

AN ACT

To amend title 32 of the Code of the Federated States of Micronesia by adding a new chapter 5 concerning peddlers; to further amend title 50 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 4-25 and 4-68, by amending section 103 by adding a new subsection (3) to provide for peddler's permits; by renumbering subsections (3) through (9) of section 103; and for other purposes.

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

1 Section 1. Title 32 of the Code of the Federated States of
2 Micronesia is hereby amended by adding a new section 501 of chapter
3 5 to read as follows:

4 "Section 501. Definitions. As used in this chapter, unless
5 the subject matter, context, or sense otherwise requires:

- 6 (1) 'Noncitizen peddler' means a person who is
7 a peddler pursuant to the definition in subsection (2)
8 of this section and is neither a citizen nor a national
9 of the Federated States of Micronesia.
- 10 (2) 'Peddler' means a person who travels from house
11 to house, village to village, or island to island, for
12 the purpose of selling or taking orders for the purchase
13 of goods or services, who is without local place of
14 habitation or local place of business. The term 'peddler'
15 includes peddlers, hawkers, solicitors, itinerant vendors,
16 transient vendors, itinerant traders, transient traders,
17 itinerant merchants, transient merchants, traveling
18 merchants, drummers, traveling salespersons, and the like,
19 whether engaged in wholesale or retail sales. The term
20 'peddler' shall only apply to citizen peddlers if they are
21 engaged in interstate commerce. The term 'peddler' does not
22 apply to persons who make only a single or occasional sale."

1 Section 2. Title 32 of the Code of the Federated States of
2 Micronesia is hereby amended by adding a new section 502 of chapter
3 5 to read as follows:

4 "Section 502. Immigration requirements. All noncitizen
5 peddlers entering the Federated States of Micronesia for the
6 purpose of doing business must obtain a peddler's permit as
7 described in subsection (3) of section 103 of title 50 of
8 the Code of the Federated States of Micronesia."

9 Section 3. Title 32 of the Code of the Federated States of
10 Micronesia is hereby amended by adding a new section 503 of chapter
11 5 to read as follows:

12 "Section 503. Taxation. Peddlers shall be subject to all
13 applicable national taxes, including, but not limited to,
14 the gross revenue and import taxes established pursuant to
15 title 54 of the Code of the Federated States of Micronesia."

16 Section 4. Title 32 of the Code of the Federated States of
17 Micronesia is hereby amended by adding a new section 504 of chapter
18 5 to read as follows:

19 "Section 504. Foreign investment permits. Noncitizen
20 peddlers must comply with the foreign investment permit
21 requirements of chapter 2 of this title."

22 Section 5. Title 32 of the Code of the Federated States of
23 Micronesia is hereby amended by adding a new section 505 of chapter
24 5 to read as follows:

25 "Section 505. Other National and State laws. Nothing in

1 this chapter shall be construed as exempting peddlers from
2 other National and State laws, including laws concerning
3 requirements for business licenses."

4 Section 6. Title 32 of the Code of the Federated States of
5 Micronesia is hereby amended by adding a new section 506 of chapter
6 5 to read as follows:

7 "Section 506. Compliance. If a peddler does not make a
8 good faith effort to substantially comply with this chapter,
9 any sales made or contracts entered into while he is in
10 violation of this chapter shall be considered void, and the
11 peddler shall not be entitled to relief in the Supreme Court
12 of the Federated States of Micronesia in any action he
13 brings for accounts due on such sales or contracts. This
14 legal disability shall be in addition to, and not a
15 substitute for, any other legal consequences of
16 noncompliance."

17 Section 7. Section 103 of title 50 of the Code of the Federated
18 States of Micronesia is hereby amended to read as follows:

19 "Section 103. Entry permits - Types.

20 (1) A permit is not required for a person visiting for
21 thirty days or less. For a visit in excess of thirty days
22 a permit may be issued for an additional period not to
23 exceed sixty days.

24 (2) A visitor's permit for any lawful purpose,
25 including performance of necessary services on a short-

1 term contractual basis, may be issued for a period of
2 specified duration reflecting the time necessary to
3 accomplish the purpose.

4 (3) Notwithstanding any provision of subsections
5 (1) and (2) of this section, a person entering the
6 Federated States of Micronesia for the purpose of
7 engaging in business as a noncitizen peddler, as defined in
8 section 501 of title 32 of the Code of the Federated
9 States of Micronesia, shall be issued a peddler's
10 permit.

11 (4) An alien worker's permit shall be issued to a
12 noncitizen entering the Federated States of Micronesia upon
13 compliance with all National laws relating to private or
14 governmental employment for the period in which the employ-
15 ment of the alien worker is authorized by contract. The
16 permit shall be renewed upon extension or renewal of the
17 alien's lawful employment status.

18 (5) A foreign investor's entry permit shall be issued
19 for a specified duration and may be renewed upon renewal or
20 extension of such foreign investor's business permit.

21 (6) A researcher's entry permit shall be issued for
22 research in the fields of endeavor that the President deems
23 in the best interest of and for the well-being of the
24 citizens of the Federated States of Micronesia; provided
25 that the President receives from the researcher's intended

1 place of stay prior permission for his entry. The President
2 may attach thereto such conditions or restrictions as he
3 deems necessary.

4 (7) A missionary's permit shall be issued to a duly
5 ordained, licensed, and certified minister or clergyman. A
6 missionary's permit may also be issued to persons whose
7 activities are substantially connected with religious or
8 missionary work as determined by the President.

9 (8) An entry permit shall be issued to a lawful spouse
10 of a citizen. The permit shall be revoked or shall be denied
11 upon a finding that the parties are divorced or irrecon-
12 cilably separated, or that the citizen-spouse is deceased.
13 The President or his designee has the authority to grant
14 or reissue the permit for indefinite duration upon a
15 finding of hardship.

16 (9) A dependent's entry permit may be issued to an
17 unmarried child, under the age of eighteen, or a
18 noncitizen spouse subject to the conditions in subsection
19 (8) of this section.

20 (10) A spouse or unmarried child under the age of
21 eighteen of any noncitizen principal listed in this section
22 except subsection (9) may be issued an entry permit for
23 the duration of the principal's entry permit and may be
24 renewed upon renewal of the principal's entry permit."

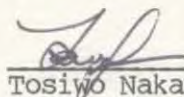
25 Section 8. If any provision of this act, or the application

1 of any such provision to any person or circumstance shall be held
2 invalid, the remainder of this act, or the application of such
3 provisions to persons or circumstances other than those to which
4 it is held invalid shall not be affected thereby, and to this
5 extent the provisions of this act are severable.

6 Section 9. This act shall take effect 90 days after approval
7 by the President of the Federated States of Micronesia, or 90 days
8 after its becoming law without such approval.

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May 5, 1987



Tosiwo Nakayama
President
Federated States of Micronesia