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A BILL FOR AN ACT

To further amend title 39 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, by renumbering chapter 2, which concerns postal crimes, and enacting a new chapter 2 to provide for postal services, and for other purposes.

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

1 Section 1. Title 39 of the Code of the Federated States of  
2 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
3 further amended by enacting a new chapter 2 entitled "Postal  
4 Services".

5 Section 2. Title 39 of the Code of the Federated States of  
6 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
7 further amended by enacting a new subchapter 1 of chapter 2 entitled  
8 "General Provisions".

9 Section 3. Title 39 of the Code of the Federated States of  
10 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
11 further amended by enacting a new section 211 of chapter 2 to read  
12 as follows:

13 "Section 211. Short title. This act may be cited as the  
14 'Postal Services Act of 1999'."

15 Section 4. Title 39 of the Code of the Federated States of  
16 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
17 further amended by enacting a new section 212 of chapter 2 to read  
18 as follows:

19 "Section 212. Purpose. The purpose of this chapter is  
20 to provide for the operation, regulation and supervision  
21 of postal services within and outside of the FSM and for  
22 matters connected therewith, and to ensure compliance by  
23 the Corporation with any agreement entered into with the  
24 National Government, and with any law or regulation  
25 relating to postal services."

1 Section 5. Title 39 of the Code of the Federated States of  
2 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
3 further amended by enacting a new section 213 of chapter 2 to read  
4 as follows:

5 "Section 213. Definitions. In this chapter, unless the  
6 context otherwise requires:

7 (1) 'Article' includes a substance or thing.

8 (2) 'Authorized' means any activity involving postal  
9 and related services authorized by the Corporation.

10 (3) 'Corporation' means the Postal Service Corporation  
11 established under the Postal Service Corporation Act of  
12 1999.

13 (4) 'Convention' means a convention to which the FSM is  
14 a party, or an agreement or arrangement between the FSM  
15 and another country or other countries.

16 (5) 'Courier service' means a service that provides for  
17 the collection, at the request of a person, and the  
18 transmission by courier of an article from a place in the  
19 FSM specified by or on behalf of the sending person and  
20 the conveyance and delivery of the article to another  
21 place or person that is so specified.

22 (6) 'FSM' means the Federated States of Micronesia.

23 (7) 'Mail' includes a package, receptacle or covering  
24 in which postal articles in the course of transmission by  
25 post are conveyed, whether the package, receptacle or

1 covering does or does not contain any postal article.

2 (8) 'National Government' means the Government of the  
3 Federated States of Micronesia.

4 (9) 'Other philatelic products' means first day covers,  
5 collection of stamps in albums or folders, philatelic-  
6 numismatic covers, and all other items in which stamps  
7 are, or are intended to be placed, and all other items  
8 which may be derived from the designs of the stamps.

9 (10) 'Person' includes any natural person, corporation  
10 other than the Postal Service Corporation established  
11 under the Postal Service Corporation Act of 1999,  
12 unincorporated body, company, association, or other  
13 entity or group.

14 (11) 'Postage' means, in relation to the transmission of  
15 a postal article, the amount payable for transmission of  
16 the postal article by post, including any special charge  
17 of additional fee payable for a special service required  
18 in connection with the transmission of the article.

19 (12) 'Postage article' means an article, any label or  
20 stamp for denoting any rate of postage payable under this  
21 chapter in respect of postal articles, and includes  
22 adhesive postage stamps and stamps printed, embossed,  
23 impressed or otherwise indicated on an envelope, wrapper,  
24 postcard or other article.

25 (13) 'Rules' means rules made by the Corporation.

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(14) For the purpose of this chapter:

(a) a postal article shall be deemed to be in the course of transmission by post from the time of its being duly delivered to a post office, to the time of its being delivered to the addressee or its being returned to the sender or otherwise disposed of under the provisions of this chapter;

(b) the placing of a postal article in any receiving box for the deposit of postal articles, or the delivery of an article to an officer of the Corporation in the course of his duties shall be deemed to be delivery to a post office; and

(c) the following shall be deemed to be delivery of a postal article to the addressee:

(i) delivery according to the usual manner of delivering postal articles to the addressee;

(ii) delivery at the house or office of the addressee;

(iii) delivery to the addressee or to his/her employee, agent or other person having authorization to receive such article;

(iv) when the addressee is a guest and is a resident at a hotel, resort, motel, apartment or boarding house, delivery to the proprietor or manager thereof or to his/her agent; or



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1                   (v) delivery to the post office box bearing  
2                   the number marked on each postal article or habitually  
3                   used by the addressee."

4           Section 6. Title 39 of the Code of the Federated States of  
5   Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
6   hereby further amended by enacting a new subchapter 2 of chapter 2  
7   entitled "Postal Services and Functions".

8           Section 7. Title 39 of the Code of the Federated States of  
9   Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
10   hereby further amended by enacting a new section 221 of chapter 2  
11   to read as follows:

12                   "Section 221. Authorized persons. No person shall be  
13                   authorized to provide postal services unless that person  
14                   is authorized by law or has received approval to do so in  
15                   writing by the Corporation."

16           Section 8. Title 39 of the Code of the Federated States of  
17   Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
18   hereby further amended by enacting a new section 222 of chapter 2  
19   to read as follows:

20                   "Section 222. Courier Service.  
21                   (1) The Corporation may operate a courier service.  
22                   (2) The courier service so established may provide for  
23                   the collection from an office of the Corporation of a  
24                   postal article transmitted by post to the office of the  
25                   Corporation and the conveyance and delivery of the

1           article to a place other than an office of the  
 2           Corporation, and for the collection of a postal article  
 3           from a place other than an office of the Corporation and  
 4           the lodging of the article on behalf of the person using  
 5           the service for the transmission by post to another  
 6           place.

7           (3) In this section 'article transmissible by courier  
 8           service' means an article transmissible by post and any  
 9           article that, under the rules, is transmissible by  
 10          courier service."

11          Section 9. Title 39 of the Code of the Federated States  
 12 of Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
 13 hereby further amended by enacting a new section 223 of chapter 2  
 14 to read as follows:

15           "Section 223. Postal Boxes.

16           (1) The Corporation may install and maintain boxes for  
 17           the reception or transmission, by post, of postal  
 18           articles on any public road, street, or in any other  
 19           public place.

20           (2) The Corporation shall keep in good order and may,  
 21           at any time, demolish or remove any receptacle or box  
 22           installed by it for the reception of postal articles."

23          Section 10. Title 39 of the Code of the Federated States of  
 24 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
 25 further amended by enacting a new section 224 of chapter 2 to read

1 as follows:

2 "Section 224. Rules.

3 (1) The Corporation may make rules governing all  
4 matters for which rules are required or authorized to be  
5 made under section 231 of this act.

6 (2) All rules made by the Corporation shall be  
7 published in the newspaper most widely read in the  
8 Federated States of Micronesia, and shall come into force  
9 on the date of the publication or on such later date as  
10 may be specified."

11 Section 11. Title 39 of the Code of the Federated States  
12 of Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
13 hereby further amended by enacting a new section 225 of chapter 2  
14 to read as follows:

15 "Section 225. Issue and sale of stamps and other  
16 philatelic products. The Corporation shall issue and  
17 sell such stamps and other philatelic products as it  
18 deems appropriate."

19 Section 12. Title 39 of the Code of the Federated States of  
20 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is  
21 hereby further amended by enacting a new section 226 of chapter 2  
22 to read as follows:

23 "Section 226. Payment of postage.

24 (1) Payment of postage in respect of the transmission  
25 of a postal article may only be made:

1                   (a) in circumstances prescribed by the rules in  
2                   money;

3                   (b) except as otherwise provided by the rules, by  
4                   affixing to the article uncanceled postage stamps issued  
5                   by the Corporation and indicating an amount of postage  
6                   equal to or greater than the amount of the postage  
7                   payable in respect of the transmission of the article; or

8                   (c) an envelope, postcard, aerogram, or other  
9                   article on which the Corporation has caused to be  
10                   impressed or printed a representation of, or a design  
11                   resembling a postage stamp indicating an amount of  
12                   postage, shall be deemed to have affixed to it a postage  
13                   stamp issued by the Corporation indicating that amount of  
14                   postage.

15                   (2) Where payment of postage may be made in money, the  
16                   rules may prescribe conditions to which that payment is  
17                   subject.

18                   (3) Official correspondence from the Corporation  
19                   relating to postal services provided by the Corporation,  
20                   and postal articles which do not require fees pursuant to  
21                   a convention or a provision of the rules, may be  
22                   transmitted by the Corporation by post free of charge."

23                   Section 13. Title 39 of the Code of the Federated States of  
24                   Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
25                   further amended by enacting a new section 227 of chapter 2 to read



1 as follows:

2 "Section 227. Insufficiently pre-paid postage.

3 (1) Where the postage is not fully pre-paid on a postal  
4 article posted for delivery in the FSM, the Corporation  
5 is entitled to be paid, as a condition of delivery, such  
6 fee in addition to the amount of postage or of the  
7 deficient postage payable in respect of the transmission  
8 of the article as is payable in accordance with a  
9 determination made by the Corporation.

10 (2) The Corporation may, at its discretion, collect  
11 such short payment in advance of its obligation to  
12 process, distribute or deliver the postal article."

13 Section 14. Title 39 of the Code of the Federated States of  
14 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
15 further amended by enacting a new section 228 of chapter 2 to read  
16 as follows:

17 "Section 228. Postage stamps and other philatelic  
18 products as valuable securities. Postage stamps, other  
19 philatelic products, and any document issued by the  
20 Corporation in respect to the transmission of moneys  
21 through post, shall, each of them be deemed to be a  
22 valuable security for the purposes of any law with  
23 respect to larceny."

24 Section 15. Title 39 of the Code of the Federated States of  
25 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby

1 further amended by enacting a new section 229 of chapter 2 to read  
2 as follows:

3 "Section 229. Carriage and delivery of mails.

4 (1) The master of any ship and the commander of any  
5 aircraft about to depart from any place in the FSM to any  
6 place within or outside of the FSM shall:

7 (a) receive any mails which are tendered to him by  
8 any authorized officer of the Corporation;

9 (b) if required, give a written receipt for the  
10 mails;

11 (c) cause a description of the mails to be entered  
12 on the manifest of the ship or aircraft;

13 (d) as far as it is practical, carefully deposit  
14 the mails on board in some place which is secure, dry and  
15 vermin proof, lock up the mails and carry them apart from  
16 other things; and

17 (e) deliver them to the person designated by the  
18 Corporation as being responsible for onward transmission  
19 of mails on arriving at his/her destination without  
20 delay.

21 (2) The customs officer may refuse clearance of the  
22 ship or aircraft if it appears that the master or the  
23 commander thereof, as the case may be, has refused to  
24 carry any mails pursuant to the provisions of subsection  
25 (1) of this section.

1           (3) In the absence of a contract by the Corporation,  
 2           for or in respect of the conveyance of mail, there shall  
 3           be paid to the owner of a ship or aircraft which carries  
 4           mails such fees and allowances as the Corporation and the  
 5           owner so agreed.

6           (4) On the arrival of a ship or aircraft at any place  
 7           in the FSM, whether or not from outside of the FSM, all  
 8           mails which are on board and are intended for discharge  
 9           at that place shall be delivered to a person authorized  
 10          by the Corporation who shall, if so required, give a  
 11          written receipt for any such mails received by him/her.

12          (5) The master of a ship or commander of an aircraft  
 13          who, having charge of any such mails, refuses or neglects  
 14          to deliver such mails as provided in this section,  
 15          detains or permits the detention of the mails, or does  
 16          not take due care for the proper custody of the mails  
 17          while they are in his or her charge, shall be guilty of  
 18          an offense and shall be liable upon conviction to a fine  
 19          not exceeding \$10,000 or to imprisonment for a period not  
 20          exceeding 2 years or to both such fine and imprisonment.

21          (6) Nothing herein shall be deemed to supersede or  
 22          render void any provisions in the Compact Subsidiary  
 23          Agreement on Postal Services and Related Programs, or any  
 24          other treaties or agreements signed, acceded to or  
 25          ratified by the National Government."

1 Section 16. Title 39 of the Code of the Federated States of  
2 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
3 further amended by enacting a new subchapter 3 of chapter 2 entitled  
4 "Miscellaneous".

5 Section 17. Title 39 of the Code of the Federated States of  
6 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
7 further amended by enacting a new section 231 of chapter 2 to read  
8 as follows:

9 "Section 231. Rules of the Corporation. Subject to the  
10 provisions of section 224(2) of this chapter, the  
11 Corporation may make rules, making provision for or with  
12 respect to:

13 (1) the establishment, management and operation of  
14 offices; the receipt, transmission and delivery of postal  
15 articles; and the conduct and duties of officers and  
16 employees;

17 (2) the terms and conditions governing the receipt,  
18 transmission and delivery of postal articles;

19 (3) the weight and dimension of postal articles;

20 (4) the registration and insurance of postal articles;

21 (5) the registration of publications;

22 (6) the sale of postage stamps and other philatelic  
23 products, the licensing of persons to sell stamps and the  
24 commission to be allowed to persons so licensed;

25 (7) the conditions governing the refund of postage;



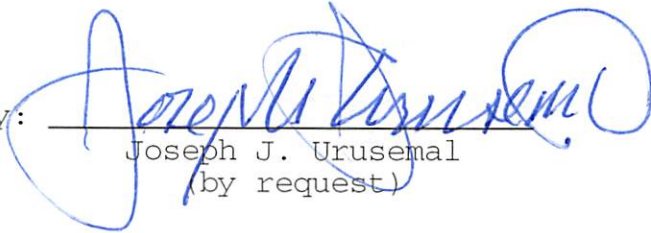
- 1           (8) unclaimed, undelivered, or refused postal articles;
- 2           (9) the redirection of postal articles and the return
- 3           of postal articles to senders;
- 4           (10) the mode of defacing or cancelling stamps on postal
- 5           articles;
- 6           (11) the payment of compensation in respect of the loss
- 7           or rifling of, damage to, or delay in delivery of postal
- 8           articles;
- 9           (12) the provision of private mail boxes and private
- 10          mail bags;
- 11          (13) the terms and conditions governing the transmission
- 12          of moneys through the post;
- 13          (14) the sale of stationery and packaging material;
- 14          (15) the conditions governing philatelic sales and
- 15          services;
- 16          (16) the establishment, management and operation of the
- 17          courier service; and
- 18          (17) any other matter which, in the opinion of the
- 19          Corporation, is necessary to facilitate the proper
- 20          discharge of its functions under this chapter."

21           Section 18. Title 39 of the Code of the Federated States of  
 22 Micronesia, as amended by Public Laws Nos. 5-66 and 7-75, is hereby  
 23 further amended by renumbering chapter 2, entitled "Postal Crimes",  
 24 as chapter 3.

25           Section 19. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its becoming  
2 law without such approval.

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4 Date: 10/14/99

Introduced by:   
Joseph J. Urusemal  
(by request)

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