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1 of Micronesia is hereby enacted by adding a new section 1005 of  
2 chapter 10 to read as follows:

3 "Section 1005. Seagoing vessels. For the purposes of  
4 this chapter and the regulations promulgated pursuant to  
5 it, a vessel shall be treated as if it were a seagoing  
6 ship where it is:

7 (1) A registered vessel or a foreign vessel in the  
8 territorial waters of the Federated States of  
9 Micronesia;

10 (2) A ship under construction and intended for use  
11 in trade or commerce;

12 (3) A Government vessel, including a vessel being  
13 built by or on behalf of, or to the order of the  
14 Government; or

15 (4) A vessel that has been launched but not  
16 completed and delivered under the building contract."

17 Section 188. Title 19 of the Code of the Federated States  
18 of Micronesia is hereby enacted by adding a new section 1006 of  
19 chapter 10 to read as follows:

20 "Section 1006. Application to determine owners'  
21 liability. Any person who may limit his liability under  
22 regulations promulgated by the Secretary pursuant to the  
23 Limitation of Liability Convention may apply to the  
24 Trial Division of the Supreme Court to determine the  
25 limit of that liability for any particular claim, and

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1           the Supreme Court may order the creation, administration  
2           and distribution of a limitation fund."

3           Section 189. Title 19 of the Code of the Federated States  
4 of Micronesia is hereby enacted by adding a new section  
5 1007 of chapter 10 to read as follows:

6           "Section 1007. Government vessels. Nothing in this  
7           title shall authorize proceedings in rem against any  
8           Government vessel or authorize any lien on any  
9           Government vessel, cargo or other property."

10          Section 190. Title 19 of the Code of the Federated States  
11 of Micronesia is hereby enacted by adding a new section 1008 of  
12 chapter 10 to read as follows:

13          "Section 1008. Regulations.

14               (1) The Secretary may promulgate regulations to  
15               implement this chapter, and these regulations shall have  
16               the force and effect of law.

17               (2) The Secretary may by regulation adopt all or  
18               any part of the rules of the Limitation of Liability  
19               Convention.

20               (3) The Secretary shall by regulation determine the  
21               method by which tonnage shall be calculated or  
22               estimated."

23          Section 191. Title 19 of the Code of the Federated States  
24 of Micronesia is hereby enacted by adding a new section 1101 of  
25 chapter 11 to read as follows:

1           "Section 1101. Regulations for small craft.

2                   (1) To the extent that small craft navigate outside  
3           lagoons, or navigate within lagoons in such a way as to  
4           effect interstate or foreign commerce or shipping, the  
5           Secretary may promulgate regulations necessary to  
6           provide for the safety and control of small craft, which  
7           regulations shall have the force and effect of law.

8                   (2) Any regulations promulgated pursuant to this  
9           section shall provide that the Secretary shall take  
10          action inside of a lagoon only if the state has not  
11          acted, and action is necessary to protect interstate or  
12          foreign commerce."

13           Section 192. Title 19 of the Code of the Federated States  
14 of Micronesia is hereby enacted by adding a new section 1102 of  
15 chapter 11 to read as follows:

16           "Section 1102. Detention of a vessel.

17                   (1) Where a vessel is subject to detention the  
18           Secretary, upon written notice served to the person on  
19           board in charge of the ship, may detain the vessel  
20           without warrant.

21                   (2) An owner or master whose ship is subject to a  
22           detention order may petition the Secretary, in the  
23           manner prescribed by regulations, to review the  
24           detention order. Upon receipt of such a petition, the  
25           Secretary shall affirm, modify, or withdraw the

1 detention order, within the time specified by  
2 regulation.

3 (3) A ship unreasonably detained or delayed by the  
4 Secretary acting under the authority of this title is  
5 entitled to compensation for any loss or damage suffered  
6 thereby.

7 (4) Where a foreign vessel is detained, the  
8 Secretary, through diplomatic channels, shall notify the  
9 diplomatic representative of the vessel's flag state,  
10 including the reason for detention."

11 Section 193. Title 19 of the Code of the Federated States  
12 of Micronesia is hereby enacted by adding a new section 1103 of  
13 chapter 11 to read as follows:

14 "Section 1103. Proceedings on forfeiture of a vessel.

15 (1) Where a vessel is subject to forfeiture under  
16 this title, a law officer authorized in writing by the  
17 Secretary may seize and detain the vessel.

18 (2) Upon written notice of the proposed forfeiture  
19 being given to all parties with a registered interest in  
20 the vessel, and after hearing, the Supreme Court may  
21 order the vessel and its equipment forfeited to the  
22 Government."

23 Section 194. Title 19 of the Code of the Federated States  
24 of Micronesia is hereby enacted by adding a new section 1104 of  
25 chapter 11 to read as follows:

1           "Section 1104. Break or injury to submarine cable or  
2           pipeline.

3           (1) 'Submarine cable or pipeline' means a cable or  
4           pipeline found underwater outside of a lagoon.

5           (2) It is unlawful to willfully or negligently  
6           break or injure a submarine telegraph or telephone  
7           cable, a submarine pipeline or a submarine high-voltage  
8           power cable, unless the injury was caused by persons  
9           acting to save their lives or their vessels.

10          (3) If a person laying or repairing a submarine  
11          cable or pipeline damages another cable or pipeline he  
12          or she shall pay the cost of repair.

13          (4) If, after all reasonable precautionary measures  
14          have been taken, an anchor, a net or any other article  
15          belonging to a vessel is sacrificed to avoid injuring a  
16          submarine cable or pipeline, the owner of the cable or  
17          pipeline shall pay for the loss."

18          Section 195. Title 19 of the Code of the Federated States  
19 of Micronesia is hereby enacted by adding a new section 1105 of  
20 chapter 11 to read as follows:

21          "Section 1105. Delegations. The Secretary, registrar,  
22          principal surveyor, principal shipping officer and Aids  
23          to Navigation Officer may delegate in writing all or any  
24          of their powers under this title, except this power of  
25          delegation."

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1 Section 196. Title 19 of the Code of the Federated States  
2 of Micronesia is hereby enacted by adding a new section 1106 of  
3 chapter 11 to read as follows:

4 "Section 1106. Personal liability. The Secretary,  
5 registrar, principal surveyor, principal shipping  
6 officer, Aids to Navigation Officer and their delegates  
7 shall not be liable for any act or omission done under  
8 the authority of this title, if done in good faith and  
9 without gross negligence."

10 Section 197. Title 19 of the Code of the Federated States  
11 of Micronesia is hereby enacted by adding a new section 1107 of  
12 chapter 11 to read as follows:

13 "Section 1107. Continuity of documents. Any  
14 certificate, license, instrument or document which is  
15 valid and current immediately prior to the effective  
16 date of this act, and which has a similar effect as a  
17 certificate of registry, certificate of competency,  
18 certificate of service, certificate of inspection, load  
19 line certificate, tonnage certificate, or license as  
20 operator of a small craft, shall remain in force for 12  
21 months from the date this act becomes law, or until it  
22 expires, whichever is earlier."

23 Section 198. Title 19 of the Code of the Federated States  
24 of Micronesia is hereby enacted by adding a new section 1108 of  
25 chapter 11 to read as follows:

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1           "Section 1108. Regulations. The Secretary may  
2           promulgate regulations to implement this chapter, and  
3           these regulations shall have the force and effect of  
4           law."

5           Section 199. Title 19 of the Code of the Federated States  
6 of Micronesia is hereby enacted by adding a new section 1201 of  
7 chapter 12 to read as follows:

8           "Section 1201. Unlawful to act in violation. It is  
9           unlawful to act in violation of this title, or in  
10           violation of any regulation promulgated pursuant to this  
11           title."

12           Section 200. Title 19 of the Code of the Federated States  
13 of Micronesia is hereby enacted by adding a new section 1202 of  
14 chapter 12 to read as follows:

15           "Section 1202. Investigation of violations.

16                 (1) Upon receipt of evidence that a violation has  
17                 occurred, the Secretary shall investigate.

18                 (2) The Secretary may issue subpoenas requiring the  
19                 attendance of witnesses and the production of documents.  
20                 The Secretary may request the Attorney General to invoke  
21                 the aid of the Trial Division of the Supreme Court to  
22                 compel compliance with a subpoena.

23                 (3) The Secretary may inspect any vessel in any  
24                 port under the jurisdiction of the Federated States of  
25                 Micronesia.

1           (4) Upon completion of the investigation, the  
2           Secretary shall take the action he or she deems  
3           appropriate under this title. If a foreign ship is  
4           involved, the Secretary shall, through diplomatic  
5           channels, notify the diplomatic representative of the  
6           vessel's flag state."

7           Section 201. Title 19 of the Code of the Federated States  
8 of Micronesia is hereby enacted by adding a new section 1203 of  
9 chapter 12 to read as follows:

10           "Section 1203. Civil penalties.

11           (1) A person who is found by the Secretary, after  
12           notice and an opportunity to be heard, to have violated  
13           any provision of this title or the regulations issued  
14           thereunder, shall be liable for a civil penalty not to  
15           exceed \$5,000 for each violation.

16           (2) Each day of a continuing violation shall  
17           constitute a separate violation.

18           (3) Any person who makes a false or fraudulent  
19           statement or representation to the Secretary under this  
20           title or the regulations shall be liable for a civil  
21           penalty not to exceed \$10,000 for each such statement or  
22           representation.

23           (4) In determining the amount of a civil penalty,  
24           the Secretary shall consider the nature, circumstances,  
25           extent, and gravity of the act, the violator's degree of



1 culpability, history of prior offenses, and ability to  
2 pay, and other matters as justice may require. The  
3 Secretary may modify a civil penalty.

4 (5) If any person fails to pay a civil penalty, the  
5 Secretary may refer the matter to the Attorney General  
6 for collection in any appropriate Trial Division of the  
7 Supreme Court."

8 Section 202. Title 19 of the Code of the Federated States  
9 of Micronesia is hereby enacted by adding a new section 1204 of  
10 chapter 12 to read as follows:

11 "Section 1204. Criminal penalties. A person who  
12 knowingly violates any provision of this title or the  
13 regulations issued thereunder shall, for each violation,  
14 be fined not more than \$10,000 or imprisoned not more  
15 than 1 year, or both, unless a specific section of this  
16 title provides for greater punishment."

17 Section 203. Title 19 of the Code of the Federated States  
18 of Micronesia is hereby enacted by adding a new section 1205 of  
19 chapter 12 to read as follows:

20 "Section 1205. Time limits on rights of action.

21 (1) The following rights of action are subject to a  
22 1-year limitation:

23 (a) Claims arising out of the shipping  
24 articles.

25 (2) The following rights of action are subject to a

1           2-year prescription:

2                   (a) The right of action for death of a seaman  
3                   caused by wrongful act, neglect, or default on the high  
4                   seas;

5                   (b) Claims of owners against the master for  
6                   acts committed during the performance of his duties; and

7                   (c) All other tort claims.

8                   (3) All other claims are subject to a 3-year  
9                   prescription.

10                   (4) The period of prescription of the claims laid  
11                   down in the preceding subsections runs from the time  
12                   when the right of action accrues."

13           Section 204. Title 19 of the Code of the Federated States  
14 of Micronesia is hereby enacted by adding a new section 1206 of  
15 chapter 12 to read as follows:

16                   "Section 1206. Vessel liable in rem. A vessel, except  
17                   for a government vessel, operated in violation of this  
18                   title or any regulation promulgated pursuant to it is  
19                   liable in rem for any fine or civil penalty."

20           Section 205. Title 19 of the Code of the Federated States  
21 of Micronesia is hereby enacted by adding a new section 1207 of  
22 chapter 12 to read as follows:

23                   "Section 1207. Foreign vessels. Notwithstanding any  
24                   other provision of law in this title, if a violation is  
25                   committed by a foreign vessel, or its owner or master,

1           the Secretary, after consultation with the Attorney  
2           General, may refer the matter through diplomatic  
3           channels to the country of registry for appropriate  
4           action."

5           Section 206. Title 19 of the Code of the Federated States  
6 of Micronesia is hereby enacted by adding a new section 1208 of  
7 chapter 12 to read as follows:

8           "Section 1208. Other remedies not limited. Nothing in  
9           this title shall limit, deny, amend, modify, or repeal  
10           any other remedy available to the Federated States of  
11           Micronesia or to any other person, except as expressly  
12           provided in this title."

13           Section 207. Title 19 of the Code of the Federated States  
14 of Micronesia is hereby enacted by adding a new section 1209 of  
15 chapter 12 to read as follows:

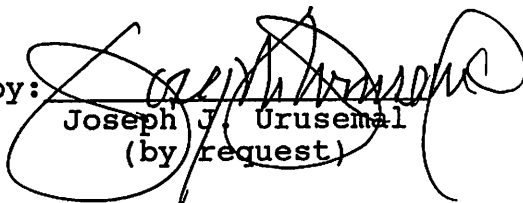
16           "Section 1209. Regulations. The Secretary may  
17           promulgate regulations to implement this chapter, and  
18           these regulations shall have the force and effect of  
19           law."

20           Section 208. This act shall become law upon approval by the  
21 President of the Federated States of Micronesia or upon its  
22 becoming law without such approval.

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24 Date: 06-02-93

Introduced by:

  
Joseph J. Urusemal  
(by request)

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1           purports to remove the jurisdiction of the Supreme Court  
2           over any bill of lading or other document relating to  
3           the carriage of goods by sea from any place outside the  
4           Federated States of Micronesia shall be void."

5           Section 182. Title 19 of the Code of the Federated States  
6 of Micronesia is hereby enacted by adding a new section 908 of  
7 chapter 9 to read as follows:

8           "Section 908. Regulations. The Secretary may  
9           promulgate regulations to implement this chapter, and  
10           these regulations shall have the force and effect of  
11           law."

12          Section 183. Title 19 of the Code of the Federated States  
13 of Micronesia is hereby enacted by adding a new section 1001 of  
14 chapter 10 to read as follows:

15           "Section 1001. Definitions. 'Limitation of Liability  
16           Convention' means the International Convention relating  
17           to the Limitation of Liability of Owners of Sea-going  
18           Ships signed at Brussels on October 10, 1957, as  
19           affected by the Protocol of 1979 Relating to the  
20           Limitation of Liability Convention."

21          Section 184. Title 19 of the Code of the Federated States  
22 of Micronesia is hereby enacted by adding a new section  
23 1002 of chapter 10 to read as follows:

24           "Section 1002. Application. This chapter applies to  
25           all registered vessels, all government vessels, and all

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1           vessels operating in the territorial waters of the  
2           Federated States of Micronesia."

3           Section 185. Title 19 of the Code of the Federated States  
4 of Micronesia is hereby enacted by adding a new section  
5 1003 of chapter 10 to read as follows:

6           "Section 1003. Liability and division of loss.

7                 (1) Where two or more vessels cause property damage  
8                 or loss, liability shall be proportional to the degree  
9                 of fault; PROVIDED that if it is not possible to  
10                establish degrees of fault, liability shall be  
11                apportioned equally.

12                (2) Where two or more vessels cause loss of life or  
13                personal injury to any person on board a vessel,  
14                liability shall be joint and several.

15                (3) Nothing in this section shall affect the right  
16                of any person to limit his liability in a manner  
17                provided by law."

18           Section 186. Title 19 of the Code of the Federated States  
19 of Micronesia is hereby enacted by adding a new section 1004 of  
20 chapter 10 to read as follows:

21           "Section 1004. Abolition of presumption of fault. In  
22           case of collision, a vessel shall not be deemed at fault  
23           solely because the master or person in charge has  
24           infringed any provision of the Collisions Convention."

25           Section 187. Title 19 of the Code of the Federated States