or  
14           induces the commission in any place outside the Federated  
15           States of Micronesia of an offense punishable under the  
16           law of a foreign state relating in whole or in part to  
17           the control of any controlled substance, analogue,  
18           controlled chemical, controlled equipment or controlled  
19           material.

20           (2) An offense under subsection (1) of this section  
21           shall be graded in accordance with the same class and  
22           grade of offense that such offense would have been had  
23           such offense been committed in the Federated States of  
24           Micronesia, and shall be subject to the same penalties;  
25           provided, however, where such offense would not

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1           constitute a criminal offense under the laws of the  
2           Federated States of Micronesia or any of its states or  
3           political subdivisions, had such offense been committed  
4           in the Federated States of Micronesia, the offense shall  
5           be graded as a misdemeanor offense, punishable by  
6           imprisonment for a maximum term of one year or a maximum  
7           fine of \$5,000, or both."

8           Section 61. The Code of the Federated States of Micronesia, as  
9 amended, is hereby further amended by enacting a new subchapter II  
10 of chapter 3 of title 44, entitled "Further Provisions on Penalties  
11 and Sanctions".

12           Section 62. The Code of the Federated States of Micronesia, as  
13 amended, is hereby further amended by enacting a new section 310 of  
14 chapter 3 of title 44 to read as follows:

15           "Section 310. Grounds for aggravation. In determining  
16           the nature and extent of any penalty to be ordered in  
17           relation to any person convicted of a violation of this  
18           chapter, it shall be grounds for a finding of  
19           aggravation, and the Supreme Court shall take into  
20           account whether:

21           (1) the convicted offender:

22                   (a) belonged to an organized criminal syndicate;

23                   (b) participated in other illegal activities  
24           facilitated by the offense;

25                   (c) used violence or weapons;

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1           (d) committed the offense in the exercise of a  
2           public office or public duty;

3           (e) added any substance to the drugs which  
4           aggravated their danger to a user;

5           (f) made use or took advantage of a minor or  
6           mentally handicapped person in committing the offense; or

7           (g) is a repeat offender, a habitual criminal,  
8           and/or has previously been convicted of one or more  
9           criminal offenses in the Federated States of Micronesia,  
10           or in any other jurisdiction, foreign or domestic.

11           (2) the offense was committed:

12           (a) by a health professional or person responsible  
13           for combating drug abuse or drug trafficking;

14           (b) in a teaching or educational institution, a  
15           hospital or care institution, a social service facility  
16           or in other places to which school children or students  
17           resort for educational, sports or social activities, or  
18           in the immediate vicinity of such establishments and  
19           premises; or

20           (c) in a penal institution or a military  
21           establishment;

22           (3) the controlled substance was supplied or offered to  
23           a minor, a mentally handicapped person or a person  
24           undergoing treatment, or when use by such a person was  
25           facilitated; and

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1           (4) the controlled substances supplied caused death or  
2           seriously impaired the health of a person."

3           Section 63. The Code of the Federated States of Micronesia, as  
4 amended, is hereby further amended by enacting a new section 311 of  
5 chapter 3 of title 44 to read as follows:

6           "Section 311. Alternate sanctions.

7           (1) Where a person has been convicted of a violation of  
8           this chapter, the Supreme Court may order house arrest,  
9           or other deprivation or restriction of liberty for the  
10           term prescribed, instead of imprisonment.

11           (2) Where a person has been convicted of a  
12           violation of this chapter, the case is one of a minor  
13           nature, and it appears to the Supreme Court that it would  
14           be appropriate, in the interests of justice, and not  
15           contrary to the broader public interest to do so, the  
16           Supreme Court may sentence the defendant to a prescribed  
17           term of probation and, as a condition of probation:

18           (a) order that the person undergo community service  
19           or periodic detention;

20           (b) order surrender of the person's passport, if a  
21           citizen of the Federated States of Micronesia;

22           (c) order:

23           (i) disqualification, cancellation or  
24           suspension of any right or authority in the Federated  
25           States of Micronesia to operate a vehicle, vessel or

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1           aircraft used by the person in connection with the  
2           commission of the offense, or otherwise, where the safety  
3           of the public requires such disqualification, cancellation  
4           or suspension;

5                   (ii) suspension of the right to hold or  
6           exercise public office in the Federated States of  
7           Micronesia by the person in connection with the commission  
8           of the offense, or otherwise, where the safety of the  
9           public requires such suspension;

10                   (d) order the suspension of any license or  
11           registration entitling the person to carry on any trade  
12           or business carried on by the person in connection with  
13           the commission of the offense, or otherwise, where the  
14           safety of the public requires such suspension;

15                   (e) recommend to the appropriate professional  
16           body, the suspension or disqualification of the person's  
17           right to practice any profession practiced by the person  
18           in connection with the commission of the offense, or  
19           otherwise, where the safety of the public requires such  
20           suspension or disqualification;  
21           for such period as the Supreme Court considers  
22           appropriate."

23           Section 64. The Code of the Federated States of Micronesia, as  
24           amended, is hereby further amended by enacting a new section 312 of  
25           chapter 3 of title 44 to read as follows:

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1           "Section 312. Optional additional sanctions.

2           (1) Where a drug abuser or drug dependent person has  
3           been convicted of a violation of this chapter, the  
4           Supreme Court may, in addition to ordering any penalty  
5           specified in relation to that offense, or any alternate  
6           sanction specified in section 311 of this act, make a  
7           treatment order pursuant to section 406 of this act.

8           (2) Where a foreigner has been convicted of a violation  
9           of this chapter, the Supreme Court may, in addition to  
10          ordering the penalty provided for the offense or  
11          alternate measures in section 311 of this act, order the  
12          person to depart from and not return to the Federated  
13          States of Micronesia."

14          Section 65. The Code of the Federated States of Micronesia, as  
15 amended, is hereby further amended by enacting a new section 313 of  
16 chapter 3 of title 44 to read as follows:

17          "Section 313. Suspension and revocation of suspension of  
18          sentences.

19          (1) Where a defendant has been convicted of a violation  
20          of this chapter and is also:

21                  (a) between the ages of 16 and 18; or

22                  (b) a first offender;

23          the Supreme Court may impose a sentence and order  
24          suspension of the execution of the whole or any part of  
25          the penalties and sanctions imposed on the defendant, on

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1           such terms and conditions as appear to be necessary to  
2           ensure that the defendant does not re-offend, provided  
3           that it is in the interests of justice and not contrary  
4           to the broader public interest to make such an order.

5           (2) Where a defendant fails without reasonable excuse  
6           to abide by the terms and conditions of a suspension  
7           order under subsection (1) above, the Supreme Court may  
8           revoke the order of suspension, in which case execution  
9           of the original sentence shall be carried out.

10          (3) Notwithstanding any other law to the contrary,  
11          including the sentencing provisions of title 11 of the  
12          Code of the Federated States of Micronesia, the authority  
13          of a judge to suspend the whole or any part of any  
14          sentence, or the execution of the whole or any part of  
15          any sentence, for an offense under this act, shall be  
16          limited to the categories of offenders set forth in  
17          subsection (1) of this section."

18          Section 66. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new chapter 4 of  
20 title 44, entitled "Drug Abuse".

21          Section 67. The Code of the Federated States of Micronesia, as  
22 amended, is hereby further amended by enacting a new subchapter I of  
23 chapter 4 of title 44, entitled "Personal Use and Related Offenses".

24          Section 68. The Code of the Federated States of Micronesia, as  
25 amended, is hereby further amended by enacting a new section 401 of



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1 chapter 4 of title 44 to read as follows:

2 "Section 401. Unlawful possession of a controlled  
3 substance or controlled chemical for personal use or  
4 otherwise.

5 (1) Except as is otherwise permitted by or authorized  
6 under this act, no person shall possess, in the Federated  
7 States of Micronesia, for personal use or any other  
8 purpose, any:

9 (a) controlled substance, except:

10 (i) a person to whom it has been lawfully  
11 supplied for medical treatment; or

12 (ii) a person having custody of an animal, and  
13 the controlled substance was prescribed under lawful  
14 veterinary treatment;

15 (b) analogue; or

16 (c) controlled chemical.

17 (2) Where the subject of the offense is a schedule III  
18 risk drug under this act, violation of subsection (1)  
19 above is:

20 (a) a misdemeanor offense, punishable by  
21 imprisonment for a maximum term of thirty days or a  
22 maximum fine of \$1,000, or both, where the defendant is a  
23 natural person, the amount possessed was less than a  
24 trafficable quantity, and the defendant proves by a  
25 preponderance of the evidence that the schedule III risk

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1 drug under this act was possessed by the defendant solely  
2 for the defendant's exclusive personal use;

3 (b) a misdemeanor offense, punishable by  
4 imprisonment for a maximum term of one year or a maximum  
5 fine of \$5,000, or both, where the amount possessed was  
6 less than a trafficable quantity;

7 (c) a felony offense, punishable by imprisonment  
8 for a maximum term of five years or a maximum fine of  
9 \$50,000, or both, where the amount possessed was a  
10 trafficable quantity.

11 (3) Where the subject of the offense is a schedule II  
12 high risk drug under this act or an analogue, violation  
13 of subsection (1) of this section is:

14 (a) a misdemeanor offense, punishable by  
15 imprisonment for a maximum term of one year or a maximum  
16 fine of \$5,000, or both, where the defendant is a natural  
17 person, the amount possessed was less than a trafficable  
18 quantity and the defendant proves by a preponderance of  
19 the evidence that the schedule II high risk drug under  
20 this act or analogue was possessed by the defendant  
21 solely for the defendant's exclusive personal use;

22 (b) a felony offense, punishable by imprisonment  
23 for a maximum term of five years or a maximum fine of  
24 \$50,000, or both, where the amount possessed was less  
25 than a trafficable quantity;

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1           (c) a felony offense, punishable by imprisonment  
2           for a maximum term of ten years or a maximum fine of  
3           \$100,000, or both, where the amount possessed was a  
4           trafficable quantity.

5           (4) Where the subject of the offense is a schedule I  
6           prohibited drug under this act, violation of subsection  
7           (1) of this section is:

8           (a) a felony offense, punishable by imprisonment  
9           for a maximum term of five years or a maximum fine of  
10           \$50,000, or both, where the defendant is a natural  
11           person, the amount possessed was less than a trafficable  
12           quantity, and the defendant proves by a preponderance of  
13           the evidence that the schedule I prohibited drug under  
14           this act was possessed by the defendant solely for the  
15           defendant's exclusive personal use;

16           (b) a felony offense, punishable by imprisonment  
17           for a maximum term of ten years or a maximum fine of  
18           \$100,000, or both, where the amount possessed was less  
19           than a trafficable quantity;

20           (c) a felony offense, punishable by imprisonment  
21           for a maximum term of life imprisonment or a maximum fine  
22           of \$500,000, or both, where the amount possessed was a  
23           trafficable quantity.

24           (5) Where the subject of the offense is a schedule V  
25           controlled chemical under this act, violation of

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1 subsection (1) of this section is a misdemeanor offense,  
2 punishable by imprisonment for a maximum term of thirty  
3 days or a maximum fine of \$1,000, or both.

4 (6) Sections 310, 311, 312 and 313 of this act shall be  
5 deemed to apply to offenses against subsection (1) of  
6 this section.

7 (7) Classification of offenses and penalties for  
8 violation of subsection (1) of the section shall be  
9 subject to section 301 of this act, which shall take  
10 precedence when the subject of the offense was cannabis  
11 or cannabis plants, coca bush, opium poppy, or any other  
12 plant which is, for purposes of this act, a controlled  
13 substance.

14 (8) Upon conviction for any offense under this section  
15 (other than subsection (2)(a), (3)(a), or (4)(a), personal  
16 use offenses, within this subsection) the offender shall be  
17 sentenced in accordance with the penalties established by  
18 this act; provided, however, the maximum allowable fine for  
19 each offense shall, in the case of a corporation, company  
20 or other commercial enterprise, commercial entity or legal  
21 person, be increased to five times the maximum allowable  
22 fine for a natural person."

23 Section 69. The Code of the Federated States of Micronesia, as  
24 amended, is hereby further amended by enacting a new section 402 of  
25 chapter 4 of title 44 to read as follows:

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1           "Section 402. Carrying of controlled substances by  
2           international travelers. Notwithstanding anything  
3           contained in this act, any person undergoing treatment of  
4           a medical condition, who is entering, leaving or passing  
5           through the Federated States of Micronesia, may possess  
6           such quantities of a lawfully prescribed controlled  
7           substance (wherever prescribed) as are reasonable for the  
8           purposes of such treatment."

9           Section 70. The Code of the Federated States of Micronesia, as  
10          amended, is hereby further amended by enacting a new subchapter II  
11          of chapter 4 of title 44, entitled "Treatment and Rehabilitation".

12          Section 71. The Code of the Federated States of Micronesia, as  
13          amended, is hereby further amended by enacting a new section 403 of  
14          chapter 4 of title 44 to read as follows:

15           "Section 403. 'Treatment' and 'approved treatment  
16           center' defined. In this act, unless the context  
17           indicates otherwise:

18           (1) 'Treatment' includes medical treatment, therapy, or  
19           admission to an education or rehabilitation program,  
20           which is aimed at:

21                   (a) preventing drug abusers from further abusing  
22                   drugs; and

23                   (b) assisting drug dependent persons to overcome  
24                   their dependence.

25           (2) 'approved treatment center' means a hospital,

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1           nursing home, hostel, health facility or other  
2           institution that the Secretary of Health may designate  
3           from time to time as an approved treatment center to  
4           provide treatment for persons who are drug abusers or  
5           drug dependent."

6           Section 72. The Code of the Federated States of Micronesia, as  
7 amended, is hereby further amended by enacting a new section 404 of  
8 chapter 4 of title 44 to read as follows:

9           "Section 404. Treatment panels.

10           (1) The Secretary of Health shall establish treatment  
11           assessment panels for the purposes of this subchapter.

12           (2) A panel shall consist of three people appointed by  
13           the Secretary of Health, who are fit and proper for the  
14           purpose. One shall have legal qualifications or  
15           experience, and the others knowledge of the  
16           psychological, physical and social problems connected  
17           with abuse of drugs and analogues."

18           Section 73. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new section 405 of  
20 chapter 4 of title 44 to read as follows:

21           "Section 405. Persons who voluntarily submit for  
22           treatment.

23           (1) Subject to subsection (2) below, any person who has  
24           committed an offense only against sections 301 or 401 of  
25           this act, and who before being arrested or charged for

1           that offense:

2                   (a) voluntarily submits himself or herself to an  
3           approved treatment center for treatment; and

4                   (b) undertakes and successfully completes the  
5           treatment without committing any further offense, shall  
6           not be prosecuted for that offense, or be identified to  
7           the public;

8           (2) Subsection (1) above shall not apply where:

9                   (a) the controlled substance plant, controlled  
10           substance, or analogue which is the subject of the  
11           offense, was not proved by the person, by a preponderance  
12           of the evidence, to have been cultivated or possessed by  
13           the person exclusively for such person's own personal  
14           use; or

15                   (b) in any case where the amount of the controlled  
16           substance plant, controlled substance or analogue was a  
17           trafficable quantity."

18           Section 74. The Code of the Federated States of Micronesia, as  
19           amended, is hereby further amended by enacting a new section 406 of  
20           chapter 4 of title 44 to read as follows:

21           "Section 406. Treatment orders.

22                   (1) Where the Supreme Court:

23                   (a) finds an offense under this or any other act  
24           proved against any person; and

25                   (b) considers that the person may have been:

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1                   (i) under the influence of a controlled  
2                   substance or analogue at the time of the offense; or  
3                   (ii) motivated to commit the offense by a  
4                   desire either to use the substance or obtain resources to  
5                   enable its use;

6                   the Supreme Court may order that the person submit for  
7                   assessment by a treatment assessment panel.

8                   (2) Where the panel recommends that the person undergo  
9                   treatment at an approved treatment center, the Supreme  
10                   Court may:

11                   (a) order that the person, during a period of two  
12                   years or such shorter period as the Supreme Court may  
13                   specify, submit himself or herself to the treatment  
14                   specified in the order, or for other treatment as  
15                   directed from time to time by a panel; and

16                   (b) specify conditions relating to the supervision  
17                   of the person, including attendance at a treatment center,  
18                   and periodic attendance before a panel for review and  
19                   evaluation of treatment and progress."

20                   Section 75. The Code of the Federated States of Micronesia, as  
21 amended, is hereby further amended by enacting a new section 407 of  
22 chapter 4 of title 44 to read as follows:

23                   "Section 407. Suspension of penal sanctions. Where  
24                   an order has been made under section 406(2)(a) of this  
25                   act, and the person promises to undertake and complete



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1           the treatment, the Supreme Court may at the same time  
2           also order that any or all the penalties and sanctions  
3           imposed under chapter 3 or section 401 of this act or any  
4           other act be suspended."

5           Section 76. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new section 408 of  
7 chapter 4 of title 44 to read as follows:

8           "Section 408. Discharge of penal sanctions. Where a  
9           person completes treatment ordered under section 406(2)(a)  
10           of this act to the satisfaction of a panel, and proves to  
11           the satisfaction of the Supreme Court that he or she has  
12           committed no further offense of any description within two  
13           years from the date of such person's conviction, any orders  
14           made under chapter 3 or section 401 of this act:

15           (1) shall be deemed to be fully served and discharged  
16           in relation to the offense in respect of which they were  
17           made; and

18           (2) in relation to any other offense, may be discharged  
19           by order if the Supreme Court is satisfied that it is in  
20           the public interest for the Supreme Court to make such an  
21           order, following consideration of a report of a panel to  
22           the effect that the person is fit to return to everyday  
23           responsibilities and functions."

24           Section 77. The Code of the Federated States of Micronesia, as  
25 amended, is hereby further amended by enacting a new section 409 of

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1 chapter 4 of title 44 to read as follows:

2 "Section 409. Revocation of suspension orders.

3 (1) Where the person does not complete the course of  
4 treatment as ordered, the Supreme Court may revoke the  
5 order of suspension made under section 407 of this act.

6 (2) In that event, time spent in treatment shall count  
7 as time towards the discharge of any relevant orders made  
8 under chapter 3 or section 401 of this act or any other  
9 act."

10 Section 78. The Code of the Federated States of Micronesia, as  
11 amended, is hereby further amended by enacting a new section 410 of  
12 chapter 4 of title 44 to read as follows:

13 "Section 410. Failure to comply with treatment orders.

14 (1) Any person who refuses or fails:

15 (a) to comply with a treatment order;

16 (b) to inform the person in charge of a treatment  
17 center attended by the person pursuant to such an order  
18 of any change in the person's address;

19 (c) to appear before a panel as ordered; or

20 (d) to attend a treatment center for assessment or  
21 treatment as ordered;

22 shall forthwith be brought before the Supreme Court, and  
23 shall be required to show cause why he or she failed or  
24 refused to comply.

25 (2) Where the person's failure or refusal to comply,

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1           under subsection (1) of this section, was not found by  
2           the Supreme Court to be justified under the existing  
3           circumstances, the Supreme Court may revoke the order of  
4           suspension pursuant to section 409 of this act."

5           Section 79. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new chapter 5 of  
7 title 44, entitled "Administration, Compliance and Enforcement".

8           Section 80. The Code of the Federated States of Micronesia, as  
9 amended, is hereby further amended by enacting a new subchapter I of  
10 chapter 5 of title 44, entitled "Inspection for Compliance".

11          Section 81. The Code of the Federated States of Micronesia, as  
12 amended, is hereby further amended by enacting a new section 501 of  
13 chapter 5 of title 44 to read as follows:

14           "Section 501. Appointment of inspectors.

15           (1) The Secretary of Health may designate any person to  
16           be an inspector for the purposes of this act and  
17           regulations promulgated thereunder, including, without  
18           limitation, National Food Inspectors qualified under the  
19           National Food Safety Act.

20           (2) An inspector shall perform such duties for the  
21           purposes of this act and regulations promulgated  
22           thereunder as the Secretary may direct.

23           (3) The Secretary shall cause to be issued to an  
24           inspector an identity card which states the name and  
25           appointment of the inspector and on which appears a

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1           recent photograph of the inspector."

2           Section 82. The Code of the Federated States of Micronesia, as  
3 amended, is hereby further amended by enacting a new section 502 of  
4 chapter 5 of title 44 to read as follows:

5           "Section 502. Inspection of authorized premises and  
6           operations.

7           (1) A person who is registered, or holds a license or  
8           permit issued under subchapter II of chapter 2 of this  
9           act shall, when required to do so in writing by an  
10           inspector, provide the inspector with a statement in  
11           writing, signed and dated by the person, accounting for  
12           each controlled substance, controlled chemical or item of  
13           controlled equipment or controlled material in possession  
14           of the authorized person at any time since the grant of  
15           the registration, license, or permit, as the case may be.

16           (2) Any person who knowingly fails or neglects to  
17           comply with a requirement under subsection (1) of this  
18           section if a first offense under this section, commits a  
19           misdemeanor offense, punishable, by imprisonment for a  
20           maximum term of one year or a maximum fine of \$5,000, or  
21           both.

22           (3) Any person who knowingly fails or neglects to  
23           comply with a requirement under subsection (1) of this  
24           section, as a second or subsequent offense commits a  
25           felony offense, punishable by imprisonment for a maximum

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1 term of five years or a maximum fine of \$50,000, or both.

2 (4) In the case of violation of subsection (1) of this  
3 section or (2) of this section by a corporation, company,  
4 commercial enterprise, commercial entity or other legal  
5 person, the maximum fine shall be increased to five times  
6 the maximum allowable for a natural person."

7 Section 83. The Code of the Federated States of Micronesia, as  
8 amended, is hereby further amended by enacting a new section 503 of  
9 chapter 5 of title 44 to read as follows:

10 "Section 503. Powers of inspectors.

11 (1) A person appointed as an inspector by the Secretary  
12 of Health pursuant to section 501 of this act may, at any  
13 time during ordinary business or professional hours, with  
14 such assistance and by such force as is necessary and  
15 reasonable, enter any premises or place at which any  
16 activity is carried out by any person:

17 (a) granted a registration, license or permit  
18 under subchapter II of chapter 2 of this act; or

19 (b) authorized in accordance with section 225 of  
20 this act to engage in professional supply.

21 (2) Subject to section 505 of this act, an inspector  
22 who enters any premises or place pursuant to subsection  
23 (1) above may:

24 (a) require the occupier of the premises to supply  
25 his or her name and address;

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1           (b) inspect the premises or place in order to  
2           ascertain whether or not this act, or a term or condition  
3           of any license or permit granted pursuant to this act,  
4           has been or is being complied with;

5           (c) examine any label, advertising material,  
6           register, record, book, electronic data or other document  
7           therein relating to any controlled substance, controlled  
8           chemical or item of controlled equipment or controlled  
9           material;

10          (d) make an extract therefrom or take a copy  
11          thereof, and require from any person an explanation of an  
12          entry in any such register, record or document;

13          (e) open and examine any receptacle or package  
14          found in that place in which a controlled substance,  
15          analogue, controlled chemical or item of controlled  
16          equipment may be found;

17          (f) examine any thing found in that place that is  
18          used or may be capable of being used for the manufacture,  
19          packaging or storage of a controlled substance, analogue,  
20          controlled chemical or item of controlled equipment or  
21          controlled material;

22          (g) use or cause to be used any computer system at  
23          that place to examine any electronic data referred to in  
24          subsection (2)(c) of this section and reproduce any  
25          document from any such data or cause it to be reproduced

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1           in the form of a print-out or other output;

2                   (h) take any thing referred to in subsections  
3           (2)(c) or (2)(f) of this section for examination or  
4           copying;

5                   (i) use or cause to be used any copying equipment  
6           at that place to make copies of any document;

7                   (j) examine any substance found in that place and  
8           take, for the purpose of analysis, such samples thereof  
9           as are reasonably required;

10                   (k) seize and detain anything, which in the  
11           opinion of the inspector, is connected with, or may  
12           provide proof of a violation of chapter 2 of this act, or  
13           a term or condition of any license or permit granted  
14           under this act, or which the inspector believes on  
15           reasonable grounds is necessary for the purpose of  
16           ensuring compliance with this act or regulations  
17           promulgated thereunder.

18                   (3) Where an inspector seizes and detains any substance  
19           suspected to be a controlled substance, analogue,  
20           controlled chemical or item of controlled equipment or  
21           controlled material, it may, at the discretion of the  
22           inspector be kept or stored at the place where it was  
23           seized or, at the direction of the inspector, be removed  
24           to any other proper place.

25                   (4) Where an inspector determines that for the purpose

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1           of ensuring compliance with this act or regulations  
2           promulgated thereunder it is no longer necessary to detain  
3           a substance suspected to be a controlled substance,  
4           controlled chemical or item of controlled equipment or  
5           controlled material under subsection (2)(k) of this  
6           section, the inspector shall notify in writing the owner or  
7           other person in charge of the place where it was detained  
8           of that determination and, on being issued a receipt  
9           therefor shall return the substance to that person.

10           (5) Where in the ordinary course of duty, an inspector  
11           becomes aware of a possible offense against chapter 3 of  
12           this act, the inspector shall immediately report that  
13           fact to the Attorney General and provide such further  
14           lawful assistance as may be reasonable or necessary for  
15           the purpose of any investigation or proceeding relating  
16           to that possible offense."

17           Section 84. The Code of the Federated States of Micronesia, as  
18 amended, is hereby further amended by enacting a new section 504 of  
19 chapter 5 of title 44 to read as follows:

20           "Section 504. Inspection of approved treatment centers.

21           (1) An inspector may, at any reasonable hour of the day  
22           or night, with such assistance and by such force which is  
23           necessary and reasonable, enter the premises of an  
24           approved treatment center.

25           (2) Subject to section 505 of this act, an inspector



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1           who enters an approved treatment center pursuant to  
2           subsection (1) of this section may:

3                   (a) inspect the premises and any facilities  
4                   provided at, or equipment used at the premises for, or in  
5                   connection with, the provision of treatment or  
6                   accommodation at the center;

7                   (b) inspect any controlled substances register,  
8                   prescribed book, record or document kept on the premises  
9                   relating to such treatment or accommodation, or otherwise  
10                  relating to the conduct of the center in relation to  
11                  patients referred to the center pursuant to chapter 4,  
12                  subchapter II of this act;

13                  (c) require the occupier of the premises to  
14                  produce any controlled substances register, prescribed  
15                  book, record or document or to give to the inspector any  
16                  prescribed information in such person's possession  
17                  relating to such treatment or accommodation or otherwise  
18                  relating to the conduct of the center in relation to such  
19                  patients;

20                  (d) exercise any of the powers referred to in  
21                  subsections 503(2)(c) to (k) of this act inclusive, which  
22                  for the purposes of this section shall apply, with  
23                  necessary changes in points of detail, to the center and  
24                  its patients."

25           Section 85. The Code of the Federated States of Micronesia, as

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1 amended, is hereby further amended by enacting a new section 505 of  
2 chapter 5 of title 44 to read as follows:

3 "Section 505. Inspectors to produce authority.

4 (1) An inspector exercising any powers conferred under  
5 sections 503 or 504 of this act shall produce the  
6 inspector's identity card issued under section 501(3) of  
7 this act to the person in charge of any place entered  
8 pursuant to this act for the purposes of inspection.

9 (2) An inspector who enters premises in accordance with  
10 this act is not authorized to remain on the premises if,  
11 on request by or on behalf of the occupier of the premises,  
12 the inspector does not produce the identity card issued  
13 under section 501(3) of this act, and any person in or on  
14 the premises of whom the inspector made a request in the  
15 exercise of a power under sections 503 or 504 of this act  
16 is not obliged to comply with that request."

17 Section 86. The Code of the Federated States of Micronesia, as  
18 amended, is hereby further amended by enacting a new section 506 of  
19 chapter 5 of title 44 to read as follows:

20 "Section 506. Obstruction of inspectors.

21 (1) No person shall, without reasonable excuse,  
22 knowingly, by act or omission:

23 (a) obstruct or hinder an inspector in the exercise  
24 of the powers or performance of the duties of the  
25 inspector under this act or regulations; or

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1                   (b) refuse or fail to comply with a reasonable  
2                   request of an inspector who has entered any premises in  
3                   accordance with this act.

4                   (2) Any person who knowingly violates subsection (1)  
5                   above, if a first offense under this section, commits a  
6                   misdemeanor offense, punishable, by imprisonment for a  
7                   maximum term of one year or a maximum fine of \$5,000, or  
8                   both.

9                   (3) Any person who knowingly violates subsection (1) of  
10                   this section, as a second or subsequent offense commits a  
11                   felony offense, punishable by imprisonment for a maximum  
12                   term of five years or a maximum fine of \$50,000, or both.

13                   (4) In the case of violation of subsection (1) of this  
14                   section by a corporation, company, commercial enterprise,  
15                   commercial entity or other legal person, the maximum fine  
16                   shall be increased to five times the maximum allowable  
17                   for a natural person."

18           Section 87. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new subchapter II  
20 of chapter 5 of title 44, entitled "Investigation of Violations of  
21 Chapter 3".

22           Section 88. The Code of the Federated States of Micronesia, as  
23 amended, is hereby further amended by enacting a new section 507 of  
24 chapter 5 of title 44 to read as follows:

25                   "Section 507. Use of covert monitoring devices.

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1           (1) Where any person is believed on probable cause to  
2           have either committed a violation of chapter 3 of this  
3           act, or believed to be about to commit such an offense,  
4           the Supreme Court may, on the application of the Attorney  
5           General permit an authorized officer to covertly monitor  
6           and record by such means as are specified in the order,  
7           the conduct, movements and communications (including  
8           telecommunications) of the person.

9           (2) In making such an order, the Supreme Court shall  
10           specify an appropriate time limit, which shall not be  
11           extended unless it considers it in the interests of  
12           justice and not contrary to the broader public interest  
13           to grant the extension.

14           (3) Notwithstanding any law to the contrary, evidence  
15           obtained pursuant to and in accordance with an order made  
16           under subsection (1) of this section:

17                   (a) shall be admissible in any proceedings  
18                   relating to a violation of chapter 3 of this act;

19                   (b) may be communicated to any competent  
20                   authority;

21                           (i) in the Federated States of Micronesia,  
22                           for the purpose of an investigation or proceeding  
23                           relating to a serious offense; or

24                           (ii) elsewhere, for the purpose of a mutual  
25                           assistance request made or received under the Mutual

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1           Assistance in Criminal Matters Act of 2001, chapter 17 of  
2           title 12 of the Code of the Federated States of  
3           Micronesia."

4           Section 89. The Code of the Federated States of Micronesia, as  
5 amended, is hereby further amended by enacting a new section 508 of  
6 chapter 5 of title 44 to read as follows:

7           "Section 508. Undercover and controlled delivery  
8           operations.

9           (1) Where the Attorney General has probable cause to  
10          believe that any person has committed, or is about to  
11          commit, a violation of this act, the Attorney General may  
12          give approval in writing for:

13                  (a) a controlled delivery to be carried out; and

14                  (b) specified persons or classes of persons to  
15          carry out or participate in the controlled delivery.

16          (2) Notwithstanding any law to the contrary, the  
17          activities which may be undertaken in the course of and  
18          for the purposes of a controlled delivery include:

19                  (a) allowing any vehicle, vessel, aircraft or  
20          other means of transport to enter or leave the Federated  
21          States of Micronesia;

22                  (b) allowing any:

23                          (i) controlled substance, analogue,  
24          controlled chemical, or controlled equipment or material  
25          or other thing in or on the vehicle, vessel, aircraft or

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1           other means of transport; or

2                       (ii) property believed to be derived directly  
3           or indirectly from any offense;

4           to enter or leave the Federated States of Micronesia, or  
5           be delivered or collected in the Federated States of  
6           Micronesia;

7                       (c) using such force as may be reasonable and  
8           necessary in the circumstances to enter and search the  
9           vehicle, vessel, aircraft or other means of transport,  
10          provided a search warrant has been obtained or the  
11          requirements of section 512 of this act have been met;

12                      (d) placing a tracking device on board the  
13          vehicle, vessel, aircraft or other means of transport;

14                      (e) allowing any person who has possession or  
15          custody of the controlled substance, analogue, controlled  
16          chemical, item of controlled equipment or controlled  
17          material or other thing to enter or leave the Federated  
18          States of Micronesia.

19                      (3) Where the Attorney General has probable cause to  
20          believe that any person has committed, or is about to  
21          commit, a violation of this act, the Attorney General may  
22          give approval in writing for:

23                      (a) undercover operations to be carried out for a  
24          specified period; and

25                      (b) specified persons or classes of persons to

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1           carry out or participate in the undercover operations,  
2           for the purpose of gathering evidence in the Federated  
3           States of Micronesia or elsewhere, relating to the  
4           commission of any such offense.

5           (4) An approval may not be given, unless the Attorney  
6           General:

7                   (a) has probable cause to believe that any person,  
8           whose identity may or may not be known, has committed, is  
9           committing or is about to commit a violation of this act;

10                   (b) is satisfied on reasonable grounds that the  
11           proposed undercover operations:

12                           (i) are properly designed to provide the  
13           suspect with an opportunity to manifest or provide  
14           evidence of that offense; and

15                           (ii) will not give rise to an undue risk that  
16           any person not involved in criminal activities would be  
17           encouraged to commit a criminal offense they would  
18           otherwise not have contemplated.

19           (5) The Attorney General may renew an approval given  
20           under subsection (3) of this section from time to time  
21           for periods each of which shall not exceed three months.

22           (6) Any controlled substance, analogue, controlled  
23           chemical, controlled equipment, controlled material or  
24           other thing imported into the Federated States of  
25           Micronesia in the course of an approved undercover

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1 operation or controlled delivery shall, when no longer  
2 required for the purposes of the due enforcement of this  
3 act, be liable to be dealt with as if it were a  
4 prohibited import for the purposes of the Customs Act.

5 (7) Despite any other law, an authorized participant in  
6 an undercover operation or a controlled delivery incurs  
7 no criminal liability by taking part in it in accordance  
8 with the terms of approval, notwithstanding that in doing  
9 so, the person may, but for this subsection, commit an  
10 offense.

11 (8) Subsection (7) above operates retrospectively in  
12 respect of a participant in any undercover operation or  
13 controlled delivery undertaken prior to the commencement  
14 of this act, provided the requirements of (4)(a) and (b)  
15 of this section could have been met in the case had they  
16 been in force at the time."

17 Section 90. The Code of the Federated States of Micronesia, as  
18 amended, is hereby further amended by enacting a new section 509 of  
19 chapter 5 of title 44 to read as follows:

20 "Section 509. Monitoring of the mails.

21 (1) Where the Attorney General, Customs authority,  
22 Postmaster General, or Chief of the National Police has  
23 probable cause to believe that any consignment by mail  
24 may contain evidence of a violation of this act or the  
25 commission of a serious offense in the Federated States



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1           of Micronesia or another jurisdiction, the Attorney  
2           General may give approval in writing for an authorized  
3           officer to carry out at any time inspections in the  
4           postal services in order to detect that consignment, and  
5           if found, to detain it for further investigation.

6           (2) Where the Supreme Court is satisfied by information  
7           on oath that there is probable cause to believe that any  
8           consignment detected and detained pursuant to subsection  
9           (1) above may contain evidence of a violation of this act  
10           or the commission of a serious offense in the Federated  
11           States of Micronesia or another jurisdiction, and where  
12           approval has been obtained through the Attorney General  
13           of the Federated States of Micronesia to inspect and  
14           detain any consignment by mail, the Supreme Court may  
15           issue a search warrant and order any authorized officer  
16           to:

17                   (a) open the consignment; and

18                   (b) if such evidence is found on opening, to seize  
19           and detain it until further order of the Supreme Court."

20           Section 91. The Code of the Federated States of Micronesia, as  
21 amended, is hereby further amended by enacting a new section 510 of  
22 chapter 5 of title 44 to read as follows:

23           "Section 510. Access to computer systems.

24           (1) Where the Supreme Court is satisfied by information  
25           on oath that there is probable cause to believe, that a

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1           computer system in the custody of any person in the  
2           Federated States of Micronesia contains data which may be  
3           relevant to proving a violation of chapter 3 of this act,  
4           the Supreme Court may issue a search warrant directing  
5           any person having custody or control of that system to  
6           give access to the data to the police officer presenting  
7           the warrant.

8           (2) Any person who, without reasonable excuse, fails  
9           to:

10                   (a) give access as ordered; or

11                   (b) provide reasonable assistance to enable the  
12           data to be retrieved and recorded; commits a felony  
13           offense, punishable by imprisonment for a maximum term of  
14           five years or a maximum fine of \$50,000, or both;  
15           provided, however, in the case of violation of this  
16           subsection by a corporation, company, commercial  
17           enterprise, commercial entity or other legal person, the  
18           maximum fine shall be increased to \$250,000."

19           Section 92. The Code of the Federated States of Micronesia, as  
20 amended, is hereby further amended by enacting a new section 511 of  
21 chapter 5 of title 44 to read as follows:

22           "Section 511. Search warrants.

23                   (1) Where the Supreme Court is satisfied, by  
24           information on oath, that there is probable cause to  
25           believe that there is in any place:

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1           (a) a controlled substance, analogue, controlled  
2           chemical or item of controlled equipment or controlled  
3           material in respect of which this act has been violated,  
4           or another serious offense has been committed relating to  
5           a controlled substance, analogue, controlled chemical or  
6           item of controlled equipment or controlled material;

7           (b) any thing in which such a controlled  
8           substance, analogue, chemical or item is contained or  
9           concealed;

10           (c) any property derived from a violation of this  
11           act, or another serious offense relating to a controlled  
12           substance, analogue, controlled chemical or item of  
13           controlled equipment or controlled material; or

14           (d) any other thing that will afford evidence in  
15           respect of a violation of this act, or another serious  
16           offense relating to a controlled substance, analogue,  
17           controlled chemical or item of controlled equipment or  
18           controlled material,  
19           the Supreme Court may issue a warrant empowering a police  
20           officer at any time, or at such time as the Supreme Court  
21           may specify in the warrant, to enter the place, search  
22           for any such controlled substance, analogue, chemical,  
23           item or thing and if found, seize it.

24           (2) A police officer who executes a warrant under  
25           subsection (1) above may:

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1           (a) enter any place named or described in the  
2           warrant and search the place for things of the kind  
3           described;

4           (b) search any person found at or in the place, or  
5           any person whom the officer reasonably believes to be  
6           about to enter or to have recently left the place, and  
7           any clothing that the person is wearing, or property in  
8           the apparent control of the person that the officer  
9           believes on reasonable grounds to be connected with the  
10          offense;

11          (c) to seize any thing that will afford evidence  
12          in respect of a violation of this act, or another serious  
13          offense relating to a controlled substance, analogue,  
14          controlled chemical or item of controlled equipment or  
15          controlled material, which is found as a result.

16          (3) A police officer who executes a warrant issued  
17          under subsection (1) of this section may seize, in  
18          addition to the things mentioned in the warrant:

19               (a) any controlled substance, analogue, controlled  
20               chemical or item of controlled equipment or controlled  
21               material in respect of which the officer believes on  
22               reasonable grounds that this act has been violated, or  
23               another serious offense has been committed;

24               (b) any thing that the officer believes on  
25               reasonable grounds to contain or conceal such a

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1           controlled substance, analogue, chemical or item;

2                   (c) any thing that the officer believes, on  
3           reasonable grounds, to be property derived from a  
4           violation of this act, or another serious offense  
5           relating to a controlled substance, analogue, controlled  
6           chemical or item of controlled equipment or controlled  
7           material; or

8                   (d) any thing that the officer believes on  
9           reasonable grounds will afford evidence in respect of a  
10          violation of this act, or another serious offense  
11          relating to a controlled substance, analogue, controlled  
12          chemical or item of controlled equipment or controlled  
13          material."

14           Section 93. The Code of the Federated States of Micronesia, as  
15 amended, is hereby further amended by enacting a new section 512 of  
16 chapter 5 of title 44 to read as follows:

17           "Section 512. Search and seizure without warrant in  
18           emergencies.

19                   (1) A police officer may exercise any of the powers in  
20           section 511 of this act without a warrant, if the  
21           conditions for obtaining a warrant under section 511(1)  
22           of this act exist and the officer has probable cause to  
23           believe, that:

24                   (a) it is necessary to do so in order to prevent  
25           the concealment, loss or destruction of any thing

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1 connected with a violation of this act, or another  
2 serious offense relating to a controlled substance,  
3 analogue, controlled chemical or item of controlled  
4 equipment or controlled material; and

5 (b) the circumstances are of such seriousness and  
6 urgency as to require the immediate exercise of the power  
7 without the authority of a warrant issued under section  
8 511(1) of this act or of an order of the Supreme Court.

9 (2) A police officer acting pursuant to subsection (1)  
10 of this section may:

11 (a) search any person or the clothing that is  
12 being worn by, and property in the apparent control of a  
13 person suspected by the officer to be carrying any thing  
14 connected with an offense; or

15 (b) enter and search any place at or in which the  
16 police officer has probable cause to believe that any  
17 thing connected with an offense is situated; and

18 (c) seize any such thing that the officer finds in  
19 the course of that search or at or in the place.

20 (3) A police officer may, for the purpose of this  
21 section, detain any person the officer has probable cause  
22 to believe is carrying without lawful authority or  
23 reasonable excuse any thing connected with a violation of  
24 this act, or another serious offense relating to a  
25 controlled substance, analogue, controlled chemical or

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1 item of controlled equipment or controlled material.

2 (4) A police officer may, for the purposes of this  
3 section, stop any vehicle, vessel or aircraft where the  
4 officer has probable cause to believe that any thing  
5 connected with a violation of this act, or another  
6 serious offense relating to a controlled substance,  
7 analogue, controlled chemical or item of controlled  
8 equipment or controlled material, is upon or in the  
9 vehicle, vessel or aircraft.

10 (5) Any person aggrieved by the seizure of any thing  
11 under this section by a police officer, may apply to the  
12 Supreme Court for judicial review of the seizure action.

13 (6) Upon hearing any application under subsection (5)  
14 above, the Supreme Court may:

15 (a) confirm the seizure; or

16 (b) order the release of the thing seized to the  
17 applicant, subject to such conditions as to the security  
18 and continued preservation of the thing as the Supreme  
19 Court deems fit."

20 Section 94. The Code of the Federated States of Micronesia, as  
21 amended, is hereby further amended by enacting a new section 513 of  
22 chapter 5 of title 44 to read as follows:

23 "Section 513. Searching a person and clothing.

24 (1) Where a police officer is authorized under this  
25 chapter to search the clothing that a person is wearing,

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1           the officer may remove or require the person to remove  
2           any clothing that the person is wearing.

3           (2) A person shall not be searched under this chapter  
4           except by a police officer of the same sex."

5           Section 95. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new section 514 of  
7 chapter 5 of title 44 to read as follows:

8           "Section 514. Internal body cavity searches.

9           (1) Where a police officer has reason to believe that a  
10          person is transporting any controlled substance or  
11          analogue, by concealing it inside the body and the person  
12          refuses to submit to a medical examination, the officer  
13          may detain the person for a period not exceeding twenty-  
14          four hours, pending the acquisition of an order from the  
15          Supreme Court under subsection (2) of this section.

16          (2) Where the Supreme Court is satisfied, by  
17          information on oath, that there is probable cause to  
18          believe that a person is transporting any controlled  
19          substance or analogue by concealing it inside the body  
20          and the person has refused without reasonable cause to  
21          submit to a medical examination, the Supreme Court may  
22          issue an order:

23                 (a) directing the person to submit forthwith to  
24                 such medical examination including x-ray, nonsurgical  
25                 internal body cavity searches, or other tests as may be



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1 reasonably necessary to establish whether the person is  
2 transporting a controlled substance or analogue inside  
3 the body;

4 (b) authorizing the person to be taken in custody  
5 by a police officer to any place stated in the order for  
6 the purpose of having the medical examination carried  
7 out; and

8 (c) authorizing any medical practitioner to carry  
9 out such examination and to provide such medical  
10 treatment as may be reasonable and appropriate in the  
11 circumstances.

12 (3) No person shall without reasonable excuse refuse or  
13 fail to submit to a medical examination as directed by  
14 order made under subsection (2) of this section.

15 (4) Violation of subsection (3) of this section is a  
16 felony offense, punishable by imprisonment for a maximum  
17 term of five years or a maximum fine of \$50,000, or both."

18 Section 96. The Code of the Federated States of Micronesia, as  
19 amended, is hereby further amended by enacting a new section 515 of  
20 chapter 5 of title 44 to read as follows:

21 "Section 515. Application for search warrants and other  
22 court orders made by telephone.

23 (1) For the purposes of sections 507(1), 509(2),  
24 510(1), 511(1) or 514(2) of this act, where by reason of  
25 urgency a police officer considers it necessary to do so,

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1           the officer may make application for a court order or  
2           search warrant, or submit an information by telephone,  
3           radio communication, facsimile or other means of  
4           communication by which identity of the requesting officer  
5           can be identified.

6           (2) A judge, to whom an application for the issuance of  
7           an order or warrant is made by telephone or other means  
8           of communication, may sign the order or warrant if the  
9           judge is satisfied that it is necessary to do so, and  
10          shall inform the police officer of the terms of the order  
11          or warrant so signed. In executing that order or  
12          warrant, the police officer shall inform any person  
13          subject to and present at the time of the search of the  
14          terms of the order or warrant.

15          (3) The police officer to whom an order or warrant is  
16          granted by telephone or other means of communication  
17          shall, not later than three working days following  
18          issuance of the order or warrant, provide the judge with  
19          a duly sworn application for the order or warrant  
20          completed by the officer, together with the officer's  
21          sworn affidavit in support of the order or warrant."

22           Section 97. The Code of the Federated States of Micronesia, as  
23 amended, is hereby further amended by enacting a new section 516 of  
24 chapter 5 of title 44 to read as follows:

25           "Section 516. Use of force. For the purpose of

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1           exercising any of the powers conferred under sections  
2           510, 511, 512 or 513, of this act a police officer may  
3           use as much force as is reasonably necessary in the  
4           circumstances."

5           Section 98. The Code of the Federated States of Micronesia, as  
6 amended, is hereby further amended by enacting a new section 517 of  
7 chapter 5 of title 44 to read as follows:

8           "Section 517. Temporary detention of certain suspects.

9           (1) Any person may be arrested and detained for  
10          questioning for a period of twenty-four hours if believed  
11          on probable cause to be involved in the commission of any  
12          offense against chapter 3 or section 401 of this act.

13          (2) The Supreme Court may authorize one or more  
14          extensions, each of twenty-four hours duration, if  
15          satisfied that it is in the interests of justice and not  
16          contrary to the broader public interest to do so, but in  
17          no case shall the cumulative period of temporary  
18          detention exceed ninety-six hours."

19          Section 99. The Code of the Federated States of Micronesia, as  
20 amended, is hereby further amended by enacting a new section 518 of  
21 chapter 5 of title 44 to read as follows:

22          "Section 518. Power to destroy cannabis and other  
23          unlawful crops.

24          (1) Subject to subsection (2) below, where it appears  
25          to any police officer, on probable cause, that cannabis

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1 plants, coca bushes, opium poppy or any other plants that  
2 are a controlled substance are:

3 (a) growing in the wild; or

4 (b) being cultivated unlawfully;

5 the officer may, under a search warrant issued pursuant  
6 to section 511 of this act, or without a warrant where  
7 the requirements of section 512 of this act have been  
8 met, and with such assistance and force as is reasonable,  
9 enter any place on or in which they are growing and cause  
10 them to be uprooted and destroyed.

11 (2) The powers under subsection (1)(b) of this section  
12 to uproot and destroy shall not be exercised unless the  
13 police officer believes, on reasonable grounds, that in  
14 all the circumstances:

15 (a) sufficient samples and other evidence have  
16 been collected to properly establish the identity and  
17 estimated number, quantity and weight of the plants under  
18 unlawful cultivation; and

19 (b) it appears to the officer necessary to  
20 exercise the powers forthwith, in order to prevent other  
21 persons known or unknown from:

22 (i) unlawfully harvesting, removing,  
23 concealing or using the plants; or

24 (ii) endangering the life or safety of the  
25 officer or any person, before the plants can be safely

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1           seized, secured and dealt with in accordance with normal  
2           investigatory practice."

3           Section 100. The Code of the Federated States of Micronesia, as  
4 amended, is hereby further amended by enacting a new subchapter III  
5 of chapter 5 of title 44, entitled "Post Seizure Procedures".

6           Section 101. The Code of the Federated States of Micronesia,  
7 as amended, is hereby further amended by enacting a new section 519  
8 of chapter 5 of title 44 to read as follows:

9           "Section 519. Collection and processing of evidence at  
10           seizures.

11           (1) The officer in charge at the seizure scene shall  
12           ensure that any material evidence is collected and  
13           processed, and in particular that any seized controlled  
14           substance, analogue or controlled chemical is properly  
15           marked for identification, weighed, counted, sampled,  
16           sealed, labeled and, until destroyed or otherwise  
17           disposed of in accordance with subchapter V of this  
18           title, preserved for evidentiary purposes.

19           (2) Where any substance seized is found in packages or  
20           containers of similar size and weight and bearing  
21           identical markings, and color testing of the contents of  
22           a representative number of them yields similar results  
23           for each, the seizing officer shall cause all such  
24           packages or containers to be classified, serially  
25           numbered and separated into lots ready for weighing,

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1           counting, sampling, sealing and labeling.

2           (3) Where it is physically possible to count and weigh  
3           the seizure as a complete entity, the seizing officer  
4           shall cause it to be counted and weighed. Where it is  
5           not physically possible to count or weigh the seizure as  
6           a complete entity, the seizing officer shall cause its  
7           count or gross weight and net weight as the case may be  
8           to be estimated.

9           (4) The seizing officer shall also prepare a report of  
10          the seizure as soon as possible but no later than twenty-  
11          four hours after seizure, which include particulars of:

12                   (a) the time, place and date of seizure;

13                   (b) the identity of the seizing officer and all  
14          persons present;

15                   (c) the circumstances in which seizure took place;

16                   (d) a description of the vehicle, vessel, place or  
17          person searched and the location where the substance was  
18          found;

19                   (e) a description of the substance found;

20                   (f) a description of packaging, seals, and other  
21          identifying features;

22                   (g) a description of quantity, volume and units  
23          and the measurement method employed;

24                   (h) a description of any preliminary  
25          identification test used and results;

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1           (i) all subsequent movements of the seized  
2           substance; and

3           (j) any other prescribed matter.

4           (5) The officer in charge of an investigation following  
5           a seizure shall ensure that all items of evidentiary  
6           value are stored in appropriate conditions for the  
7           prevention of loss, theft or any other form of  
8           misappropriation, as well as accidental or accelerated  
9           deterioration, and that any change in custody of that  
10           evidence following seizure is accurately recorded."

11           Section 102. The Code of the Federated States of Micronesia,  
12 as amended, is hereby further amended by enacting a new subchapter  
13 IV of chapter 5 of title 44, entitled "Scientific Analysis".

14           Section 103. The Code of the Federated States of Micronesia,  
15 as amended, is hereby further amended by enacting a new section 520  
16 of chapter 5 of title 44 to read as follows:

17           "Section 520. Designation of analysts. The Secretary  
18           of Health may designate any appropriately qualified and  
19           experienced person or class of persons in the Federated  
20           States of Micronesia or elsewhere as an analyst for the  
21           purposes of this act and regulations promulgated  
22           thereunder."

23           Section 104. The Code of the Federated States of Micronesia,  
24 as amended, is hereby further amended by enacting a new section 521  
25 of chapter 5 of title 44 to read as follows:

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1           "Section 521. Sampling and analysis of bulk seizures.

2           (1) As soon as possible but no later than twenty-one  
3           working days after counting and weighing any significant  
4           quantity of seized substance, samples shall be taken for  
5           scientific analysis, in duplicate.

6           (2) Any samples taken under subsection (1) of this  
7           section shall be signed or otherwise marked for  
8           identification by the seizing officer and each other  
9           person present when it is taken."

10          Section 105. The Code of the Federated States of Micronesia,  
11 as amended, is hereby further amended by enacting a new subchapter V  
12 of chapter 5 of title 44, entitled "Disposal of Seized Controlled  
13 Substances, Analogues and Precursors".

14          Section 106. The Code of the Federated States of Micronesia,  
15 as amended, is hereby further amended by enacting a new section 522  
16 of chapter 5 of title 44 to read as follows:

17           "Section 522. Early disposal of seized controlled  
18           substances, chemicals and analogues.

19           (1) If scientific analysis of a sample indicates that  
20           the seized substance is a controlled substance, analogue,  
21           or controlled chemical, the seizing officer shall  
22           forthwith forward a copy of any scientific analysis  
23           report to the Attorney General and to the Secretary of  
24           Health.

25           (2) Where following receipt of the report referred to



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1           in subsection (1) above and after consultation with the  
2           Secretary of Health, the Attorney General is of the  
3           opinion that:

4                   (a) proceedings are likely to be brought against  
5           any person (whether or not the identity of that person is  
6           yet known):

7                   (b) physical preservation of all the seized  
8           substances is not necessary for the purposes of any  
9           actual or contemplated proceedings under this act;  
10           and that they:

11                   (i) may properly and lawfully be used, in the  
12           Federated States of Micronesia for medical or scientific  
13           purposes, or in small amounts for the training of  
14           personnel responsible for carrying out functions under  
15           this act; or

16                   (ii) cannot be safely, securely or  
17           conveniently stored until the final determination of such  
18           proceedings;

19           the Attorney General may apply to the Supreme Court for  
20           an order directing the disposal of such part of the  
21           seized substances or samples as the Attorney General  
22           certifies are not necessary to retain for the purposes of  
23           the due administration of justice.

24           (3) Where the Attorney General has made an application  
25           for a disposal order under subsection (2) above in

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1 relation to a seizure, and the Supreme Court is satisfied  
2 that:

3 (a) the seized substances are illegal property  
4 liable to forfeiture under this act;

5 (b) the provisions of this section relating to the  
6 taking and analysis of samples have been complied with;

7 (c) sufficient samples have been taken, analyzed  
8 and preserved to enable all material questions relating  
9 to the seized substances to be properly determined in any  
10 actual or contemplated proceedings under this act; and

11 (d) any suspect or accused person in relation to  
12 the seizure has had reasonable opportunity to have  
13 samples independently analyzed at that person's expense,  
14 the Supreme Court may order the disposal of such seized  
15 substances or samples as the Attorney General has  
16 certified need not be retained for the purpose of the due  
17 administration of justice.

18 (4) Where, in relation to any seized controlled  
19 substance, analogue or controlled chemical, and after  
20 reasonable investigatory efforts, the Attorney General  
21 is:

22 (a) of the opinion that proceedings are not likely  
23 to be brought against any person for the reason only that  
24 no suspect has been identified or located; and

25 (b) satisfied that sufficient samples have been

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1           taken, analyzed and preserved to enable all material  
2           questions relating to the seized substances to be  
3           properly determined should any suspect be ultimately  
4           identified and proceedings be brought;  
5           the Attorney General may order the disposal of such part  
6           of the seized substances or samples as the Attorney  
7           General certifies are not necessary to retain for the  
8           purposes of the due administration of justice.

9           (5) Substances subject to an order under subsection (3)  
10          or (4) of this section shall be disposed of only:

11           (a) by delivery to the Secretary of Health for use  
12          exclusively in meeting the lawful medical, scientific or  
13          training needs of the Federated States of Micronesia; or

14           (b) by incineration, or such other safe means of  
15          destruction as the Secretary of Health may direct.

16          (6) In any prosecution for a violation of this act or  
17          regulations promulgated thereunder, a certificate or  
18          report:

19           (a) signed by the officer in charge of carrying  
20          out a disposal order made under subsection (3) or (4) of  
21          this section and two witnesses to the disposal; and

22           (b) stating:

23           (i) that the substance, the subject of an  
24          order, has been disposed of in accordance with the order;  
25          and

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1                   (ii) the identity and quantity of the  
2                   substance disposed of;  
3                   is admissible in evidence.

4                   (7) In the absence of evidence to the contrary, a  
5                   certificate or report admissible under subsection (6) of  
6                   this section is *prima facie* evidence of the statements  
7                   contained therein, without proof of the signature,  
8                   expertise or official character of the person appearing  
9                   to have signed it."

10           Section 107. The Code of the Federated States of Micronesia,  
11 as amended, is hereby further amended by enacting a new subchapter  
12 VI of chapter 5 of title 44, entitled "Special Enforcement Powers  
13 at Sea".

14           Section 108. The Code of the Federated States of Micronesia,  
15 as amended, is hereby further amended by enacting a new section 523  
16 of chapter 5 of title 44 to read as follows:

17                   "Section 523. Conditions and limitations on the exercise  
18                   of special enforcement powers.

19                   (1) The powers conferred on authorized officers in  
20                   sections 524, 525, 526, 527 and 528 of this act shall be  
21                   exercisable in relation to any ship described in section  
22                   102(2)(c) of this act for the purposes of detecting and  
23                   taking appropriate action in respect of offenses  
24                   described in chapter 3 of this act.

25                   (2) Those powers shall not be exercised by the

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1 Federated States of Micronesia outside the seaward limits  
2 of the territorial sea of the Federated States of  
3 Micronesia except with the authority of the Secretary of  
4 the Department of Foreign Affairs acting in cooperation  
5 with and with approval of the Attorney General where:

6 (a) in the case of a ship of a convention state,  
7 that state:

8 (i) requested assistance of the Federated  
9 States of Micronesia for the purposes of detecting  
10 possible serious criminal offenses and taking appropriate  
11 action; or

12 (ii) authorized the Federated States of  
13 Micronesia to act for that purpose; or

14 (b) in the case of a ship of no nationality or  
15 assimilated to a ship of no nationality;  
16 it is appropriate to do so.

17 (3) The Attorney General shall impose such conditions  
18 or limitations on the exercise of the powers:

19 (a) in a case to which subsection (2)(a) of this  
20 section applies, as may be necessary to give effect to  
21 any conditions or limitations imposed by the requesting  
22 convention state; and

23 (b) in any other case, as may be appropriate.

24 (4) The Attorney General may either on the Attorney  
25 General's own initiative or in response to a request from

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1 a convention state, authorize a convention state to  
2 exercise, in relation to a Federated States of Micronesia  
3 ship, powers corresponding to those conferred on  
4 authorized officers under sections 524, 525, 526, 527 and  
5 528 of this act, but subject to such conditions or  
6 limitations, if any, as the Attorney General may impose.  
7 The Attorney General shall immediately notify the  
8 Secretary of the Department of Foreign Affairs of the  
9 Federated States of Micronesia of the name of the foreign  
10 country to which the request is being made, the nature of  
11 the request, and the nature of the criminal matter.

12 (5) Subsection (4) above is without prejudice to any  
13 agreement made, or which may be made, on behalf of the  
14 Federated States of Micronesia whereby the Federated  
15 States of Micronesia undertakes not to object to the  
16 exercise by any other state in relation to a Federated  
17 States of Micronesia ship of powers corresponding to  
18 those conferred on authorized officers under sections  
19 524, 525, 526, 527 and 528 of this act.

20 (6) The powers conferred on authorized officers under  
21 sections 524, 525, 526, 527 and 528 of this act shall not  
22 be exercised in the territorial sea of any foreign state  
23 without consent by the foreign state to the exercise of  
24 those powers, and without the authority of the Secretary  
25 of the Department of Foreign Affairs acting in

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1           cooperation with and with approval of the Attorney  
2           General.

3           (7) A certificate issued by or on behalf of the  
4           government of any foreign state providing that the  
5           importation or export of a particular controlled  
6           substance, controlled chemical or item of controlled  
7           equipment or material, is prohibited by the law of that  
8           foreign state, shall be prima facie evidence, and in the  
9           Federated States of Micronesia sufficient evidence, of  
10          the matters stated, without proof of the signature,  
11          expertise or official character of the person appearing  
12          to have signed it."

13          Section 109. The Code of the Federated States of Micronesia,  
14 as amended, is hereby further amended by enacting a new section 524  
15 of chapter 5 of title 44 to read as follows:

16          "Section 524. Power to stop, board, divert and detain.

17          (1) For the purpose of this subchapter, an authorized  
18          officer may stop a ship, board it and, if the officer  
19          deems it necessary for the exercise of the officer's  
20          functions, require it to be taken to a port in the  
21          Federated States of Micronesia and detain it there.

22          (2) Where an authorized officer is exercising the  
23          officer's powers with the authority of Attorney General  
24          pursuant to sections 524, 525, 526, 527 and 528 of this  
25          act, the officer may require the ship to be taken to a

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1 port in the convention state in question or, if that  
2 state has so requested, in any other state willing to  
3 receive it.

4 (3) For any of those purposes, the officer may require  
5 the master or any member of the crew to take such action  
6 as may be necessary.

7 (4) If an authorized officer detains a vessel, the  
8 officer shall serve on the master a notice in writing  
9 stating that it is to be detained until the notice is  
10 withdrawn by the service on the master of a further  
11 notice in writing signed by the officer.

12 (5) Notwithstanding any other law to the contrary,  
13 where an authorized officer has seized any thing in the  
14 exercise of the officer's powers under this subchapter,  
15 the thing may be brought into the Federated States of  
16 Micronesia and dealt with in accordance with this act,  
17 the Money Laundering and Proceeds of Crime Act of 2001,  
18 or any other law of the Federated States of Micronesia."

19 Section 110. The Code of the Federated States of Micronesia,  
20 as amended, is hereby further amended by enacting a new section 525  
21 of chapter 5 of title 44 to read as follows:

22 "Section 525. Power to search and obtain information.

23 (1) An authorized officer may search the ship, anyone  
24 on it, and anything on it including its cargo.

25 (2) An authorized officer may require any person on the



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1           ship to give information concerning himself or anything  
2           on the ship.

3           (3) Without prejudice to the generality of those  
4           powers, an authorized officer may:

5                   (a) open any container;

6                   (b) make tests and take samples of anything on the  
7           ship;

8                   (c) require the production of ship's logs,  
9           documents, books or records relating to the ship or  
10           anything on it;

11                   (d) make photographs or copies of anything whose  
12           production the officer has power to acquire."

13           Section 111. The Code of the Federated States of Micronesia,  
14 as amended, is hereby further amended by enacting a new section 526  
15 of chapter 5 of title 44 to read as follows:

16           "Section 526. Powers in respect of suspected offense.  
17           If an authorized officer has probable cause to believe  
18           that a serious offense relating to a controlled  
19           substance, analogue, controlled chemical, or item of  
20           controlled equipment or controlled material has been  
21           committed on the ship, the officer may:

22                   (1) arrest without warrant anyone whom the officer has  
23           probable cause to believe is guilty of the offense; and

24                   (2) seize and detain anything found in the ship which  
25           appears to the officer to be evidence of the offense."

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1 Section 112. The Code of the Federated States of Micronesia,  
2 as amended, is hereby further amended by enacting a new section 527  
3 of chapter 5 of title 44 to read as follows:

4 "Section 527. Assistance.

5 (1) An authorized officer may take with him to assist in  
6 the exercise of powers conferred under this subchapter;

7 (a) any other law enforcement personnel; and

8 (b) any other equipment or materials.

9 (2) A person whom an authorized officer takes to  
10 assist, may perform any of the officer's functions, but  
11 only under the officer's supervision."

12 Section 113. The Code of the Federated States of Micronesia,  
13 as amended, is hereby further amended by enacting a new section 528  
14 of chapter 5 of title 44 to read as follows:

15 "Section 528. Use of reasonable force. An authorized  
16 officer may use reasonable force, if necessary, in the  
17 performance of the officer's official functions."

18 Section 114. The Code of the Federated States of Micronesia,  
19 as amended, is hereby further amended by enacting a new section 529  
20 of chapter 5 of title 44 to read as follows:

21 "Section 529. Evidence of authority. An authorized  
22 officer shall, if requested, produce evidence of the  
23 officer's authority."

24 Section 115. The Code of the Federated States of Micronesia,  
25 as amended, is hereby further amended by enacting a new section 530

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1 of chapter 5 of title 44 to read as follows:

2 "Section 530. Protection of officers.

3 (1) An authorized officer, and other law enforcement  
4 personnel assisting such authorized officer, shall not be  
5 liable in any civil or criminal proceedings for anything  
6 done in the purported performance of the officer's  
7 functions under this subchapter if the Supreme Court is  
8 satisfied that the act was done with due diligence and in  
9 good faith and that there were reasonable grounds for  
10 doing it.

11 (2) Nothing in this act affects the right of a person  
12 to seek redress for due process or civil rights  
13 violations pursuant to the laws of the Federated States  
14 of Micronesia."

15 Section 116. The Code of the Federated States of Micronesia,  
16 as amended, is hereby further amended by enacting a new section 531  
17 of chapter 5 of title 44 to read as follows:

18 "Section 531. Offenses.

19 (1) A person commits a felony offense, punishable by  
20 imprisonment for a maximum term of five years or a  
21 maximum fine of \$50,000, or both, if the person:

22 (a) intentionally obstructs an authorized officer  
23 in the performance of any of the officer's functions  
24 under this subchapter;

25 (b) fails without reasonable excuse to comply with

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1           any request made by an authorized officer in the  
2           performance of those functions; or

3                   (c) in purporting to give information requested by  
4           an authorized officer for the performance of those  
5           functions:

6                           (i) makes a statement he or she knows to be  
7           false or misleading in a material way, or recklessly  
8           makes a statement which is false or misleading in a  
9           material way; or

10                           (ii) intentionally fails to disclose any  
11           material fact.

12                   (2) In the case of violation of subsection (1) above by  
13           a corporation, company, commercial enterprise, commercial  
14           entity or other legal person, the maximum fine of \$50,000  
15           shall be increased to \$250,000."

16           Section 117. The Code of the Federated States of Micronesia,  
17 as amended, is hereby further amended by enacting a new subchapter  
18 VII of chapter 5 of title 44, entitled "Evidentiary Matters".

19           Section 118. The Code of the Federated States of Micronesia,  
20 as amended, is hereby further amended by enacting a new section 532  
21 of chapter 5 of title 44 to read as follows:

22                   "Section 532. Burden of proof.

23                           (1) No exception, excuse or qualification prescribed by  
24           law is required to be set-out, pleaded or refuted in any  
25           information, complaint or other process commencing

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1           proceedings for an offense under this act.

2           (2) In any prosecution under this act, the prosecutor  
3           is not required, except by way of rebuttal, to prove that  
4           a certificate, license, permit or other qualification  
5           does not operate in favor of the accused, whether or not  
6           the qualification is set out or pleaded in the  
7           information or complaint."

8           Section 119. The Code of the Federated States of Micronesia,  
9 as amended, is hereby further amended by enacting a new section 533  
10 of chapter 5 of title 44 to read as follows:

11           "Section 533. Factual presumption relating to liability  
12           of corporations.

13           (1) Where in proceedings for a violation of subchapter  
14           I of chapter 3 of this act in respect of any conduct, it  
15           is necessary to establish the state of mind of a  
16           corporation, it is sufficient to show that a director,  
17           officer or agent who engaged in the conduct within the  
18           scope of such person's actual or apparent authority, had  
19           that state of mind.

20           (2) Any conduct engaged in by:

21           (a) a director, officer or agent of a corporation  
22           within the scope of such person's actual or apparent  
23           authority; or

24           (b) any other person at the direction or with the  
25           consent or agreement (whether express or implied) of a

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1           director, officer or agent of the corporation, where the  
2           giving of such direction, consent or agreement is within  
3           the scope of the actual or apparent authority of the  
4           director, officer or agent, shall be deemed, for the  
5           purposes of this act, to have also been engaged in by the  
6           corporation.

7           (3) A reference in subsection (1) of this section to  
8           the state of mind of a person includes a reference to the  
9           knowledge, intention, opinion, belief, suspicion or  
10          purpose of the person and that person's reasons for his  
11          or her intention, opinion, belief, suspicion or purpose.

12          (4) At any time a corporation commits an offense under  
13          this act with the consent or connivance, or because of  
14          neglect by, any person, the person also commits that  
15          offense if at the time:

16                 (a) the person is a director, officer or agent or  
17                 other supervisory or managing official of the corporation;

18                 (b) the person is purporting to act as a director,  
19                 officer or agent or other supervisory or managing official  
20                 of the corporation; or

21                 (c) the corporation is managed by its shareholders,  
22                 and the person is a shareholder."

23           Section 120. The Code of the Federated States of Micronesia,  
24 as amended, is hereby further amended by enacting a new section 534  
25 of chapter 5 of title 44 to read as follows:

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1           "Section 534. Factual presumptions relating to possession  
2           of controlled substances or analogues. If in the  
3           prosecution of a person for a violation of this act or  
4           regulations promulgated thereunder it is proved that a  
5           controlled substance or analogue was found:

6           (1) in the immediate vicinity of the accused; or

7           (2) on any animal, vehicle, vessel, or aircraft, and  
8           that the accused accompanied or was at the time on or in  
9           charge of, any such animal, vehicle, vessel, or aircraft;  
10          it shall be presumed, until the contrary is proved, that  
11          the accused was found in possession of the controlled  
12          substance or analogue."

13          Section 121. The Code of the Federated States of Micronesia,  
14 as amended, is hereby further amended by enacting a new section 535  
15 of chapter 5 of title 44 to read as follows:

16          "Section 535. Factual presumption relating to a  
17          particular purpose. Under this act, a person shall  
18          be presumed to have engaged in conduct (whether by act or  
19          omission) for a particular purpose if the person engaged  
20          in the conduct for any purposes that included that  
21          particular purpose, and the particular purpose was a  
22          substantial purpose."

23          Section 122. The Code of the Federated States of Micronesia,  
24 as amended, is hereby further amended by enacting a new section 536  
25 of chapter 5 of title 44 to read as follows:

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1           "Section 536. Factual presumptions relating to purpose  
2           of supply of controlled substances or analogues.

3           (1) In subsection (2) of this section:

4                   (a) 'school' means any educational institution,  
5                   except a university or other tertiary institution, where  
6                   full time education, including, without limitation, pre-  
7                   school education, is provided to pupils; and

8                   (b) 'school grounds' means land, whether  
9                   contiguous or not, buildings or accommodations, and  
10                  sporting or other facilities used for or in connection  
11                  with the activities of a school.

12           (2) If in a prosecution of a person for a violation of  
13           section 304(1) of this act it is proved that the accused  
14           was found unlawfully in possession of any controlled  
15           substance or analogue:

16                   (a) in or on any school grounds or within a  
17                   distance one hundred yards therefrom; or

18                   (b) of a quantity of controlled substances or  
19                   analogues which exceeds the quantity which the accused  
20                   could have acquired for medical or scientific purposes  
21                   pursuant to this act, it shall be presumed, until the  
22                   contrary is proved, that the possession was for the  
23                   purpose of supply.

24           (3) For the purposes of this act, where a person:

25                   (a) has in his or her possession;



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1           (b) imports into or exports from the Federated  
2           States of Micronesia; or

3           (c) has in his or her possession for the purpose  
4           of importing into or exporting from the Federated States  
5           of Micronesia a trafficable quantity or amount of a  
6           controlled substance or analogue, it shall be presumed  
7           until the contrary is proved that the possession, import,  
8           export, intended import or intended export, as the case  
9           may be, is for the purpose of sale or supply."

10          Section 123. The Code of the Federated States of Micronesia,  
11 as amended, is hereby further amended by enacting a new section 537  
12 of chapter 5 of title 44 to read as follows:

13           "Section 537. Proof of street or market value. For  
14           purposes of this act, any authorized officer who is  
15           engaged in or has recently carried out duties relating to  
16           the investigation of violations of chapter 3 or section  
17           401 of this act, is a competent witness for purposes of  
18           testifying in any proceedings relating to:

19           (1) a violation of chapter 3 or section 401 of this  
20           act; or

21           (2) subchapter II of the Money Laundering and Proceeds  
22           of Crime Act of 2001 (chapter 9 of title 11 of the Code  
23           of the Federated States of Micronesia); or

24           (3) any serious offense, as to the street or market  
25           value in the Federated States of Micronesia of any

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1           controlled substance, analogue or controlled chemical,  
2           and as to the demand for, availability of and other  
3           circumstances pertaining to its sale, supply or  
4           distribution, and the Supreme Court may give such  
5           probative weight to that evidence as it deems fit."

6           Section 124. The Code of the Federated States of Micronesia,  
7 as amended, is hereby further amended by enacting a new section 538  
8 of chapter 5 of title 44 to read as follows:

9           "Section 538. Factual presumption relating to samples.  
10          If in any prosecution for a violation of this act it is  
11          proved that a sample which was taken from any substance  
12          possesses particular properties, it shall be presumed,  
13          until the contrary is proven, that the substance from  
14          which the sample was taken possesses the same properties  
15          as the sample."

16          Section 125. The Code of the Federated States of Micronesia,  
17 as amended, is hereby further amended by enacting a new section 539  
18 of chapter 5 of title 44 to read as follows:

19          "Section 539. Proof of chain of custody of exhibits.

20          (1) In any proceedings under this act, chain of custody  
21          of any exhibit tendered as evidence may be proved by  
22          testimony given under oath by, or the sworn affidavit of,  
23          the person claiming to have had it in his or her  
24          possession.

25          (2) Where the sworn affidavit of a person is offered in

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1           proof of chain of custody under subsection (1) above, the  
2           Supreme Court may require the person to appear before it  
3           for examination or cross-examination in respect of the  
4           issue of chain of custody."

5           Section 126. The Code of the Federated States of Micronesia,  
6 as amended, is hereby further amended by enacting a new section 540  
7 of chapter 5 of title 44 to read as follows:

8           "Section 540. Admissibility of official records. A  
9           copy of any record of a department, agency, or other body  
10           established by or pursuant to a law of the Federated  
11           States of Micronesia, or of any statement containing  
12           information from the records kept by any such department,  
13           agency, or other body, certified by an official having  
14           custody of that document or those records, is admissible  
15           in evidence in any prosecution for a violation of this  
16           act, and in the absence of reliable evidence to the  
17           contrary, is prima facie evidence of the facts contained  
18           in the document, without proof of the signature or  
19           official character of the person who certified it."

20           Section 127. The Code of the Federated States of Micronesia,  
21 as amended, is hereby further amended by enacting a new section 541  
22 of chapter 5 of title 44 to read as follows:

23           "Section 541. Proof of certificate or report of  
24           scientific analysis.

25           (1) Subject to this section, in any prosecution for a

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1 violation of this act or regulations promulgated  
2 thereunder, a certificate or report signed by an analyst  
3 and stating that an article, sample or substance has been  
4 submitted to, examined and analyzed by the analyst and  
5 stating the results of the analysis or examination, is  
6 admissible in evidence.

7 (2) In the absence of reliable evidence to the  
8 contrary, a certificate or report admissible under  
9 subsection (1) above is *prima facie* evidence of the  
10 statements contained therein, without proof of the  
11 signature, expertise or official character of the person  
12 appearing to have signed it.

13 (3) Without limiting the generality of subsection (1)  
14 of this section, the certificate or report may include a  
15 statement in relation to a controlled substance, analogue  
16 or controlled chemical, as to:

17 (a) when and from whom it was received;

18 (b) what, if any identifying labels or other  
19 things accompanied it;

20 (c) what container it was in;

21 (d) a description of it, and its weight;

22 (e) if it, or any portion of it, was analyzed:

23 (i) the name of the method of analysis;

24 (ii) the results of the analysis, including as  
25 to its identity, pure drug or chemical content; and

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1                   (f) how it was dealt with after handling by the  
2                   analyst, including details of:

3                   (i) the quantity retained;

4                   (ii) the name of the person, if any, to whom  
5                   any retained quantity was given; and

6                   (iii) measures taken to secure any retained  
7                   quantity.

8                   (4) The party against whom a certificate or report is  
9                   produced under subsection (1) of this section may, with  
10                   leave of the Supreme Court, require the attendance of the  
11                   analyst for the purpose of cross examination.

12                   (5) Unless the Supreme Court otherwise orders, no  
13                   certificate or report shall be received in evidence under  
14                   subsection (1) of this section, unless the party  
15                   intending to produce it has, before the trial, given to  
16                   the party against whom it is intended to be produced  
17                   reasonable notice of that intention, together with a copy  
18                   of that certificate or report."

19                   Section 128. The Code of the Federated States of Micronesia,  
20 as amended, is hereby further amended by enacting a new section 542  
21 of chapter 5 of title 44 to read as follows:

22                   "Section 542. Proof that the Federated States of  
23                   Micronesia is a party to a drug control convention.

24                   A certificate by the Attorney General stating that:

25                   (1) an international drug control convention entered

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1           into force for the Federated States of Micronesia on a  
2           specified date; and

3           (2) as of the date of the certificate, the convention  
4           remains in force for the Federated States of Micronesia;  
5           is, for the purpose of any proceedings under this act,  
6           prima facie evidence of those facts."

7           Section 129. The Code of the Federated States of Micronesia,  
8 as amended, is hereby further amended by enacting a new section 543  
9 of chapter 5 of title 44 to read as follows:

10           "Section 543. Proof of prohibited import or export under  
11           foreign law. A certificate issued by or on behalf of a  
12           foreign state stating that the import or export of a  
13           controlled substance, controlled chemical, controlled  
14           equipment, or controlled material is prohibited by the  
15           law of that foreign state shall for the purpose of any  
16           proceedings under this act, be prima facie evidence of  
17           the matters stated."

18           Section 130. The Code of the Federated States of Micronesia,  
19 as amended, is hereby further amended by enacting a new section 544  
20 of chapter 5 of title 44 to read as follows:

21           "Section 544. Interfering with evidence.

22           (1) Any person who unlawfully interferes with, uses,  
23           takes or disposes of any seized substance or any sample  
24           thereof, or who unlawfully interferes with, or falsifies  
25           the results of any analysis with the intention of

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1           interfering with the proper course of justice, commits a  
2           felony offense, punishable by imprisonment for a maximum  
3           term of ten years or a maximum fine of \$100,000, or both.

4           (2) In the case of violation of subsection (1) above by  
5           a corporation, company, commercial enterprise, commercial  
6           entity or other legal person, the maximum fine shall be  
7           increased to \$500,000."

8           Section 131. The Code of the Federated States of Micronesia,  
9 as amended, is hereby further amended by enacting a new subchapter  
10 VIII of chapter 5 of title 44, entitled "General".

11          Section 132. The Code of the Federated States of Micronesia,  
12 as amended, is hereby further amended by enacting a new section 545  
13 of chapter 5 of title 44 to read as follows:

14           "Section 545. Designation of authorized officers. The  
15           Attorney General may in writing designate any police  
16           officer or any other person or class of persons to be an  
17           authorized officer for purposes relating to the exercise  
18           of powers under subchapters II and VI of chapter 5 of  
19           this act."

20          Section 133. The Code of the Federated States of Micronesia,  
21 as amended, is hereby further amended by enacting a new section 546  
22 of chapter 5 of title 44 to read as follows:

23           "Section 546. Delegation. The Attorney General, the  
24           Secretary of Health and any other person on whom any  
25           power is conferred by this act may, either generally or

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1           as otherwise provided by the instrument of delegation,  
2           delegate to:

3           (1) any officer of his department, all or any of his  
4           powers under this act, except:

5                   (a) this power of delegation;

6                   (b) the power to grant exemption from the  
7           operation of the act or regulations promulgated  
8           thereunder under section 547 of this act; and

9                   (c) the power to make regulations under section  
10           703 of this act;

11           (2) any authorized officer, any power conferred under  
12           chapter 5 of this act, except the power to authorize the  
13           boarding of ships under section 524 of this act."

14           Section 134. The Code of the Federated States of Micronesia,  
15 as amended, is hereby further amended by enacting a new section 547  
16 of chapter 5 of title 44 to read as follows:

17           "Section 547. Exemption from operation of act or  
18           regulations. Subject to section 202(3) of this act,  
19           the Secretary of Health may, on such terms and conditions  
20           as the Secretary deems necessary, exempt any person or  
21           class of persons or any controlled substance, controlled  
22           chemical or item of controlled equipment or controlled  
23           material, or any class thereof, from the application of  
24           all or any provisions of this act or regulations  
25           promulgated thereunder if, in the opinion of Secretary,



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1           the exemption is necessary for a medical or scientific  
2           purpose and is otherwise in the public interest."

3           Section 135. The Code of the Federated States of Micronesia,  
4 as amended, is hereby further amended by enacting a new section 548  
5 of chapter 5 of title 44 to read as follows:

6           "Section 548. Tipping-off.

7           (1) Except for the purposes of the due administration  
8           and enforcement of this act, no person shall, without  
9           lawful authority or reasonable excuse, disclose to  
10           another person who is the subject of an investigation in  
11           respect of an offense alleged or suspected to have been  
12           committed by such other person under this act:

13                   (a) the fact that such other person is subject to  
14                   such an investigation;

15                   (b) any details of the investigation; or

16                   (c) disclose to any other person either the  
17                   identity of any person who is the subject of such an  
18                   investigation or any details of such an investigation.

19           (2) Any person who violates subsection (1) above  
20           commits a felony offense, punishable by imprisonment for  
21           a maximum term of five years or a maximum fine of  
22           \$50,000, or both; provided, however, in the case of a  
23           corporation, company, commercial enterprise, commercial  
24           entity or other legal person, the maximum fine shall be  
25           increased to \$250,000.

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1           (3) Subsection (1) shall cease to apply in relation to  
2           the identity of the person when:

3                   (a) a search warrant issued under chapter 5 of  
4                   this act has been executed at the person's premises;

5                   (b) a warrant for the arrest of the person has  
6                   been issued, or the person has been arrested."

7           Section 136. The Code of the Federated States of Micronesia,  
8 as amended, is hereby further amended by enacting a new section 549  
9 of chapter 5 of title 44 to read as follows:

10           "Section 549. Obstruction of officers.

11                   (1) No person shall:

12                           (a) furnish to any officer any information which  
13                           the person is required to furnish which is to the  
14                           person's knowledge or belief false or misleading in a  
15                           material way;

16                           (b) by any other act or omission whatsoever,  
17                           knowingly hinder or obstruct any officer in the exercise  
18                           of the officer's powers under this act.

19                   (2) Any person who violates subsection (1) of this  
20                   section commits a felony offense, punishable by  
21                   imprisonment for a maximum term of five years or a  
22                   maximum fine of \$50,000, or both; provided, however, in  
23                   the case of a corporation, company, commercial  
24                   enterprise, commercial entity or other legal person, the  
25                   maximum fine shall be increased to \$250,000."

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1 Section 137. The Code of the Federated States of Micronesia,  
2 as amended, is hereby further amended by enacting a new section 550  
3 of chapter 5 of title 44 to read as follows:

4 "Section 550. Perverting the course of justice.

5 (1) Any inspector, police officer, or authorized  
6 officer who knowingly and maliciously, under color of  
7 law, but without reasonable and articulable grounds for  
8 suspecting that an offense has been committed or is about  
9 to be committed:

10 (a) enters or searches or causes to be entered or  
11 searched any place, person, clothing of that person, or  
12 property under the control of that person;

13 (b) seizes the property of any person on the  
14 pretence of seizing or searching for any controlled  
15 substance, analogue, controlled chemical or item of  
16 controlled equipment or controlled material or other  
17 property liable to be forfeited or to be confiscated  
18 under this act or the Money Laundering and Proceeds of  
19 Crime Act of 2001, or on the pretence of seizing any  
20 record, article or other thing liable to be seized under  
21 this act; or

22 (c) detains, searches or arrests any person,  
23 commits an offense.

24 (2) Any person who knowingly gives false information  
25 leading to the arrest of a person or a search being made

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1           pursuant to this act commits an offense.

2           (3) Violation of subsection (1) or (2) of this section  
3           is a felony offense, punishable by imprisonment for a  
4           maximum term of five years or a maximum fine of \$50,000,  
5           or both; provided, however, in the case of a corporation,  
6           company, commercial enterprise, commercial entity or  
7           other legal person, the maximum fine shall be increased  
8           to \$250,000."

9           Section 138. The Code of the Federated States of Micronesia,  
10 as amended, is hereby further amended by enacting a new section 551  
11 of chapter 5 of title 44 to read as follows:

12           "Section 551. Immunity for official powers or functions  
13           exercised diligently and in good faith.

14           (1) No suit, prosecution or other legal proceedings  
15           shall lie against the Government of the Federated States  
16           of Micronesia, or any officer or other person in respect  
17           of anything done by or on behalf of that person, with due  
18           diligence and in good faith, in the exercise of any power  
19           or the performance of any function under this act or  
20           regulations promulgated thereunder.

21           (2) Nothing in this act affects the right of a person  
22           to seek redress for due process or civil rights  
23           violations pursuant to the laws of the Federated States  
24           of Micronesia."

25           Section 139. The Code of the Federated States of Micronesia,

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1 as amended, is hereby further amended by enacting a new section 552  
2 of chapter 5 of title 44 to read as follows:

3 "Section 552. Protection of informants.

4 (1) Subject to subsection (2) of this section, no  
5 witness in any proceedings under this act shall be  
6 required:

7 (a) to disclose the name or address of any  
8 informant who has given information with respect to an  
9 offense under this act, or of any person who has assisted  
10 in detecting, investigating or otherwise assisting with  
11 respect to the due administration or enforcement of this  
12 act; or

13 (b) to answer any question if the answer thereto  
14 would lead, or would tend to lead, to the discovery of  
15 the name, address or identity of such informant or  
16 person;  
17 if the informant or person is not a witness in the  
18 proceedings.

19 (2) If any record which is in evidence or liable to  
20 inspection in any proceedings contains an entry in which  
21 any such informant or person is named or described or  
22 which might lead to his discovery, the Supreme Court  
23 shall cause all such entries to be concealed from view or  
24 to be obliterated so far as may be necessary to protect  
25 the informant or such person from discovery.

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1           (3) If in any proceedings before the Supreme Court  
2           under this act the Court, after full inquiry into the  
3           case, is satisfied that an informant knowingly made a  
4           material statement which the informant knew to be false  
5           or did not believe to be true, or if in any other  
6           proceedings the Supreme Court is of the opinion that  
7           justice cannot be fully done between the parties thereto  
8           without disclosure of the name of the informant or other  
9           person who has assisted in any investigation or the  
10           proceedings under this act, the Court may permit inquiry  
11           and require full disclosure concerning the informant or  
12           person."

13           Section 140. The Code of the Federated States of Micronesia,  
14 as amended, is hereby further amended by enacting a new section 553  
15 of chapter 5 of title 44 to read as follows:

16           "Section 553. Conditional immunity for offenders  
17           assisting the prosecution.

18           (1) The Attorney General may, with a view to obtaining  
19           the evidence of any person who appears to have been  
20           directly or indirectly concerned in the violation of any  
21           provision of this act, grant to the person immunity from  
22           prosecution for any offense under this act on condition  
23           that the person makes a full and true disclosure of the  
24           whole circumstances relating to the violation and  
25           provides any other requested assistance with the

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1           investigation or prosecution of the matter.

2           (2) Any immunity granted by the Attorney General under  
3           subsection (1) above and accepted by a person shall, to  
4           the extent to which the immunity extends, render the  
5           person immune from prosecution for any offense in respect  
6           of which immunity was tendered.

7           (3) If it appears to the Attorney General at any time  
8           that any person to whom immunity has been tendered under  
9           subsection (1) of this section has knowingly:

10           (a) failed or refused to comply with any term or  
11           condition on which immunity was granted;

12           (b) concealed anything or given false or  
13           misleading evidence;

14           (c) interfered with the investigation or  
15           prosecution of the case in any material way; or

16           (d) subsequent to the grant of immunity, has  
17           committed a violation of this act;

18           the Attorney General may by notice in writing to the  
19           person withdraw the immunity, whereupon the person may be  
20           tried for the offense in respect of which immunity was  
21           granted and any other offense of which the person appears  
22           to have been guilty in connection with that offense."

23           Section 141. The Code of the Federated States of Micronesia,  
24 as amended, is hereby further amended by enacting a new section 554  
25 of chapter 5 of title 44 to read as follows:

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1           "Section 554. Limited official secrecy.

2           (1) This section applies to any inspector, analyst,  
3           authorized officer or other person who is, or has been, a  
4           person exercising powers or performing duties under this  
5           act.

6           (2) Subject to subsection (3) of this section, a person  
7           to whom this section applies shall not, either directly  
8           or indirectly, except in the exercise of a power or the  
9           performance of a duty under this act, knowingly;

10           (a) make a record of, or divulge or communicate to  
11           another any information acquired by the person concerning  
12           the business, professional or personal affairs of a third  
13           person;

14           (b) produce to another a document produced to or  
15           otherwise acquired by the person, by reason of the  
16           exercise of those powers or the performance of those  
17           duties.

18           (3) Violation of subsection (2) above is a felony  
19           offense, punishable by imprisonment for a maximum term of  
20           five years or a maximum fine of \$50,000, or both;  
21           provided, however, in the case of a corporation, company,  
22           commercial enterprise, commercial entity or other legal  
23           person, the maximum fine shall be increased to \$250,000.

24           (4) Nothing in this section applies in relation to the  
25           giving of information or the production of a document:



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1           (a) to an authorized officer while acting in the  
2           course of the officer's duties;

3           (b) to the Supreme Court in relation to any  
4           proceedings under this act or the Money Laundering and  
5           Proceeds of Crime Act of 2001;

6           (c) to a treatment assessment panel established  
7           under chapter 4 of this act;

8           (d) to any person where the giving of information  
9           or the production of the document is necessary to remove  
10          a threat to the life or health of the person;

11          (e) subject to subsection (5) of this section, to  
12          any other person for the purposes of:

13                 (i) any investigation, prosecution or other  
14                 proceedings in the Federated States of Micronesia or  
15                 elsewhere; or

16                 (ii) the due administration and enforcement of  
17                 this act.

18          (5) Nothing in subsection (4)(e) of this section  
19          entitles any person to obtain, by way of discovery, any  
20          information or document to which the person would not be  
21          entitled under the ordinary rules relating to discovery."

22          Section 142. The Code of the Federated States of Micronesia,  
23 as amended, is hereby further amended by enacting a new section 555  
24 of chapter 5 of title 44 to read as follows:

25          "Section 555. Miscellaneous penalty provision.

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1           (1) Any person who knowingly violates:

2                   (a) a provision of this act for which punishment  
3           is not otherwise provided; or

4                   (b) a regulation promulgated pursuant to this act,  
5           commits a misdemeanor offense, punishable by imprisonment  
6           for a maximum term of one year or a maximum fine of  
7           \$5,000, or both; provided, however, in the case of a  
8           corporation, company, commercial enterprise, commercial  
9           entity or other legal person, the maximum fine shall be  
10           increased to \$25,000.

11           (2) Where a criminal offense is established by a  
12           provision of this act relating to a particular and named  
13           controlled substance (including, without limitation,  
14           cannabis, cannabis plants, cannabis resin, coca bush, or  
15           opium poppy), and a criminal penalty is specifically  
16           established by that provision for the particular  
17           controlled substance, notwithstanding other provisions of  
18           this act relating to schedule I, II or III drugs under  
19           this act, such criminal offense and penalty shall take  
20           precedence over more generalized criminal offense  
21           provisions and penalties which do not identify particular  
22           controlled substances by name but only refer to  
23           controlled substances by the schedule to this act in  
24           which they appear."

25           Section 143. The Code of the Federated States of Micronesia,

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1 as amended, is hereby further amended by enacting a new chapter 6 of  
2 title 44, entitled "Fund for Drug Abuse Prevention and Control".

3 Section 144. The Code of the Federated States of Micronesia,  
4 as amended, is hereby further amended by enacting a new section 601  
5 of chapter 6 of title 44 to read as follows:

6 "Section 601. Establishment of the Fund for Drug Abuse  
7 Prevention and Control.

8 (1) There is hereby established in the accounts of the  
9 Federated States of Micronesia an account to be known as  
10 the Federated States of Micronesia Fund For Drug Abuse  
11 Prevention and Control.

12 (2) In this chapter, the term 'Fund' means the  
13 Federated States of Micronesia Fund For Drug Abuse  
14 Prevention and Control and the account established  
15 pursuant to subsection (1) of this section."

16 Section 145. The Code of the Federated States of Micronesia,  
17 as amended, is hereby further amended by enacting a new section 602  
18 of chapter 6 of title 44 to read as follows:

19 "Section 602. Deposits and disbursements.

20 (1) Unless otherwise provided by this chapter or other  
21 law, the following shall be deposited in the Fund for  
22 Drug Abuse Prevention and Control:

23 (a) any sums of money allocated to the Fund from  
24 time to time by Congressional appropriation;

25 (b) any property paid or transferred to the Fund

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1           pursuant to or in accordance with;

2                       (i) section 968(3)(b) of the Money Laundering  
3                       and Proceeds of Crime Act of 2001 (chapter 9 of title 11  
4                       of the Code of the Federated States of Micronesia);

5                       (ii) section 1719 of the Mutual Assistance in  
6                       Criminal Matters Act of 2001 (chapter 17 of title 12 of  
7                       the Code of the Federated States of Micronesia);

8                       (c) any voluntary payment, grant or gift made by  
9                       any person for the purposes of the Fund; and

10                      (d) any income derived from the investment of any  
11                      amount standing to the credit of the Fund.

12                      (2) The assets of the Fund shall be applied towards  
13                      meeting expenses incurred in carrying out and furthering  
14                      the purposes of this act, and in particular, in  
15                      preventing drug abuse in the Federated States of  
16                      Micronesia, in providing treatment and rehabilitation  
17                      facilities and services of drug and alcohol dependent  
18                      persons, in detecting, investigating, prosecuting or  
19                      adjudicating any proceedings which may be taken under  
20                      this act, and in giving or receiving international  
21                      cooperation under the Mutual Assistance in Criminal  
22                      Matters Act of 2001 (chapter 17 of title 12 of the Code  
23                      of the Federated States of Micronesia)."

24           Section 146. The Code of the Federated States of Micronesia,  
25 as amended, is hereby further amended by enacting a new section 603

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1 of chapter 6 of title 44 to read as follows:

2 "Section 603. Board of Trustees. The Fund shall be  
3 administered by a board of trustees appointed by the  
4 President, which shall meet no less than four times each  
5 year, report annually to the Congress on its  
6 administration of the Fund, and consist of:

7 (1) a chairperson, nominated by the President;

8 (2) a current or former justice of the Supreme Court,  
9 nominated by the Chief Justice of the Supreme Court;

10 (3) the Chief of the National Police, or the Chief's  
11 nominee;

12 (4) the Secretary of the Department of Finance and  
13 Administration, or such Secretary's nominee;

14 (5) the Attorney General, or the Attorney General's  
15 nominee;

16 (6) the Public Auditor, or the Public Auditor's  
17 nominee;

18 (7) the Secretary of Health, or the Secretary's  
19 nominee;

20 (8) a practicing or former practicing medical  
21 practitioner nominated by the Secretary of Health;

22 (9) a practicing or former practicing pharmacist  
23 nominated by the Secretary of Health;

24 (10) a person with substantial experience in the field  
25 of finance nominated by the Secretary of the Department

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1           of Finance and Administration;

2           (11) a person with substantial experience in the field  
3           of banking nominated by the President of Federated States  
4           of Micronesia, and employed in the Federated States of  
5           Micronesia in the field of banking and finance;

6           (12) a practicing attorney nominated by the Attorney  
7           General of the Federated States of Micronesia."

8           Section 147. The Code of the Federated States of Micronesia,  
9 as amended, is hereby further amended by enacting a new chapter 7 of  
10 title 44, entitled "Miscellaneous".

11          Section 148. The Code of the Federated States of Micronesia,  
12 as amended, is hereby further amended by enacting a new section 701  
13 of chapter 7 of title 44 to read as follows:

14           "Section 701. Supremacy.

15           (1) The provisions of this act shall have supremacy  
16           over any inconsistent provisions of any other law in  
17           force in the Federated States of Micronesia.

18           (2) Chapter 11 of title 11 of the Code of the Federated  
19           States of Micronesia is superseded by this act, subject  
20           to the transitional provisions of section 702 of this  
21           act."

22          Section 149. The Code of the Federated States of Micronesia,  
23 as amended, is hereby further amended by enacting a new section 702  
24 of chapter 7 of title 44 to read as follows:

25           "Section 702. Transitional.

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1           (1) Where a person has committed a violation of chapter  
2           11 of title 11 of the Code of the Federated States of  
3           Micronesia, either before this act becomes law or before  
4           the coming into force of this act, and proceedings for  
5           that offense have not been instituted against that person  
6           before the date of coming into force of this act,  
7           proceedings may still be instituted against the person  
8           for that offense under chapter 11 of title 11 of the Code  
9           of the Federated States of Micronesia and dealt with as  
10           if chapter 11, title 11 of the Code of the Federated  
11           States of Micronesia had not been repealed by this act.

12           (2) Where any proceedings instituted before the date of  
13           coming into force of this act for a violation of chapter  
14           11 of title 11 of the Code of the Federated States of  
15           Micronesia have not been finally concluded by that date,  
16           the proceedings shall continue just as though chapter 11  
17           of title 11 of the Code of the Federated States of  
18           Micronesia had not been repealed by this act; and  
19           everything done in relation to the proceedings brought  
20           under chapter 11 of title 11 of the Code of the Federated  
21           States of Micronesia before the date this act comes into  
22           force shall have effect notwithstanding the coming into  
23           force of this act, and subject to subsection (3) of this  
24           section, the person may be dealt with as if chapter 11 of  
25           title 11 of the Code of the Federated States of

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1           Micronesia had not been repealed.

2           (3) Where in a case to which subsection (2) of this  
3           section applies, any penalty, punishment, forfeiture or  
4           confiscation provided for by chapter 11 of title 11 of  
5           the Code of the Federated States of Micronesia is varied  
6           by this act, the lesser penalty, punishment, forfeiture  
7           or confiscation shall apply in respect of any offense  
8           committed before the coming into force of this act.

9           (4) Every license, registration, permit, authorization  
10           or certificate issued under chapter 11 of title 11 of the  
11           Code of the Federated States of Micronesia or regulations  
12           made under that act, and in force immediately before the  
13           coming into force of this act, shall be deemed to  
14           continue in force under this act until six months after  
15           this act takes effect."

16           Section 150. The Code of the Federated States of Micronesia,  
17 as amended, is hereby further amended by enacting a new section 703  
18 of chapter 7 of title 44 to read as follows:

19           "Section 703. Regulations. The Attorney General and  
20           the Secretary of Health may promulgate regulations, not  
21           inconsistent with this act, prescribing all matters  
22           necessary or convenient for giving effect to it, and,  
23           without restricting the generality of the foregoing, may  
24           promulgate regulations:

25           (1) amending any schedule, in accordance with section



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1           203 of this act and establishing the amount or quantity  
2           of any controlled substance or controlled chemical that  
3           shall constitute a trafficable amount or quantity;

4           (2) governing, controlling, limiting, authorizing the  
5           import into or export from the Federated States of  
6           Micronesia, production, packaging, sending,  
7           transportation, delivery, sale, provision,  
8           administration, possession or obtaining of or other  
9           dealing in any controlled substance, controlled chemical  
10           or item of controlled equipment or material;

11           (3) prescribing the fees payable on application for any  
12           registration, license, permit or authorization provided  
13           for by this act;

14           (4) relating to the method of production, preservation,  
15           testing, packaging or storage of any controlled  
16           substance, controlled chemical or item of controlled  
17           equipment or controlled material;

18           (5) relating to the premises, processes or conditions  
19           for the manufacture, sale or supply of any controlled  
20           substance or controlled chemical, or item of controlled  
21           equipment or controlled material, and deeming such  
22           premises, processes or conditions to be or not to be  
23           suitable for the purposes of the grant or holding of  
24           registration or a license or permit provided for by this  
25           act;

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1           (6) relating to the qualifications of persons engaged  
2           in the production, preservation, testing, packaging,  
3           storage, supplying or otherwise dealing in any controlled  
4           substance, controlled chemical or item of controlled  
5           equipment or controlled material;

6           (7) prescribing standards of composition, strength,  
7           concentration, potency, purity or quality or any other  
8           property of any controlled substance;

9           (8) relating to the labeling, packaging, size,  
10           dimensions, fill and other specifications of packages  
11           used for the import into the Federated States of  
12           Micronesia, export from the Federated States of  
13           Micronesia, sending, transportation, delivery, sale,  
14           supply or other dealing in any controlled substance;

15           (9) controlling or limiting the advertising for sale of  
16           any controlled substance;

17           (10) relating to the establishment, maintenance, keeping  
18           or provision of records, books, electronic data or other  
19           documents by persons or classes of persons for the  
20           purposes of this act in respect of controlled substances,  
21           controlled chemicals, controlled equipment and controlled  
22           materials;

23           (11) relating to the making and provision of reports by  
24           persons or classes of persons for the purposes of this  
25           act in respect of controlled substances, controlled

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1 chemicals, controlled equipment and controlled materials;  
2 (12) relating to the powers and duties of inspectors in  
3 relation to the enforcement, and compliance with, the  
4 regulations;

5 (13) relating to the powers and duties of analysts;

6 (14) relating to the detention and disposal of any  
7 controlled substance or controlled chemical, or item of  
8 controlled equipment or controlled material;

9 (15) relating to the taking of samples of substances;

10 (16) relating to the communication of any information  
11 obtained under this act or regulations promulgated  
12 thereunder to any person or class of persons in the  
13 Federated States of Micronesia or elsewhere to whom, in  
14 the opinion of the Attorney General or Secretary of  
15 Health it is necessary or desirable to communicate that  
16 information for the proper administration or enforcement  
17 of this act, regulations promulgated thereunder made  
18 under this section, or any law of the Federated States of  
19 Micronesia relating to international assistance in  
20 criminal matters;

21 (17) relating to the making, serving, filing and manner  
22 of proving service of any notice, order, report or other  
23 document required or authorized under this act or  
24 regulations promulgated thereunder;

25 (18) prescribing forms for the purposes of this act or

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1 regulations promulgated thereunder;

2 (19) conferring powers or imposing duties and functions  
3 in relation to treatment panels;

4 (20) exempting, on such terms and conditions as may be  
5 specified in regulations promulgated thereunder, any  
6 person or class of persons or any controlled substance,  
7 controlled chemical or item of controlled equipment or  
8 controlled material, or any class thereof, from the  
9 application of all or any of the provisions of this act  
10 or regulations promulgated thereunder; and

11 (21) prescribing anything that, by this act, is to be or  
12 may be prescribed."

13 Section 151. The Code of the Federated States of Micronesia,  
14 as amended, is hereby further amended by enacting a new section 704  
15 of chapter 7 of title 44 to read as follows:

16 "Section 704. Administration of this act. This act  
17 shall be administered by the Attorney General and the  
18 Secretary of Health."

19 Section 152. The Code of the Federated States of Micronesia,  
20 as amended, is hereby further amended by enacting a new chapter 8  
21 of title 44, entitled "Schedules".

22 Section 153. The Code of the Federated States of Micronesia,  
23 as amended, is hereby further amended by enacting a new section 801  
24 of chapter 8 of title 44 to read as follows:

25 "Section 801. General provisions on schedules. This

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1 section applies to all substances listed in subchapters I  
2 through V of chapter 8 of this act, designated by their  
3 international non-proprietary names or the names used in  
4 the international conventions in force. All such  
5 substances include:

6 (1) their isomers, unless specifically excepted,  
7 whenever the existence of such isomers is possible within  
8 the specific chemical designation;

9 (2) their esters and ethers, unless specifically  
10 excepted, whenever the existence of such esters and  
11 ethers is possible;

12 (3) their salts, including the salts of esters, ethers  
13 and isomers, whenever the existence of such salts is  
14 possible, with the exception of sulfuric acid and  
15 hydrochloric acid for subchapter V, schedule V,  
16 controlled chemicals under this act; and

17 (4) preparations of these substances, unless exempted  
18 by law."

19 Section 154. The Code of the Federated States of Micronesia,  
20 as amended, is hereby further amended by enacting a new subchapter I  
21 of chapter 8 of title 44, entitled "Schedule I. Prohibited Drugs of  
22 Abuse".

23 Section 155. The Code of the Federated States of Micronesia,  
24 as amended, is hereby further amended by enacting a new section 802  
25 of chapter 8 of title 44 to read as follows:

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1           "Section 802. Schedule I prohibited drugs designated  
2           under schedule IV of the Single Convention on Narcotic  
3           Drugs. Schedule I prohibited drugs include the following  
4           drugs designated under schedule IV of the Single  
5           Convention on Narcotic Drugs, done at New York on 30  
6           March 1961:

7           (1) Acetorphine;

8           (2) Cannabis and cannabis resin;

9           (3) Desomorphine;

10          (4) Etorphine;

11          (5) Heroin;

12          (6) Ketobemidone;

13          (7) Acetyl-alpha-methyl-fentanyl;

14          (8) Alphacetylmethadol;

15          (9) Alpha-methylfentanyl;

16          (10) Beta-hydroxyfentanyl;

17          (11) Beta-hydroxy-methyl-3-fentanyl;

18          (12) Methyl-3-fentanyl;

19          (13) Methyl-3-thio-fentanyl;

20          (14) MPPP;

21          (15) Para-fluorofentanyl;

22          (16) PEPAP;

23          (17) Thiofentanyl."

24           Section 156. The Code of the Federated States of Micronesia,  
25 as amended, is hereby further amended by enacting a new section 803

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1 of chapter 8 of title 44 to read as follows:

2 "Section 803. Schedule I prohibited drugs designated  
3 under schedule I of the Convention on Psychotropic  
4 Substances. Schedule I prohibited drugs include the  
5 following drugs designated under schedule I of the  
6 Convention on Psychotropic Substances, done at Vienna on  
7 21 February 1971:

8 (1) Brolamphetamine;

9 (2) Cathinone;

10 (3) DET;

11 (4) DMA;

12 (5) DMHP;

13 (6) DMT;

14 (7) Eticyclidine;

15 (8) Etryptamine;

16 (9) (+)-Lysergide;

17 (10) MDA;

18 (11) Mescaline;

19 (12) Methcathinone;

20 (13) Methyl-4 aminorex;

21 (14) MMDA;

22 (15) MDMA;

23 (16) N-ethyl MDA;

24 (17) N-hydroxy MDA;

25 (18) Parahexyl;

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- 1           (19) PMA;
  - 2           (20) Psilocine, psilotsin;
  - 3           (21) Psilocybine;
  - 4           (22) Rolicyclidine;
  - 5           (23) STP, DOM;
  - 6           (24) Tenamphetamine;
  - 7           (25) Tenocyclidine;
  - 8           (26) Tetrahydrocannabinol;
  - 9           (27) TMA."

10           Section 157. The Code of the Federated States of Micronesia,  
11 as amended, is hereby further amended by enacting a new subchapter  
12 II of chapter 8 of title 44, entitled "Schedule II. High Risk Drugs  
13 of Abuse".

14           Section 158. The Code of the Federated States of Micronesia,  
15 as amended, is hereby further amended by enacting a new section 804  
16 of chapter 8 of title 44 to read as follows:

17           "Section 804. Schedule II high risk drugs designated  
18           under schedule I of the Single Convention on Narcotic  
19           Drugs. Schedule II high risk drugs include the following  
20           drugs designated under schedule I of the Single  
21           Convention on Narcotic Drugs, done at New York on 30  
22           March 1961:

- 23           (1) Acetylmethadol;
- 24           (2) Alfentanil;
- 25           (3) Allylprodine;



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- 1            (4) Alphameprodine;
  - 2            (5) Alphamethadol;
  - 3            (6) Alphamethylthiofentanyl;
  - 4            (7) Alphaprodine;
  - 5            (8) Anileridine;
  - 6            (9) Benzethidine;
  - 7            (10) Benzylmorphine;
  - 8            (11) Betacetylmethadol;
  - 9            (12) Betameprodine;
  - 10           (13) Betamethadol;
  - 11           (14) Betaprodine;
  - 12           (15) Bezitramide;
  - 13           (16) Clonitazene;
  - 14           (17) Coca (leaf);
  - 15           (18) Cocaine;
  - 16           (19) Codoxime;
  - 17           (20) Concentrate of poppy straw;
  - 18           (21) Dextromoramide;
  - 19           (22) Diampromide;
  - 20           (23) Diethylthiambutene;
  - 21           (24) Difenoxin;
  - 22           (25) Dihydromorphine;
  - 23           (26) Dimenoxadol;
  - 24           (27) Dimepheptanol;
  - 25           (28) Dimethylthiambutene;

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- 1           (29) Dioxaphetyl butyrate;  
2           (30) Diphenoxylate;  
3           (31) Dipipanone;  
4           (32) Drotebanol;  
5           (33) Ecgonine, its esters and derivatives;  
6           (34) Ethylmethylthiambutene;  
7           (35) Etonitazene;  
8           (36) Etoxeridine;  
9           (37) Fentanyl;  
10          (38) Furethidine;  
11          (39) Hydrocodone;  
12          (40) Hydromorphenol;  
13          (41) Hydromorphone;  
14          (42) Hydroxypethidine;  
15          (43) Isomethadone;  
16          (44) Levomethorphan;  
17          (45) Levomoramide;  
18          (46) Levophenacymorphan;  
19          (47) Levorphanol;  
20          (48) Metazocine;  
21          (49) Methadone;  
22          (50) Methadone intermediate (4-cyano-2-dimethyl-amino-4,  
23          4-diphenyl butane);  
24          (51) Methyldesorphine;  
25          (52) Methyldihydromorphine;

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- 1           (53) Metopon;  
2           (54) Moramide;  
3           (55) Morpheridine;  
4           (56) Morphine;  
5           (57) Morphine methobromide and other pentavalent  
6 nitrogen morphine derivatives;  
7           (58) Morphine-N-oxide;  
8           (59) Myrophine;  
9           (60) Nicomorphine;  
10          (61) Noracymethadol;  
11          (62) Norlevorphanol;  
12          (63) Normethadone;  
13          (64) Normorphine;  
14          (65) Norpipanone;  
15          (66) Opium;  
16          (67) Oxycodone;  
17          (68) Oxymorphone;  
18          (69) Pethidine;  
19          (70) Pethidine intermediate A (4-cyano-1-methyl-4-  
20 phenyl-piperidine);  
21          (71) Pethidine intermediate B (4-phenylpiperidine-4-  
22 carboxylic acid ethyl ester);  
23          (72) Pethidine intermediate C (1-methyl-4-  
24 phenylpiperidine-4-carboxylic acid);  
25          (73) Phenadoxone;

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- 1           (74) Phenampromide;  
2           (75) Phenazocine;  
3           (76) Phenomorphan;  
4           (77) Phenoperidine;  
5           (78) Piminodine;  
6           (79) Piritramide;  
7           (80) Proheptazine;  
8           (81) Properidine;  
9           (82) Racemethorphan;  
10          (83) Racemoramide;  
11          (84) Racemorphan;  
12          (85) Sufentanil;  
13          (86) Thebacon;  
14          (87) Thebaine;  
15          (88) Tilidine;  
16          (89) Trimeperidine."

17           Section 159. The Code of the Federated States of Micronesia,  
18 as amended, is hereby further amended by enacting a new section 805  
19 of chapter 8 of title 44 to read as follows:

20           "Section 805. Schedule II high risk drugs designated  
21           under schedule II of the Single Convention on Narcotic  
22           Drugs. Schedule II high risk drugs include the following  
23           drugs designated under schedule II of the Single  
24           Convention on Narcotic Drugs, done at New York on 30  
25           March 1961:

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- 1           (1) Acetyldihydrocodeine;
  - 2           (2) Codeine;
  - 3           (3) Dextropropoxyphene;
  - 4           (4) Dihydrocodeine;
  - 5           (5) Ethylmorphine;
  - 6           (6) Nicodicodine;
  - 7           (7) Nicocodine;
  - 8           (8) Norcodeine;
  - 9           (9) Pholcodine;
  - 10          (10) Propiram."

11           Section 160. The Code of the Federated States of Micronesia,  
12 as amended, is hereby further amended by enacting a new section 806  
13 of chapter 8 of title 44 to read as follows:

14           "Section 806. Schedule II high risk drugs designated  
15           under schedule II of the Convention on Psychotropic  
16           Substances. Schedule II high risk drugs include the  
17           following drugs designated under schedule II of the  
18           Convention on Psychotropic Substances, done at Vienna on  
19           21 February 1971:

- 20           (1) Amphetamine;
- 21           (2) Dexamphetamine;
- 22           (3) Fenetylline;
- 23           (4) Levamphetamine;
- 24           (5) Mecloqualone;
- 25           (6) Methamphetamine;

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- 1           (7) Methamphetamine racemate;
  - 2           (8) Methaqualone;
  - 3           (9) Methylphenidate;
  - 4           (10) Phencyclidine;
  - 5           (11) Phenmetrazine;
  - 6           (12) Secobarbital;
  - 7           (13) Zipeprol."

8           Section 161. The Code of the Federated States of Micronesia,  
9 as amended, is hereby further amended by enacting a new subchapter  
10 III of chapter 8 of title 44, entitled "Schedule III. Risk Drugs of  
11 Abuse".

12          Section 162. The Code of the Federated States of Micronesia,  
13 as amended, is hereby further amended by enacting a new section 807  
14 of chapter 8 of title 44 to read as follows:

15           "Section 807. Schedule III risk drugs designated under  
16           schedule III of the Convention on Psychotropic  
17           Substances. Schedule III risk drugs include the  
18           following drugs designated under schedule III of the  
19           Convention on Psychotropic Substances, done at Vienna on  
20           21 February 1971:

- 21           (1) Amobarbital;
- 22           (2) Buprenorphine;
- 23           (3) Butalbital;
- 24           (4) Cathine;
- 25           (5) Cyclobarbital;

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- 1           (6) Glutethimide;
  - 2           (7) Pentazocine;
  - 3           (8) Pentobarbital;
  - 4           (9) Flunitrazepam."

5           Section 163. The Code of the Federated States of Micronesia,  
6 as amended, is hereby further amended by enacting a new section 808  
7 of chapter 8 of title 44 to read as follows:

8           "Section 808. Schedule III risk drugs designated under  
9           schedule IV of the Convention on Psychotropic Substances.  
10           Schedule III risk drugs include the following drugs  
11           designated under schedule IV of the Convention on  
12           Psychotropic Substances, done at Vienna on 21 February  
13           1971:

- 14           (1) Allobarbital;
- 15           (2) Alprazolam;
- 16           (3) Aminorex;
- 17           (4) Amphepramone;
- 18           (5) Barbital;
- 19           (6) Benzphetamine;
- 20           (7) Bromazepam;
- 21           (8) Brotizolam;
- 22           (9) Butobarbital;
- 23           (10) Camazepam;
- 24           (11) Chlordiazepoxide;
- 25           (12) Clobazam;

- 1            (13) Clonazepam;
- 2            (14) Clorazepate;
- 3            (15) Clotiazepam;
- 4            (16) Cloxazolam;
- 5            (17) Delorazepam;
- 6            (18) Diazepam;
- 7            (19) Estazolam;
- 8            (20) Ethchlorvynol;
- 9            (21) Ethinamate;
- 10           (22) Ethyl loflazepate;
- 11           (23) Etilamphetamine;
- 12           (24) Fencamfamin;
- 13           (25) Fenproporex;
- 14           (26) Fludiazepam;
- 15           (27) Flurazepam;
- 16           (28) Halazepam;
- 17           (29) Haloxazolam;
- 18           (30) Ketazolam;
- 19           (31) Lefetamine;
- 20           (32) Loprazolam;
- 21           (33) Lorazepam;
- 22           (34) Lormetazepam;
- 23           (35) Mazindol;
- 24           (36) Medazepam;
- 25           (37) Mefenorex;



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- 1           (38) Meprobamate;  
2           (39) Mesocarb;  
3           (40) Methylpheno-barbital;  
4           (41) Methylprylon;  
5           (42) Midazolam;  
6           (43) Nimetazepam;  
7           (44) Nitrazepam;  
8           (45) Nordazepam;  
9           (46) Oxazepam;  
10          (47) Oxazolam;  
11          (48) Pemoline;  
12          (49) Phendimetrazine;  
13          (50) Phenobarbital;  
14          (51) Phentermine;  
15          (52) Pinazepam;  
16          (53) Pipradrol;  
17          (54) Prazepam;  
18          (55) Pyrovalerone  
19          (56) Secbutabarbital;  
20          (57) Temazepam;  
21          (58) Tetrazepam;  
22          (59) Triazolam;  
23          (60) Vinylbital."

24           Section 164. The Code of the Federated States of Micronesia,  
25 as amended, is hereby further amended by enacting a new subchapter

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1 IV of chapter 8 of title 44, entitled "Schedule IV. Toxic Chemical  
2 Inhalants".

3 Section 165. The Code of the Federated States of Micronesia,  
4 as amended, is hereby further amended by enacting a new section 809  
5 of chapter 8 of title 44 to read as follows:

6 "Section 809. Volatile substances. Schedule IV toxic  
7 chemical inhalants include the following volatile  
8 substances which are subject to abuse by inhalation:

9 (1) Aliphatic Hydrocarbons, including:

10 (a) Acetylene;

11 (b) Butane;

12 (c) Hexane;

13 (d) Isobutane (2-methylpropane);

14 (e) Propane;

15 (2) Aromatic Hydrocarbons, including:

16 (a) Toluene (toluol, methylbenzene, phenylmethane);

17 (b) Xylene (xylol, dimethylbenzene);

18 (3) Mixed Hydrocarbons, including:

19 (a) Petrol (gasoline);

20 (b) Petroleum ethers;

21 (4) Halogenated Hydrocarbons, including:

22 (a) Bromochlorodifluoromethane (BCF, FC 12B1);

23 (b) Carbon tetrachloride (tetrachloromethane);

24 (c) Chlorodifluoromethane (FC 22, Freon 22);

25 (d) Chloroform (trichloromethane);

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- 1                   (e) Dichlorodifluoromethane (FC 12, Freon 12);  
2                   (f) Dichloromethane (methylene chloride);  
3                   (g) 1,2-Dichloropropane (propylene dichloride);  
4                   (h) Ethyl chloride (monochloroethane);  
5                   (i) Fluorotrichloromethane (FC 11, Freon 11);  
6                   (j) Halothane (2-bromo-2-chloro-1,1,1-  
7                   trifluoroethane);  
8                   (k) Tetrachloroethylene (perchloroethylene);  
9                   (l) 1,1,1-Trichloroethane (methylchloroform,  
10                   Genklene);  
11                   (m) 1,1,2-Trichlorotrifluoroethane (FC (113);  
12                   (n) Trichloroethylene ('trike', Trilene);  
13                   (5) Oxygenated compounds, including:  
14                   (a) Butanone (2-butanone, methyl ethyl ketone,  
15                   MEK);  
16                   (b) Butyl nitrite;  
17                   (c) Enflurane (2-chloro-1,1,2-trifluoroethyl  
18                   difluoromethyl ether);  
19                   (d) Ethyl acetate;  
20                   (e) Diethyl ether (ethoxyethane);  
21                   (f) Dimethyl ether (DME, methoxymethane);  
22                   (g) Isobutyl nitrite ('butyl nitrite');  
23                   (h) Isoflurane (1-chloro-2,2,2-trifluoroethyl  
24                   difluororomethyl ether);  
25                   (i) Isopentyl nitrite (3-methylbutyl nitrite,

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1           isoamyl nitrite, 'amyl nitrite');

2                   (j) Methyl acetate;

3                   (k) Methyl isobutyl ketone (MIBK, Isopropyl  
4           acetone);

5                   (l) Methyl *tert.*-butyl ether (MTBE);

6                   (m) Nitrous oxide (dinitrogen monoxide, 'laughing  
7           gas');

8                   (n) Sevoflurane (fluoromethyl 2,2,2-trifluoro-1-  
9           (trifluoromethyl)ethyl ether)."

10           Section 166. The Code of the Federated States of Micronesia,  
11 as amended, is hereby further amended by enacting a new section 810  
12 of chapter 8 of title 44 to read as follows:

13           "Section 810. Products. Schedule IV toxic chemical  
14           inhalants include the following products which are  
15           subject to abuse by inhalation:

16                   (1) Adhesives, including:

17                           (a) balsa wood cement containing ethyl acetate;

18                           (b) contact adhesives containing:

19                                   (i) butanone;

20                                   (ii) hexane;

21                                   (iii) toluene;

22                           (c) tire repair cement containing:

23                                   (i) toluene; and/or

24                                   (ii) xylenes;

25                           (d) polyvinylchloride (PVC) cement containing:

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- 1                    (i) acetone;  
2                    (ii) butanone;  
3                    (iii) cyclohexanone; and/or  
4                    (iv) trichloroethylene; and  
5                    (e) woodworking adhesives containing xylenes;  
6                    (2) Aerosols containing butane, dimethyl ether, and/or  
7                    fluorocarbons, including, without limitation:  
8                    (a) air fresheners;  
9                    (b) deodorants and/or antiperspirants;  
10                   (c) insect spray;  
11                   (d) hair spray;  
12                   (e) paint;  
13                   (3) Inhalation anaesthetics containing:  
14                   (a) nitrous oxide;  
15                   (b) diethyl ether;  
16                   (c) enflurane;  
17                   (d) halothane; and/or  
18                   (e) isoflurane;  
19                   (4) Topical analgesics containing:  
20                   (a) FC 11;  
21                   (b) FC 12; and/or  
22                   (c) ethyl chloride;  
23                   (5) Cigarette lighters and refills containing  
24                   (a) butane;  
25                   (b) isobutane; and/or

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- 1                    (c) propane;
- 2                    (6) Dry cleaning and degreasing agents containing:
- 3                    (a) dichloromethane;
- 4                    (b) FC 113;
- 5                    (c) methanol;
- 6                    (d) 1,1,1-trichloroethane;
- 7                    (e) tetrachloroethylene;
- 8                    (f) toluene;
- 9                    (g) trichloroethylene (carbon tetrachloride, 1,2-
- 10                   dichloropropane);
- 11                   (7) Dust removers containing:
- 12                   (a) dimethyl ether; and/or
- 13                   (b) FC 22;
- 14                   (8) Spot removers or dry cleaners containing:
- 15                   (a) dichloromethane;
- 16                   (b) 1,1,1-trichloroethane;
- 17                   (c) tetrachloroethylene;
- 18                   (d) trichloroethylene;
- 19                   (9) Fire extinguishers containing:
- 20                   (a) bromochlorodifluoromethane;
- 21                   (b) FC 11; and/or
- 22                   (c) FC 12;
- 23                   (10) Fuel gases, including butane and propane,
- 24                   containing:
- 25                   (a) butane;

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- 1                   (b) butenes;
- 2                   (c) isobutane;
- 3                   (d) propane; and/or
- 4                   (e) propenes;
- 5                   (11) Nail polish, nail varnish, and nail polish or
- 6                   varnish removers containing acetone and/or esters
- 7                   thereof;
- 8                   (12) Paints and paint thinners containing:
- 9                   (a) acetone;
- 10                   (b) butanone;
- 11                   (c) esters;
- 12                   (d) hexane;
- 13                   (e) toluene;
- 14                   (f) trichloroethylene; and/or
- 15                   (g) xylenes;
- 16                   (13) Paint stripper containing:
- 17                   (a) dichloromethane;
- 18                   (b) methanol; and/or
- 19                   (c) toluene;
- 20                   (14) Room deodorizers containing isobutyl nitrite;
- 21                   (15) Surgical plaster or chewing gum remover containing:
- 22                   (a) 1,1,1-trichloroethane; or
- 23                   (b) trichloroethylene;
- 24                   (16) Typewriter correction fluids or thinners containing
- 25                   1,1,1-trichloroethane;

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1           (17) Whipped cream dispensers containing nitrous oxide."

2           Section 167. The Code of the Federated States of Micronesia,  
3 as amended, is hereby further amended by enacting a new subchapter V  
4 of chapter 8 of title 44, entitled "Schedule V. Controlled  
5 Chemicals".

6           Section 168. The Code of the Federated States of Micronesia,  
7 as amended, is hereby further amended by enacting a new section 811  
8 of chapter 8 of title 44 to read as follows:

9           "Section 811. Division I controlled chemicals. Division  
10           I of schedule V include the following controlled  
11           chemicals designated under Table I of the United Nations  
12           Convention Against Illicit Traffic in Narcotic Drugs and  
13           Psychotropic Substances done at Vienna on 20 December  
14           1988:

15           (1) Ephedrine;

16           (2) Ergometrine;

17           (3) Ergotamine;

18           (4) Lysergic acid;

19           (5) 1-phenyl-2-propanone;

20           (6) Pseudoephedrine;

21           (7) N-acetylanthranilic acid;

22           (8) Isosafrole;

23           (9) 3,4-methylenedioxyphenyl-2-propanone;

24           (10) Piperonal;

25           (11) Safrole."



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1 Section 169. The Code of the Federated States of Micronesia,  
2 as amended, is hereby further amended by enacting a new section 812  
3 of chapter 8 of title 44 to read as follows:

4 "Section 812. Division II controlled chemicals.  
5 Division II of schedule V includes the following  
6 controlled chemicals designated under Table II of the  
7 United Nations Convention Against Illicit Traffic in  
8 Narcotic Drugs and Psychotropic Substances done at Vienna  
9 on 20 December 1988:

10 (1) Acetic anhydride;

11 (2) Acetone;

12 (3) Anthranilic acid;

13 (4) Ethyl ether;

14 (5) Phenylacetic acid;

15 (6) Piperidine;

16 (7) Hydrochloric acid;

17 (8) Methyl ethyl ketone;

18 (9) Potassium permanganate;

19 (10) Sulfuric acid;

20 (11) Toluene."

21 Section 170. The Code of the Federated States of Micronesia,  
22 as amended, is hereby further amended by enacting a new subchapter  
23 VI of chapter 8 of title 44, entitled "Schedule VI. Controlled  
24 Material and Equipment".

25 Section 171. The Code of the Federated States of Micronesia,

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1 as amended, is hereby further amended by enacting a new section 813  
2 of chapter 8 of title 44 to read as follows:

3 "Section 813. Controlled equipment. Division I of  
4 schedule VI includes the following controlled equipment:

5 (1) Encapsulating machines;

6 (2) Tableting machines;

7 (3) Rotary evaporators;

8 (4) Laboratory equipment with a capacity for large  
9 volume production, including, without limitation, flasks  
10 of 25 liters or above and related condensers, separating  
11 funnels and heating apparatus."

12 Section 172. The Code of the Federated States of Micronesia,  
13 as amended, is hereby further amended by enacting a new section 814  
14 of chapter 8 of title 44 to read as follows:

15 "Section 814. Controlled materials. Division II of  
16 schedule VI includes the following controlled materials:

17 (1) gelatin capsules, including, without limitation,  
18 capsules made of glucose, lactose, and/or  
19 phenolphthalein;

20 (2) bulking agents, including, without limitation,  
21 magnesium stearate, calcium oxide ('talc')."

22 Section 173. This act shall take effect one hundred-eighty-one  
23 (181) days after its becoming law.

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1           Section 174. This act shall become law upon approval by the  
2 President of the Federated States of Micronesia or upon its becoming  
3 law without such approval.

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5 Date: 5/16/02

Introduced by: /s/ Joseph J. Urusemal

Joseph J. Urusemal  
(by request)

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