

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia (Annotated), as amended, by creating a new chapter 11 to prohibit the importation of e-Cigarettes into the Federated States of Micronesia for commercial activity, provide for a personal use exemption, establish enforcement and regulation authority, mandate destruction of seized e-Cigarettes, require records management on seized and destroyed e-Cigarettes, and for other purposes.

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

1 Section 1. Title 54 of the Code of the Federated States of
2 Micronesia (Annotated), as amended, is hereby further amended
3 by creating a new chapter 11 entitled: "FSM e-Cigarette Import
4 Control Act of 2023".

5 Section 2. Chapter 11 of title 54 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby further amended by inserting a new subchapter 1
8 entitled: "General Provisions".

9 Section 3. Chapter 11 of title 54 of the Code of the
10 Federated States of Micronesia (Annotated), as amended, is
11 hereby further amended by inserting a new section 1101 of
12 subchapter 1 to read as follows:

13 "Section 1101. Short title. This Act may be referred
14 to as the "e-Cigarette Import Control Act."

15 Section 4. Chapter 11 of title 54 of the Code of the
16 Federated States of Micronesia (Annotated), as amended, is

1 hereby further amended by inserting a new section 1102 of
2 subchapter 1 to read as follows:

3 "Section 1102. Definitions: For the purposes of this
4 chapter, the following terms shall be given the meanings
5 described herein.

6 (1) "Customs Administration" means the Customs
7 and Tax Administration under the FSM Department of
8 Finance and Administration.

9 (2) "Division of Immigration" means the
10 Division of Immigration and Passport Services under
11 the FSM Department of Justice;

12 (3) "e-Cigarette" or "electronic cigarette"
13 means an electronic device that simulates tobacco
14 smoking through the use of a battery containing a
15 solution of nicotine, additives, compounds and/or
16 chemicals, which produces a vapor, aerosol or mist
17 for the user to inhale.

18 (4) "FSM" means the Federated States of
19 Micronesia;

20 (5) "Importer" means any person, company, or
21 entity by or for whom any goods are imported, and
22 includes the consignee and any other person who is
23 beneficially interested in the goods;

24 (6) "Inspect" or "Inspection" means an
25 official examination, conducted on-site by the

1 Customs Administration and/or Division of
2 Immigration authority to determine compliance with
3 laws, regulations, and standards at any FSM port of
4 entry; and

5 (7) "Secretary of Finance" means the
6 Secretary of the Department of Finance and
7 Administration of the FSM."

8 Section 5. Chapter 11 of title 54 of the Code of the
9 Federated States of Micronesia (Annotated), as amended, is
10 hereby further amended by creating a new subchapter 2 entitled:
11 "Scope of Law."

12 Section 6. Chapter 11 of title 54 of the Code of the
13 Federated States of Micronesia (Annotated), as amended, is
14 hereby further amended by inserting a new section 1121 of
15 subchapter 2 to read as follows:

16 "Section 1121. Prohibition on the Import of e-Cigarettes.
17 It shall be unlawful to import e-Cigarettes into the
18 Federated States of Micronesia for commercial activity."

19 Section 7. Chapter 11 of title 54 of the Code of the
20 Federated States of Micronesia (Annotated), as amended, is
21 hereby further amended by inserting a new section 1122 of
22 subchapter 2 to read as follows:

23 "Section 1122. Personal Use Exemption.
24 Section 1121 shall not apply to any person bringing in up
25 to three e-Cigarettes for personal use at the port of

1 entry. All persons entering the FSM shall declare all e-
2 Cigarette(s) brought into the FSM for personal use on the
3 Division of Immigration and Customs Administration forms
4 at the port of entry."

5 Section 8. Chapter 11 of title 54 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby further amended by creating a new subchapter 3 entitled:
8 "Enforcement."

9 Section 9. Chapter 11 of title 54 of the Code of the
10 Federated States of Micronesia (Annotated), as amended, is
11 hereby further amended by inserting a new section 1131 of
12 subchapter 3 to read as follows:

13 "Section 1131. Department of Finance Enforcement
14 Authority.

15 (1) Seizure and Destruction.

16 The Secretary of the Department of Finance or his
17 designee shall have the authority to seize and destroy e-
18 Cigarette(s) upon inspection based on reasonable
19 suspicion at any port of entry. Within 14 days of the
20 Department of Finance's seizure of e-Cigarette(s) at the
21 port of entry, the Customs Administration shall destroy
22 any e-Cigarette(s) seized, including the destruction,
23 proper disposal and/or recycling of e-Cigarette
24 batteries.

25 (2) Administrative Penalty.

1 The Secretary of the Department of Finance shall have the
2 authority to impose administrative penalties as
3 established by regulation for violation of the
4 prohibition on the import of e-Cigarettes in accordance
5 with the rulemaking requirements under Title 17 of the
6 Code of the Federated States of Micronesia. Any
7 administrative penalties imposed pursuant to this section
8 are subject to administrative review under title 17 of
9 the Code of the Federated States of Micronesia.

10 (3) Limitations on Enforcement Authority.

11 The Department of Finance shall not seize, destroy,
12 and/or issue an administrative penalty where one e-
13 Cigarette is brought into the FSM for personal use in
14 accordance with section 1122."

15 Section 10. Chapter 11 of title 54 of the Code of the
16 Federated States of Micronesia (Annotated), as amended, is
17 hereby further amended by creating a new subchapter 4 entitled:
18 "Records Management."

19 Section 11. Chapter 11 of title 54 of the Code of the
20 Federated States of Micronesia (Annotated), as amended, is
21 hereby further amended by inserting a new section 1141 of
22 subchapter 3 to read as follows:

23 "Section 1141. Records Management Requirements.

24 The Department of Finance shall maintain electronic
25 records of all e-Cigarettes seized and destroyed for a

1 minimum of 10 years, including a record on the
2 destruction, disposal and recycle of e-Cigarette
3 batteries.”

4 Section 12. Chapter 11 of title 54 of the Code of the
5 Federated States of Micronesia (Annotated), as amended, is
6 hereby further amended by creating a new subchapter 5 entitled:
7 “Regulation.”

8 Section 13. Chapter 11 of title 54 of the Code of the
9 Federated States of Micronesia (Annotated), as amended, is
10 hereby further amended by inserting a new section 1151 of
11 subchapter 5 to read as follows:

12 “Section 1151. Regulation Authority and Mandate.

13 (1) The Secretary of Finance shall have the authority
14 to promulgate regulations to implement and enforce this
15 Act.

16 (2) The Secretary of Finance shall develop proper e-
17 Cigarette disposal procedures in consultation with the
18 Secretary of the Department of Environment, Climate
19 Change, and Emergency Management to implement and enforce
20 section 1131 of this Chapter.

21 (3) The Secretary of Finance shall promulgate
22 regulation within 60 calendar days of this Act becoming
23 law.”

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1 Section 14. This act shall become law upon approval by the
2 President of the Federated States of Micronesia or upon it
3 becoming law without such approval.

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5 Date: 5/24/23 Introduced by: /s/ Perpetua S. Konman
6 Perpetua S. Konman

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