

A BILL FOR AN ACT

To further amend title 10 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 2-61 and 3-4, by adding a new chapter 4 for the purpose of providing for the registration of foreign propagandists, and for other purposes.

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

1 Section 1. Title 10 of the Code of the Federated States of
2 Micronesia is hereby further amended by adding a new chapter 4, to
3 be entitled "Registration of Foreign Propagandists" to read as
4 follows:

5 "Section 401. Definitions. As used in and for the purposes
6 of this act:

7 (1) Except as provided in subsection (2) of this
8 section, the term 'agent of a foreign principal' means:

9 (a) Any person who acts as an agent, representative,
10 employee, or servant, or any person who acts in any other
11 capacity at the order, request, or under the direction or
12 control, of a foreign principal or of a person any of whose
13 activities are directly or indirectly supervised, directed,
14 controlled, financed, or subsidized in whole or in major part by
15 a foreign principal, and who directly or through any other person;

16 (i) Engages within the Federated States of
17 Micronesia in political activities for or in the interests of
18 such foreign principal;

19 (ii) Acts within the Federated States of Micro-
20 nesia as a public relations counsel, publicity agent,
21 information-service employee or political consultant for or
22 in the interests of such foreign principal;

23 (iii) Within the Federated States of Micronesia
24 solicits, collects, disburses, or dispenses contributions, loans,
25 money, or other things of value for or in the interest of such

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1 foreign principal; or

2 (iv) Within the Federated States of Micronesia

3 represents the interests of such foreign principal before any

4 agency or official of the Government of the Federated States of

5 Micronesia; and

6 (b) Any person who agrees, consents, assumes or purports

7 to act as, or who is or holds himself out to be, whether or not

8 pursuant to contractual relationship, an agent of a foreign principal

9 as defined in clause (1) of this subsection;

10 (2) The term 'agent of a foreign principal' does not include

11 any news, press service, or association organized under the laws of

12 the Federated States of Micronesia or of any State or other place

13 subject to the jurisdiction of the Federated States of Micronesia, or

14 any newspaper, magazine, periodical, or other publication published

15 in the Federated States of Micronesia engaged primarily in bona fide

16 news or journalistic activities, including the solicitation or

17 acceptance of advertisements, subscriptions, or other compensations

18 therefor, so long as it is at least 80 percentum beneficially owned

19 by, and its officers and directors, if any, are citizens of the

20 Federated States of Micronesia, and such news or press service, or

21 association, newspaper, magazine, periodical, or other publication,

22 is not owned, directed, supervised, controlled, subsidized, or

23 financed, and none of its policies are determined by any foreign

24 principal as defined in subsection (4) of this section or by any agent

25 of a foreign principal required to register under this act;

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1 (3) The term 'foreign political party' includes any
2 organization or any other combination of individuals in a country
3 other than the Federated States of Micronesia, or any unit or branch
4 thereof, having for an aim or purpose, or which is engaged in any
5 activity devoted in whole or in part to, the establishment,
6 administration, control, or acquisition of administration or control,
7 of a government of a foreign country or a subdivision thereof, or the
8 furtherance or influencing of the political or public interests,
9 policies, or relations of a government of a foreign country or a
10 subdivision thereof;

11 (4) The term 'foreign principal' includes:

12 (a) A government of a foreign country and a foreign
13 political party;

14 (b) A person outside of the Federated States of Micronesia,
15 unless it is established that such person is an individual and a
16 citizen of and domiciled within the Federated States of Micronesia,
17 or that such person is not an individual and is organized under or
18 created by the laws of the Federated States of Micronesia or of any
19 State or other place subject to the jurisdiction of the Federated
20 States of Micronesia and has its principal place of business within
21 the Federated States of Micronesia; and

22 (c) A partnership, association, corporation, organization,
23 or other combination of persons organized under the laws of or having
24 its principal place of business in a foreign country;

25 (5) The term 'government of a foreign country' includes any

1 person or group of persons exercising sovereign de facto or de
2 jure political jurisdiction over any country, other than the
3 Federated States of Micronesia, or over any part of such country,
4 and includes any subdivision of any such group and any group or
5 agency to which such sovereign de facto or de jure authority or
6 functions are directly or indirectly delegated. Such term shall
7 include any faction or body of insurgents within a country assuming
8 to exercise governmental authority whether such faction or body of
9 insurgents has or has not been recognized by the Federated States
10 of Micronesia;

11 (6) The term 'information-service employee' includes any
12 person who is engaged in furnishing, disseminating, or publishing
13 accounts, descriptions, information, or data with respect to the
14 political, industrial, employment, economic, social, cultural, or
15 other benefits, advantages, facts, or conditions of any country
16 other than the Federated States of Micronesia or of any government
17 of a foreign country or of a foreign political party or of a partner-
18 ship, association, corporation, organization, or other combination
19 of individuals organized under the laws of, or having its principal
20 place of business in, a foreign country;

21 (7) The term 'Micronesian republic' includes any of the
22 States which are or were part of the Trust Territory of the Pacific
23 Islands;

24 (8) The term 'person' includes an individual, partnership,
25 association, corporation, organization, or any other combination

1 of individuals;

2 (9) The term 'political activities' means the dissemination
3 of political propaganda and any other activity which the person
4 engaging therein believes will, or which he intends to, prevail
5 upon, indoctrinate, convert, induce, persuade, or in any other way
6 influence any agency or official of the Government of the Federated
7 States of Micronesia or any section of the public within the
8 Federated States of Micronesia with reference to formulating,
9 adopting, or changing the domestic or foreign policies of the
10 Federated States of Micronesia or with reference to the political
11 or public interests, policies, or relations of a government of a
12 foreign country or a foreign political party;

13 (10) The term 'political consultant' means any person who engages
14 in informing or advising any other person with reference to the
15 domestic or foreign policies of the Federated States of Micronesia
16 or the political or public interest, policies, or relations of a
17 foreign country or of a foreign political party;

18 (11) The term 'political propaganda' includes any oral, visual,
19 graphic, written, pictorial, or other communication or expression
20 by any person (1) which is reasonably adapted to, or which the
21 person disseminating the same believes will, or which he intends to,
22 prevail upon, indoctrinate, convert, induce, or in any other way
23 influence a recipient or any section of the public within the
24 Federated States of Micronesia with reference to the political or
25 public interests, policies, or relations of a government of a

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foreign country or a foreign political party or with reference to
the foreign policies of the Federated States of Micronesia or
promote in the Federated States of Micronesia racial, religious, or
social dissensions, or (2) which advocates, advises, instigates, or
promotes any racial, social, political, or religious disorder,
civil riot, or other conflict involving the use of force or violence
in any other Micronesian republic or the overthrow of any government
or political subdivison of any other Micronesian republic by any
means involving the use of force or violence. As used in this
section the term 'disseminating' includes transmitting or causing
to be transmitted in the Federated States of Micronesia mails or
by any means or instrumentality of interstate or foreign commerce or
offering or causing to be offered in the Federated States of Micro-
nesia mails;

(12) The term 'prints' means newspapers and periodicals, books,
pamphlets, sheet music, visiting cards, address cards, printing
proofs, engravings, photographs, pictures, drawings, plans, maps,
patterns to be cut out, catalogs, prospectuses, advertisements, and
printed, engraved, lithographed, or autographed notices of various
kinds, and, in general, all impressions or reproductions obtained
on paper or other material assimilable to paper, on parchment or on
cardboard, by means of printing, engraving, lithography, autography,
or any other easily recognizable mechanical process, with the
exception of the copying press, stamps with movable or immovable
type, and the typewriter;

1 (13) The term 'publicity agent' includes any person who en-
2 gages directly or indirectly in the publication or dissemination of
3 oral, visual, graphic, written, or pictorial information or
4 matter of any kind, including publication by means of advertising,
5 books, periodicals, newspapers, lectures, broadcasts, motion
6 pictures, or otherwise;

7 (14) The term 'public-relations counsel' includes any person
8 who engages directly or indirectly in informing, advising or in any
9 way representing a principal in any public relations matter pertaining
10 to political or public interests, policies, or relations of such
11 principal;

12 (15) The term 'registration statement' means the registration
13 statement required to be filed with the Attorney General under
14 section 402(a) of this title and any supplements thereto required to
15 be filed under section 402(b), and includes all documents and papers
16 required to be filed therewith or amendatory thereof or supplemental
17 thereto, whether attached thereto or incorporated therein by reference; and

18 (16) For the purpose of section 403(d) hereof, activities
19 in furtherance of the bona fide commercial, industrial, or financial
20 interests of a domestic person engaged in substantial commercial,
21 industrial, or financial operations in the Federated States of
22 Micronesia shall not be deemed to serve predominantly a foreign
23 interest because such activities also benefit the interests of a
24 foreign person engaged in bona fide trade or commerce which is
25 owned or controlled by, or which owns or controls, such domestic

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1 person; PROVIDED that (1) such foreign person is not, and such
2 activities are not directly or indirectly supervised, directed,
3 controlled, financed or subsidized in whole or in substantial part
4 by, a government of a foreign country or a foreign political party,
5 (2) the identity of such foreign person is disclosed to the agency
6 or official of the Federated States of Micronesia with whom such
7 activities are conducted, and (3) whenever such foreign person
8 owns or controls such domestic person, such activities are substantially
9 in furtherance of the bona fide commercial, industrial or
10 financial interests of such domestic person.

11 "Section 402. Registration statement.

12 (1) Filing; Contents. No person shall act as an agent of a
13 foreign principal unless he has filed with the Attorney General a
14 true and complete registration statement and supplements thereto as
15 required by this subsection and subsection (2) of this section or
16 unless he is exempt from registration under the provisions of this
17 act. Except as hereinafter provided, every person who becomes an
18 agent of a foreign principal shall, within 10 days thereafter, file
19 with the Attorney General, in duplicate, a registration statement,
20 under oath on a form prescribed by the Attorney General. The
21 obligation of an agent of a foreign principal to file a registration
22 statement shall, after the tenth day of his becoming such agent,
23 continue from day to day, and termination of such status shall not
24 relieve such agent from his obligation to file a registration
25 statement for the period during which he was an agent of a foreign

principal. The registration statement shall include the following, which shall be regarded as material for the purposes of this act:

(a) Registrant's name, principal business address, and all other business addresses in the Federated States of Micronesia or elsewhere, and all residence addresses, if any;

(b) Status of the registrant; if an individual, nationality; if a partnership, name, residence addresses, and nationality of each partner and a true and complete copy of its articles of copartnership; if an association, corporation, organization, or any other combination of individuals, the name, residence addresses, and nationality of each director and officer and of each person performing the functions of a director or officer and a true and complete copy of its charter, articles of incorporation, association, constitution, and bylaws, and amendments thereto; a copy of every other instrument or document and a statement of the terms and conditions of every oral agreement relating to its organization, powers, and purposes; and a statement of its ownership and control;

(c) A comprehensive statement of the nature of registrant's business; a complete list of registrant's employees and a statement of the nature of the work of each; the name and address of every foreign principal for whom the registrant is acting, assuming or purporting to act or has agreed to act; the character of the business or other activities of every such foreign principal, and, if any such foreign principal be other than a natural person, a statement of the ownership and control of each; and the extent, if any, to which each such foreign principal is supervised, directed, owned,

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1 controlled, financed, or subsidized, in whole or in part, by any
2 government of a foreign country or foreign political party, or by
3 any other foreign principal;

4 (d) Copies of each written agreement and the terms and
5 conditions of each oral agreement, including all modifications of
6 such agreements, or, where no contract exists, a full statement of
7 all the circumstances, by reason of which the registrant is an
8 agent of a foreign principal; a comprehensive statement of the
9 nature and method of performance of each such contract, and of the
10 existing and proposed activity or activities engaged in or to be
11 engaged in by the registrant as agent of a foreign principal for
12 each such foreign principal, including a detailed statement of any
13 such activity which is a political activity;

14 (e) The nature and amount of contributions, income,
15 money, or thing of value, if any, that the registrant has received
16 within the preceding 60 days from each such foreign principal, either
17 as compensation or for disbursement or otherwise, and the form and
18 time of each such payment and from whom received;

19 (f) A detailed statement of every activity which the
20 registrant is performing or is assuming or purporting, or has agreed
21 to perform for himself or any other person other than a foreign
22 principal and which requires his registration hereunder;

23 (g) The name, business, and residence addresses, and if
24 an individual, the nationality, of any person other than a foreign
25 principal for whom the registrant is acting, assuming or purporting

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1 to act or has agreed to act under such circumstances as require
2 his registration hereunder; the extent to which each such
3 person is supervised, directed, owned, controlled, financed,
4 or subsidized, in whole or in part, by any government of a
5 foreign country or foreign political party or by any other
6 foreign principal; and the nature and amount of contributions,
7 income, money, or thing of value, if any, that the registrant
8 has received during the preceding 60 days from each such person
9 in connection with any of the activities referred to in clause
10 (f) of this subsection, either as compensation or for disburse-
11 ment or otherwise, and the form and time of each such payment
12 and from whom received;

13 (h) A detailed statement of the money and other things
14 of value spent or disposed of by the registrant during the preceding
15 60 days in furtherance of or in connection with activities which
16 require his registration hereunder and which have been undertaken
17 by him either as an agent of a foreign principal or for himself or
18 any other person or in connection with any activities relating to
19 his becoming an agent of such principal, and a detailed statement
20 of any contributions of money or other things of value made by him
21 during the preceding 60 days in connection with an election to any
22 political office or in connection with any primary election,
23 convention, or caucus held to select candidates for any political
24 office;

25 (i) Copies of each written agreement and the terms and

conditions of each oral agreement, including all modifications of
such agreements, or, where no contract exists, a full statement of
all the circumstances, by reason of which the registrant is perform-
ing or assuming or purporting or has agreed to perform for himself
or for a foreign principal, or for any person other than a foreign
principal, any activities which require his registration hereunder;

(j) Such other statements, information, or documents
pertinent to the purposes of this act as the Attorney General,
having due regard for the National security and the public interest,
may from time to time require; and

(k) Such further statements and such further copies of
documents as are necessary to make the statements made in the
registration statement and supplements thereto, and the copies of
documents furnished therewith, not misleading.

(2) Supplements; Filing period. Every agent of a foreign
principal who has filed a registration statement required by
subsection (1) of this section shall, within 30 days after the
expiration of each period of 6 months succeeding such filing, file
with the Attorney General a supplement thereto, under oath, on a
form prescribed by the Attorney General, which shall set forth with
respect to such preceding 6 months' period such facts as the
Attorney General, having due regard for the National security and
the public interest, may deem necessary to make the information
required under this section accurate, complete, and current with
respect to such period. In connection with the information furnished

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1 under clauses (c), (d), (f) and (i) of subsection (1) of this
2 section, the registrant shall give notice to the Attorney General of
3 any changes therein within 10 days after such changes occur. If the
4 Attorney General, having due regard for the National security and
5 the public interest, determines that it is necessary to carry out
6 the purposes of this act, he may, in any particular case, require
7 supplements to the registration statement to be filed at more
8 frequent intervals in respect to all or particular items of
9 information to be furnished.

10 (3) Execution of statement under oath. The registration
11 statement and supplement thereto shall be executed under oath as
12 follows: if the registrant is an individual, by him; if the
13 registrant is a partnership, by the majority of the members thereof;
14 if the registrant is a person other than an individual or a partner-
15 ship, by a majority of the officers thereof or persons performing
16 the functions of officers or by a majority of the board of
17 directors thereof or persons performing the functions of directors,
18 if any.

19 (4) Filing of statement not deemed full compliance nor as
20 preclusion from prosecution. The fact that a registration state-
21 ment or supplement thereto has been filed shall not necessarily be
22 deemed a full compliance with this act and the regulations there-
23 under on the part of the registrant; nor shall it indicate that the
24 Attorney General has in any way passed upon the merits of such
25 registration statement or supplement thereto; nor shall it preclude

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1 prosecution, as provided for in this act, for willful failure to
2 file a registration statement or supplement thereto when due or
3 for a willful false statement of a material fact therein, or the
4 willful omission of a material fact required to be stated therein,
5 or the willful omission of a material fact or copy of a material
6 document necessary to make the statements made in a registration
7 statement and supplements thereto, and the copies of documents
8 furnished therewith, not misleading.

9 (5) Exemption by Attorney General. The Attorney General may,
10 by regulation, provide for the exemption:

11 (a) From registration, or from the requirement of
12 furnishing any of the information required by this section, of
13 any person who is listed as a partner, officer, director, or
14 employee in the registration statement filed by an agent of a
15 foreign principal under this act;

16 (b) From the requirement of furnishing any of the
17 information required by this section of any agent of a foreign
18 principal; and

19 (c) Where by reason of the nature of the functions or
20 activities of such person the Attorney General, having due regard
21 for the National security and the public interest, determines that
22 such registration, or the furnishing of such information, as the
23 case may be, is not necessary to carry out the purposes of this
24 act.

25 "Section 403. Exemptions. The requirements of section 402(1)

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1 of this title shall not apply to the following agents of foreign
2 principals:

3 (1) Diplomatic or consular officers. A duly accredited
4 diplomatic or consular officer of a foreign government who is so
5 recognized by the Department of External Affairs, while said
6 officer is engaged exclusively in activities which are recognized
7 by the Department of External Affairs as being within the scope
8 of the functions of such officer;

9 (2) Official of foreign government. Any official of a foreign
10 government, if such government is recognized by the Federated
11 States of Micronesia, who is not a public-relations counsel, publicity
12 agent, information-service employee, or a citizen of the Federated
13 States of Micronesia, whose name and status and the character of
14 whose duties as such official are of public record in the Depart-
15 ment of External Affairs, while said official is engaged exclusively
16 in activities which are recognized by the Department of External
17 Affairs as being within the scope of the functions of such official;

18 (3) Staff members of diplomatic or consular officers. Any
19 member of the staff of, or any person employed by, a duly accredited
20 diplomatic or consular officer of a foreign government who is so
21 recognized by the Department of External Affairs, other than a
22 public-relations counsel, publicity agent, or information-service
23 employee, whose name and status and the character of whose duties
24 as such member or employee are of public record in the Department
25 of External Affairs, while said member or employee is engaged

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1 exclusively in the performance of activities which are recognized
2 by the Department of External Affairs as being within the scope of
3 the functions of such member or employee;

4 (4) Private and nonpolitical activities; Solicitation of
5 funds. Any person engaging or agreeing to engage only (1) in
6 private and nonpolitical activities in furtherance of the bona
7 fide trade or commerce of such foreign principal; or (2) in other
8 activities not serving predominantly a foreign interest; or (3)
9 in the soliciting or collecting of funds and contributions within
10 the Federated States of Micronesia to be used only for medical aid
11 and assistance, or for food and clothing to relieve human suffering,
12 if such solicitation or collection of funds and contributions is in
13 accordance with and subject to the laws of the Federated States of
14 Micronesia;

15 (5) Religious, scholastic, or scientific pursuits. Any person
16 engaging or agreeing to engage only in activities in furtherance of
17 bona fide religious, scholastic, academic, or scientific pursuits or
18 of the fine arts;

19 (6) Defense of foreign government vital to Federated States
20 of Micronesia defense. Any person, or employee of such person,
21 whose foreign principal is a government of a foreign country the
22 defense of which the President deems vital to the defense of the
23 Federated States of Micronesia while, (1) such person or employee
24 engages only in activities which are in furtherance of the policies,
25 public interest, or National defense both of such government and

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1 of the Government of the Federated States of Micronesia, and are
2 not intended to conflict with any of the domestic or foreign
3 policies of the Government of the Federated States of Micronesia,
4 (2) each communication or expression by such person or employee
5 which he intends to, or has reason to believe will, be published,
6 disseminated, or circulated among any section of the public, or
7 portion thereof, within the Federated States of Micronesia,
8 is a part of such activities and is believed by such person to
9 be truthful and accurate and the identity of such person as an
10 agent of such foreign principal is disclosed therein, and (3)
11 such government of a foreign country furnishes to the Secretary of
12 External Affairs for transmittal to, and retention for the duration
13 of this act by, the Attorney General such information as to the
14 identity and activities of such person or employee at such times
15 as the Attorney General may require. Upon notice to the government
16 of which such person is an agent or to such person or employee,
17 the Attorney General, having due regard for the public interest
18 and National defense, may, with the approval of the Secretary of
19 External Affairs, and shall, at the request of the Secretary of
20 External Affairs, terminate in whole or in part the exemption
21 herein of any such person or employee; and

22 (7) Persons qualified to practice law. Any person qualified
23 to practice law, insofar as he engages or agrees to engage in the
24 legal representation of a disclosed foreign principal before any
25 court of law or any agency of the Government of the Federated

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1 States of Micronesia; PROVIDED that for the purposes of this
2 subsection legal representation does not include attempts to
3 influence or persuade agency personnel or officials other than
4 in the course of established agency proceedings, whether formal
5 or informal.

6 "Section 404. Filing and labeling of political propaganda.

7 (1) Copies to Attorney General; Statement as to places,
8 times, and extent of transmission. Every person within the
9 Federated States of Micronesia who is an agent of a foreign
10 principal and required to register under the provisions of this act
11 and who transmits or causes to be transmitted in the Federated
12 States of Micronesia mails or by any means or instrumentality of
13 interstate or foreign commerce any political propaganda for or in
14 the interests of such foreign principal (1) in the form of prints,
15 or (2) in any other form which is reasonably adapted to being, or
16 which he believes will be, or which he intends to be, disseminated
17 or circulated among two or more persons shall, not later than
18 48 hours after the beginning of the transmittal thereof, file with
19 the Attorney General two copies thereof and a statement, duly
20 signed by or on behalf of such agent, setting forth full inform-
21 ation as to the places, times, and extent of such transmittal.

22 (2) Identification statement. It shall be unlawful for any
23 person within the Federated States of Micronesia who is an agent
24 of a foreign principal and required to register under the
25 provisions of this act to transmit or cause to be transmitted

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1 in the Federated States of Micronesia mails or by any means or
2 instrumentality of interstate or foreign commerce any political
3 propaganda for or in the interests of such foreign principal (1)
4 in the form of prints, or (2) in any other form which is reasonably
5 adapted to being, or which he believes will be, or which he intends
6 to be, disseminated or circulated among two or more persons, unless
7 such political propaganda is conspicuously marked at its beginning
8 with, or prefaced or accompanied by, a true and accurate statement,
9 in the language or languages used in such political propaganda,
10 setting forth the relationship or connection between the person
11 transmitting the political propaganda or causing it to be transmitted
12 and such propaganda; that the person transmitting such political
13 propaganda or causing it to be transmitted is registered under this
14 act with the Federated States of Micronesia Office of the Attorney
15 General, as an agent of a foreign principal, together with the
16 name and address of such agent of a foreign principal and of such
17 foreign principal; that, as required by this act, his registration
18 statement is available for inspection at and copies of such
19 political propaganda are being filed with the Office of the Attorney
20 General; and that registration of agents of foreign principals
21 required by the act does not indicate approval by the Federated
22 States of Micronesia Government of the contents of their political
23 propaganda. The Attorney General, having due regard for the
24 National security and the public interest, may by regulation
25 prescribe the language or languages and the manner and form in

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1 which such statement shall be made and require the inclusion of
2 such other information contained in the registration statement
3 identifying such agent of a foreign principal and such political
4 propaganda and its sources as may be appropriate.

5 (3) Public inspection. The copies of political propaganda
6 required by this act to be filed with the Attorney General shall be
7 available for public inspection under such regulations as he may
8 prescribe.

9 (4) Government and Congress Library. Notwithstanding anything
10 in this section, the entry and transmittal by mail of foreign prints
11 imported for governmental purposes by authority of or for the use
12 of the Federated States of Micronesia Government or for the use of
13 the Federated States of Micronesia Congress Library shall not be
14 restricted.

15 (5) Information furnished to agency or official of Federated
16 States of Micronesia Government. It shall be unlawful for any person
17 within the Federated States of Micronesia who is an agent of a
18 foreign principal required to register under the provisions of this
19 act to transmit, convey, or otherwise furnish to any agency or
20 official of the Government (including a Member or committee of
21 Congress) for or in the interests of such foreign principal any political
22 propaganda or to request from any such agency or official for or
23 in the interests of such foreign principal any information or
24 advice with respect to any matter pertaining to the political or
25 public interests, policies, or relations of a foreign country or of

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1 a political party or pertaining to the foreign or domestic
2 policies of the Federated States of Micronesia unless the
3 propaganda or the request is prefaced or accompanied by a true
4 and accurate statement to the effect that such person is registered
5 as an agent of such foreign principal under this act.

6 (6) Appearances before congressional committees. Whenever
7 any agent of a foreign principal required to register under this
8 act appears before any committee of Congress to testify for or
9 in the interests of such foreign principal, he shall, at the time of
10 such appearance, furnish the committee with a copy of his most
11 recent registration statement filed with the Attorney General as
12 an agent of such foreign principal for inclusion in the records of
13 the committee as part of his testimony.

14 "Section 405. Books and records. Every agent of a foreign principal
15 registered under this act shall keep and preserve while he is an
16 agent of a foreign principal such books of account and other records
17 with respect to all his activities, the disclosure of which is
18 required under the provisions of this act, in accordance with such
19 business and accounting practices, as the Attorney General, having
20 due regard for the National security and the public interest, may
21 by regulation prescribe as necessary or appropriate for the
22 enforcement of the provisions of this act and shall preserve the
23 same for a period of 3 years following the termination of such
24 status. Until regulations are in effect under this section, every
25 agent of a foreign principal shall keep books of account and shall

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1 preserve all written records with respect to his activities.

2 Such books and records shall be open at all reasonable times to

3 the inspection of any official charged with the enforcement of

4 this act. It shall be unlawful for any person willfully

5 to conceal, destroy, obliterate, mutilate, or falsify; or to

6 attempt to conceal, destroy, obliterate, mutilate, or falsify, or

7 to cause to be concealed, destroyed, obliterated, mutilated, or

8 falsified, any books or records required to be kept under the

9 provisions of this section.

10 "Section 406. Public examination of official records; Transmittal
11 of records and information.

12 (1) Permanent copy of statement; Inspection; Withdrawal.

13 The Attorney General shall retain in permanent form one copy of all

14 registration statements and all statements concerning the distri-

15 bution of political propaganda furnished under this act, and the

16 same shall be public records and open to public examination and

17 inspection at such reasonable hours, under such regulations, as

18 the Attorney General may prescribe, and copies of the same shall

19 be furnished to every applicant at such reasonable fee as the

20 Attorney General may prescribe. The Attorney General may withdraw

21 from public examination the registration statement and other

22 statements of any agent of a foreign principal whose activities

23 have ceased to be of a character which requires registration under

24 the provisions of this act.

25 (2) Secretary of External Affairs. The Attorney General

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1 shall, promptly upon receipt, transmit one copy of every
2 registration statement filed hereunder and one copy of every
3 amendment or supplement thereto, and one copy of every item of
4 political propaganda filed hereunder, to the Secretary of External
5 Affairs for such comment and use as the Secretary of External
6 Affairs may determine to be appropriate from the point of view of
7 the foreign relations of the Federated States of Micronesia.
8 Failure of the Attorney General so to transmit such copy shall not
9 be a bar to prosecution under this act.

10 (3) Executive departments and agencies; Congressional
11 committees. The Attorney General is authorized to furnish to
12 departments and agencies in the executive branch and committees of
13 the Congress such information obtained by him in the administration
14 of this act, including the names of registrants under this act,
15 copies of registration statements, or parts thereof, copies of
16 political propaganda, or other documents or information filed under
17 this act, as may be appropriate in the light of the purposes of
18 this act.

19 "Section 407. Liability of officers. Each officer, or person
20 performing the functions of an officer, and each director, or
21 person performing the functions of a director, of an agent of
22 a foreign principal which is not an individual shall be under
23 obligation to cause such agent to execute and file a registration
24 statement and supplements thereto as and when such filing is
25 required under section 402(1) and 402(2) of this title.

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1 and shall also be under the obligation to cause such agent to
2 comply with all the requirements of sections 404 (1), 404(2),
3 and 405 of this title and all other requirements of this act.
4 Dissolution of any organization acting as an agent of a foreign
5 principal shall not relieve any officer, or person performing
6 the functions of an officer, or any director, or person performing
7 the functions of a director, from complying with the provisions
8 of this section. In case of failure of any such agent of a
9 foreign principal to comply with any of the requirements of
10 this act, each of its officers, or persons performing the functions
11 of officers, and each of its directors, or persons performing the
12 functions of directors, shall be subject to prosecution therefor.

13 "Section 408. Enforcement and penalties."

14 (1) Violations; False statements and willful omissions. Any
15 person who:

16 (a) Willfully violates any provision of this act or any
17 regulation thereunder; or

18 (b) In any registration statement or supplement thereto
19 or in any statement under section 404 of this title concerning
20 the distribution of political propaganda or in any other document
21 filed with, or furnished to the Attorney General under the
22 provisions of this act willfully makes a false statement of a
23 material fact or willfully omits any material fact required to
24 be stated therein, or willfully omits a material fact or a copy
25 of a material document necessary to make the statements therein

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1 and the copies of documents furnished therewith not misleading,
2 shall, upon conviction thereof, be punished by a fine of not
3 more than \$10,000 or by imprisonment for not more than 5 years,
4 or both, except that in the case of a violation of subsection (2), (5), or
5 (6) of section 404 or of subsection (7) or (8) of this section
6 the punishment shall be a fine of not more than \$5,000 or
7 imprisonment for not more than 6 months, or both.

8 (2) Proof of identity of foreign principal. In any proceeding
9 under this act in which it is charged that a person is an agent
10 of a foreign principal with respect to a foreign principal outside
11 of the Federated States of Micronesia, proof of the specific
12 identity of the foreign principal shall be permissible but not
13 necessary.

14 (3) Deportation. Any alien who shall be convicted of a
15 violation of, or a conspiracy to violate, any provision of this
16 act or any regulation thereunder shall be subject to deportation
17 in the manner provided by law.

18 (4) Nonmailable matter. The Postmaster General may declare
19 to be nonmailable any communication or expression falling within
20 section 401(11) of this title in the form of prints or in any
21 other form reasonably adapted to, or reasonably appearing to be
22 intended for, dissemination or circulation among two or more
23 persons, which is offered or caused to be offered for transmittal
24 in the Federated States of Micronesia mails to any person or
25 persons in any other Micronesian republic by any agent of a

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1 foreign principal, if the Postmaster General is informed in
2 writing by the Secretary of External Affairs that the duly
3 accredited diplomatic representative of such Micronesian republic
4 has made written representation to the Department of External
5 Affairs that the admission or circulation of such communication
6 or expression in such American republic is prohibited by the laws
7 thereof and has requested in writing that its transmittal thereto
8 be stopped.

9 (5) Continuing offense. Failure to file any such
10 registration or supplements thereto as is required by either
11 section 402(1) or section 402(2) of this title shall be considered a
12 continuing offense for as long as such failure exists, notwith-
13 standing any statute of limitation or other statute to the contrary.

14 (6) Injunctive remedy; Jurisdiction of federal court;
15 Expedition of proceedings. Whenever in the judgment of the
16 Attorney General any person is engaged in or about to engage in
17 any acts which constitute or will constitute a violation of any
18 provision of this act, or regulations issued thereunder, or when-
19 ever any agent of a foreign principal fails to comply with any
20 of the provisions of this act or the regulations issued thereunder,
21 or otherwise is in violation of the act, the Attorney General may
22 make application to the appropriate Federated States of Micronesia
23 court for an order enjoining such acts or enjoining such person
24 from continuing to act as an agent of such foreign principal, or
25 for an order requiring compliance with any appropriate provision

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1 of the act or regulation thereunder. The court shall have
2 jurisdiction and authority to issue a temporary or permanent
3 injunction, restraining order or such other order which it may
4 deem proper. The proceedings shall be made a preferred cause
5 and shall be expedited in every way.

6 (7) Deficient registration statement. If the Attorney
7 General determines that a registration statement does not comply
8 with the requirements of this act or the regulations issued there-
9 under, he shall so notify the registrant in writing, specifying
10 in what respects the statement is deficient. It shall be
11 unlawful for any person to act as an agent of a foreign principal
12 at any time 10 days or more after receipt of such notification
13 without filing an amended registration statement in full
14 compliance with the requirements of this act and the regulations
15 issued thereunder.

16 (8) Contingent fee arrangement. It shall be unlawful for
17 any agent of a foreign principal required to register under this
18 act to be a party to any contract, agreement, or understanding,
19 either expressed or implied, with such foreign principal pursuant
20 to which the amount or payment of the compensation, fee, or other
21 remuneration of such agent is contingent in whole or in part
22 upon the success of any political activities carried on by such
23 agent.

24 "Section 409. Territorial applicability of this chapter. This
25 chapter shall be applicable to the several States of the Federated

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1 States of Micronesia and all other places now or hereafter
2 subject to the civil or military jurisdiction of the Federated
3 States of Micronesia.

4 "Section 410. Rules and regulations. The Attorney General may
5 at any time make, prescribe, amend, and rescind such rules,
6 regulations, and forms as he may deem necessary to carry out the
7 provisions of this act.

8 "Section 411. Reports to Congress. The Attorney General shall,
9 from time to time, make a report to the Congress concerning the
10 administration of this act, including the nature, sources, and
11 content of political propaganda disseminated or distributed.

12 "Section 412. Savings clause. In the event that any provision
13 in this chapter is found to be in conflict with the Constitution
14 of the Federated States of Micronesia or any treaty entered into
15 by the Federated States of Micronesia, this chapter shall be
16 invalid only to the extent of such conflict and shall otherwise
17 remain in effect. In the event that any provision of this
18 chapter is in conflict with the Trusteeship Agreement or laws,
19 rules, or regulations promulgated by the United States pursuant
20 to the Trusteeship Agreement, said provisions shall be suspended
21 and not take effect until the termination of the Trusteeship.

22 Section 413. This act shall become law upon approval of the President of

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

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5 Date: 7/26/85

Introduced by: Jack Fritz
Jack Fritz

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