

COMPREHENSIVE DRUG ABUSE
PREVENTION AND CONTROL
ACT OF 1970

REPORT
OF THE
COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H.R. 18583

SHOWING CHANGES IN EXISTING LAW MADE
BY THE BILL (H.R. 18583), AS REPORTED



SEPTEMBER 10, 1970.—Committed to the Committee of the Whole House
on the State of the Union and ordered to be printed

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(III)

COMPREHENSIVE DRUG ABUSE PREVENTION AND CONTROL ACT OF 1970

SEPTEMBER 10, 1970.—Committed to the Committee of the Whole House on the
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Mr. STAGGERS, from the Committee on Interstate and Foreign
Commerce, submitted the following

CHANGES IN EXISTING LAW

[To accompany H.R. 18583]

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House
of Representatives, changes in existing law made by the bill, as re-
ported, are shown as follows (existing law proposed to be omitted is
enclosed in black brackets, new matter is printed in *italic*, existing law
in which no change is proposed is shown in roman) :

FEDERAL FOOD, DRUG, AND COSMETIC ACT

* * * * *

CHAPTER II—DEFINITIONS

SEC. 201. For the purposes of this Act—

(a) (1) The term "State", except as used in the last sentence of sec-
tion 702(a), means any State or Territory of the United States, the
District of Columbia, and the Commonwealth of Puerto Rico.

(2) The term "Territory" means any Territory or possession of the
United States, including the District of Columbia, and excluding the
Commonwealth of Puerto Rico and the Canal Zone [; except that such
term includes the Canal Zone for the purposes of sections 201, 301(i),
301(p), 301(q), 302, 303, 304 (other than paragraph (1) of subsection
(a)), 307, 510, 511, 702, 703, 704, and 705 as they apply to depressant
or stimulant drugs, containers thereof and equipment used in manu-
facturing, compounding or processing any such drug].

* * * * *

【(v) The term “depressant or stimulant drug” means—

【(1) any drug which contains any quantity of (A) barbituric acid or any of the salts of barbituric acid; or (B) any derivative of barbituric acid which has been designated by the Secretary under section 502(d) as habit forming;

【(2) any drug which contains any quantity of (A) amphetamine or any of its optical isomers; (B) any salt of amphetamine or any salt of an optical isomer of amphetamine; or (C) any substance which the Secretary, after investigation, has found to be, and by regulation designated as, habit forming because of its stimulant effect on the central nervous system; or

【(3) lysergic acid diethylamide and any other drug which contains any quantity of a substance which the Secretary, after investigation, has found to have, and by regulation designates as having, a potential for abuse because of its depressant or stimulant effect on the central nervous system or its hallucinogenic effect; except that the Secretary shall not designate under this paragraph, or under clause (C) of subparagraph (2), any substance that is now included, or is hereafter included, within the classifications stated in section 4731, and marihuana as defined in section 4761, of the Internal Revenue Code of 1954 (26 U.S.C. 4731, 4761).

The provisions of subsections (e), (f), and (g) of section 701 shall apply to and govern proceedings for the issuance, amendment, or repeal of regulations under subparagraph (2)(C) or (3) of this paragraph.】

* * * * *

CHAPTER III—PROHIBITED ACTS AND PENALTIES

PROHIBITED ACTS

SEC. 301. The following acts and the causing thereof are hereby prohibited:

* * * * *

【(q) (1) The manufacture, compounding, or processing of a drug in violation of section 511(a); (2) the sale, delivery, or other disposition of a drug in violation of section 511(b); (3) (A) the possession of a drug in violation of section 511(c)(1), or (B) the possession of a drug in violation of section 511(c)(2); (4) the failure to prepare or obtain, or the failure to keep, a complete and accurate record with respect to any drug as required by section 511(d); (5) the refusal to permit access to or copying of any record as required by section 511(d); (6) the refusal to permit entry or inspection as authorized by section 511(d); or (7) the filling or refilling of any prescription in violation of section 511(e).】

* * * * *

PENALTIES

【SEC. 303. (a) Any person who violates a provision of section 301 (other than a provision referred to in subsection (b) of this section) shall be imprisoned for not more than one year or fined not more than

\$1,000, or both; except that if any person commits such a violation after a conviction of him under this subsection has become final, or commits such a violation with the intent to defraud or mislead, such person shall be imprisoned for not more than three years or fined not more than \$10,000, or both.

[(b) (1) Any person who violates clause (1), (2), or (3) (A) of section 301(q), or violates, with respect to a depressant or stimulant drug, any of the provisions of paragraph (3) of section 301(i), shall, except as otherwise provided in paragraph (2) of this subsection, be imprisoned for not more than five years or fined not more than \$10,000, or both.

[(2) Any person eighteen or older who violates clause (2) of section 301(q) by selling, delivering, or otherwise disposing of any depressant or stimulant drug to a person who is under twenty-one, shall be imprisoned for not more than ten years or fined not more than \$15,000, or both, except that if any person commits such a violation after a conviction of him under this paragraph has become final, he shall be imprisoned for not more than fifteen years or fined not more than \$20,000, or both.

[(3) (A) Except as otherwise provided in this subparagraph or in subparagraph (B), any person who violates clause (3) (B) of section 301(q) shall be imprisoned for not more than one year or fined not more than \$1,000, or both. If any person commits such a violation after two prior convictions of him for violation of such clause have become final, he shall be imprisoned for not more than three years or fined not more than \$10,000, or both.

[(B) In the case of any person who is convicted for the first time of violating a provision of section 301(q) and whose conviction was for violating clause (3) (B) of such section, the court may suspend the imposition or execution of sentence and place such person on probation subject to such conditions as the court may impose and for such period, not to exceed one year, as the court may prescribe. The court may, in its discretion, unconditionally discharge such person from probation prior to the expiration of the maximum period prescribed for such person's probation. Such discharge shall automatically set aside the conviction, and the court shall issue to such person a certificate to that effect. If during the period of his probation such person does not violate any of the conditions of his probation, his conviction shall at the expiration of such period be automatically set aside, and the court shall issue to such person a certificate to that effect.]

SEC. 303. (a) Any person who violates a provision of section 301 shall be imprisoned for not more than one year or fined not more than \$1,000, or both.

(b) Notwithstanding the provisions of subsection (a) of this section, if any person commits such a violation after a conviction of him under this section has become final, or commits such a violation with the intent to defraud or mislead, such person shall be imprisoned for not more than three years or fined not more than \$10,000, or both.

* * * * *

SEIZURE

SEC. 304. (a) (1) * * *

(2) The following shall be liable to be proceeded against at any time on libel of information and condemned in any district court of

the United States or United States court of a Territory within the jurisdiction of which they are found: [(A) Any depressant or stimulant drug with respect to which a prohibited act within the meaning of section 301 (p) or (q) by any person had occurred.] [(B)](A) Any drug that is a counterfeit drug, [(C)](B) Any container [of such depressant or stimulant drug or] of a counterfeit drug, [(D) Any equipment used in manufacturing, compounding, or processing a depressant or stimulant drug with respect to which drug a prohibited act within the meaning of section 301 (p) or (q), by the manufacturer, compounder, or processor thereof, has occurred, and] [(E)](C) Any punch, die, plate, stone, labeling, container, or other thing used or designed for use in making a counterfeit drug or drugs.

* * * * *
 (d) (1) * * * * *
 * * * * *

(3) Whenever in any proceeding under this section, involving paragraph (2) of subsection (a), the condemnation of any equipment or thing (other than a drug) is decreed, the court shall allow the claim of any claimant, to the extent of such claimant's interest, for remission or mitigation of such forfeiture if such claimant proves to the satisfaction of the court (i) that he has not committed or caused to be committed any prohibited act referred to in such paragraph (2) and has no interest in any drug referred to therein, (ii) that he has an interest in such equipment or other thing as owner or lienor or otherwise, acquired by him in good faith, and (iii) that he at no time had any knowledge or reason to believe that such equipment or other thing was being or would be used in, or to facilitate, the violation of laws of the United States relating to [depressant or stimulant drugs or] counterfeit drugs.

* * * * *

CHAPTER V—DRUGS AND DEVICES

* * * * *

REGISTRATION OF PRODUCERS [AND CERTAIN WHOLESALERS] OF DRUGS

SEC. 510. (a) As used in this section—

(1) the term "manufacture, preparation, propagation, compounding, or processing" shall include repackaging or otherwise changing the container, wrapper, or labeling of any drug package in furtherance of the distribution of the drug from the original place of manufacture to the person who makes final delivery or sale to the ultimate consumer; *and*

[(2) the term "wholesaling, jobbing, or distributing of depressant or stimulant drugs" means the selling or distribution of any depressant or stimulant drug to any person who is not the ultimate user or consumer of such drug; and]

[(3)](2) the term "name" shall include in the case of a partnership the name of each partner and, in the case of a corporation, the name of each corporate officer and director, and the State of incorporation.

(b) On or before December 31 of each year every person who owns or operates any establishment in any State engaged in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs [or in the wholesaling, jobbing, or distributing of any depressant or stimulant drug] shall register with the Secretary his name, places of business, and all such establishments. [If any such establishment is engaged in the manufacture, preparation, propagation, compounding, or processing of any depressant or stimulant drug, such person shall, at the time of such registration, indicate such fact, in such manner as the Secretary may by regulation prescribe.]

(c) Every person upon first engaging in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs [or in the wholesaling, jobbing, or distributing of any depressant or stimulant drug] in any establishment which he owns or operates in any State shall immediately register with the Secretary his name, place of business, and such establishment. [If such establishment is engaged in the manufacture, preparation, propagation, compounding, or processing of any depressant or stimulant drug such person shall, at the time of such registration, indicate such fact, in such manner as the Secretary may by regulation prescribe.]

(d) [(1)] Every person duly registered in accordance with the foregoing subsections of this section shall immediately register with the Secretary any additional establishment which he owns or operates in any State and in which he begins the manufacture, preparation, propagation, compounding, or processing of a drug or drugs [or the wholesaling, jobbing, or distributing of any depressant or stimulant drug. If any depressant or stimulant drug is manufactured, prepared, propagated, compounded, or processed in such additional establishment, such person shall, at the time of such registration, indicate such fact, in such manner as the Secretary may by regulation prescribe].

* * * * *

[DEPRESSANT AND STIMULANT DRUGS

[SEC. 511. (a) No person shall manufacture, compound, or process any depressant or stimulant drug, except that this prohibition shall not apply to the following persons whose activities in connection with any such drug are solely as specified in this subsection :

[(1) (A) Manufacturers, compounders, and processors registered under section 510 who are regularly engaged, and are otherwise qualified, in conformance with local laws, in preparing pharmaceutical chemicals or prescription drugs for distribution through branch outlets, through wholesale druggists, or by direct shipment, (i) to pharmacies or to hospitals, clinics, public health agencies, or physicians, for dispensing by registered pharmacists upon prescriptions, or for use by or under the supervision of practitioners licensed by law to administer such drugs in the course of their professional practice, or (ii) to laboratories or research or educational institutions for their use in research, teaching, or chemical analysis.

[(B) Suppliers (otherwise qualified in conformance with local laws) of manufacturers, compounders, and processors referred to in subparagraph (A).

[(2) Wholesale druggists registered under section 510 who maintain establishments in conformance with local laws and are regularly engaged in supplying prescription drugs (A) to pharmacies, or to hospitals, clinics, public health agencies, or physicians, for dispensing by registered pharmacists upon prescriptions, or for use by or under the supervision of practitioners licensed by law to administer such drugs in the course of their professional practice, or (B) to laboratories or research or educational institutions for their use in research, teaching, or clinical analysis.

[(3) Pharmacies, hospitals, clinics, and public health agencies, which maintain establishments in conformance with any applicable local laws regulating the practice of pharmacy and medicine and which are regularly engaged in dispensing prescription drugs upon prescriptions of practitioners licensed to administer such drugs for patients under the care of such practitioners in the course of their professional practice.

[(4) Practitioners licensed by law to prescribe or administer depressant or stimulant drugs, while acting in the course of their professional practice.

[(5) Persons who use depressant or stimulant drugs in research, teaching, or chemical analysis and not for sale.

[(6) Officers and employees of the United States, a State government, or a political subdivision of a State, while acting in the course of their official duties.

[(7) An employee or agent of any person described in paragraph (1) through paragraph (5), and a nurse or other medical technician under the supervision of a practitioner licensed by law to administer depressant or stimulant drugs, while such employee, nurse, or medical technician is acting in the course of his employment or occupation and not on his own account.

[(b) No person, other than—

[(1) a person described in subsection (a), while such person is acting in the ordinary and authorized course of his business, profession, occupation, or employment, or

[(2) a common or contract carrier or warehouseman, or an employee thereof, whose possession of any depressant or stimulant drug is in the usual course of his business or employment as such,

shall sell, deliver, or otherwise dispose of any depressant or stimulant drug to any other person.

[(c) No person, other than a person described in subsection (a) or (b) (2) of this section, shall—

[(1) possess any depressant or stimulant drug for sale, delivery, or other disposal to another, or

[(2) otherwise possess any such drug unless such drug was obtained directly, or pursuant to a valid prescription, from a practitioner (licensed by law to prescribe or administer such drug) while acting in the course of his professional practice.

[(d) (1) Every person engaged in manufacturing, compounding, processing, selling, delivering, or otherwise disposing of any depressant or stimulant drug shall, upon the effective date of this section, prepare a complete and accurate record of all stocks of each such drug on hand and shall keep such record for three years. On and after the effective

date of this section, every person manufacturing, compounding, or processing any depressant or stimulant drug shall prepare and keep, for not less than three years, a complete and accurate record of the kind and quantity of each such drug manufactured, compounded, or processed and the date of such manufacturer, compounding, or processing; and every person selling, delivering, or otherwise disposing of any depressant or stimulant drug shall prepare or obtain, and keep for not less than three years, a complete and accurate record of the kind and quantity of each such drug received, sold, delivered, or otherwise disposed of, the name and address of the person, and the registration number, if any, assigned to such person by the Secretary pursuant to section 510(e), from whom it was received and to whom it was sold, delivered, or otherwise disposed of, and the date of such transaction. No separate records, nor set form or forms for any of the foregoing records, shall be required as long as records containing the required information are available.

[(2) (A) Every person required by paragraph (1) of this subsection to prepare or obtain, and keep, records, and any carrier maintaining records with respect to any shipment containing any depressant or stimulant drug, and every person in charge, or having custody, of such records, shall, upon request of an officer or employee designated by the Secretary permit such officer or employee at reasonable times to have access to and copy such records. For the purposes of verification of such records and of enforcement of this section, officers or employees designated by the Secretary are authorized, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, to enter, at reasonable times, any factory, warehouse, establishment, or vehicle in which any depressant or stimulating drug is held, manufactured, compounded, processed, sold, delivered, or otherwise disposed of and to inspect, within reasonable limits and in a reasonable manner, such factory, warehouse, establishment, or vehicle, and all pertinent equipment, finished and unfinished material, containers and labeling therein, and all things therein (including records, files, papers, processes, controls, and facilities) bearing on violation of this section or section 301(q); and to inventory any stock of any such drug therein and obtain samples of any such drug. If a sample is thus obtained, the officer or employee making the inspection shall, upon completion of the inspection and before leaving the premises, give to the owner, operator, or agent in charge a receipt describing the sample obtained.

[(B) No inspection authorized by subparagraph (A) shall extend to (i) financial data, (ii) sales data other than shipment data, (iii) pricing data, (iv) personnel data, or (v) research data, which are exempted from inspection under the third sentence of section 704(a) of this Act.

[(3) The provisions of paragraphs (1) and (2) of this subsection shall not apply to a licensed practitioner described in subsection (a) (4) with respect to any depressant or stimulant drug received, prepared, processed, administered, or dispensed by him in the course of his professional practice, unless such practitioner regularly engages in dispensing any such drug or drugs to his patients for which they are charged, either separately or together with charges for other professional services.

[(e) No prescription (issued before or after the effective date of this section) for any depressant or stimulant drug may be filled or refilled more than six months after the date on which such prescription was issued and no such prescription which is authorized to be refilled may be refilled more than five times, except that any prescription for such a drug after six months after the date of issue or after being refilled five times may be renewed by the practitioner issuing it either in writing, or orally (if promptly reduced to writing and filed by the pharmacist filling it).

[(f) (1) The Secretary may by regulation exempt any depressant or stimulant drug from the application of all or part of this section when he finds that regulation of its manufacture, compounding, processing, possession, and disposition, as provided in this section or in such part thereof, is not necessary for the protection of the public health.

[(2) The Secretary shall by regulation exempt any depressant or stimulant drug from the application of this section, if—

[(A) such drug may, under the provisions of this Act, be sold over the counter without a prescription; or

[(B) he finds that such drug includes one or more substances not having a depressant or stimulant effect on the central nervous system or a hallucinogenic effect and such substance or substances are present therein in such combination, quantity, proportion, or concentration as to prevent the substance or substances therein which do have such an effect from being ingested or absorbed in sufficient amounts or concentrations as, within the meaning of section 201(v), to—

[(i) be habit forming because of their stimulant effect on the central nervous system, or

[(ii) have a potential for abuse because of their depressant or stimulant effect on the central nervous system or their hallucinogenic effect.

[(g) (1) The Secretary may, from time to time, appoint a committee of experts to advise him with regard to any of the following matters involved in determining whether a regulation under subparagraph (2)(C) or (3) of section 201(v) should be proposed, issued, amended, or repealed: (A) whether or not the substance involved has a depressant or stimulant effect on the central nervous system or a hallucinogenic effect, (B) whether the substance involved has a potential for abuse because of its depressant or stimulant effect on the central nervous system, and (C) any other scientific question (as determined by the Secretary) which is pertinent to the determination of whether such substance should be designated by the Secretary pursuant to subparagraph (2)(C) or (3) of section 201(v). The Secretary may establish a time limit for submission of the committee's report. The appointment, compensation, staffing, and procedure of such committees shall be in accordance with subsections (b)(5)(D), and the admissibility of their reports, recommendations, and testimony at any hearing involving such matters shall be determined in accordance with subsection (d)(2), of section 706. The appointment of such a committee after publication of an order acting on a proposal pursuant to section 701(e)(1) shall not suspend the running of the time for filing objections to such order and requesting a hearing unless the Secretary so directs.

[(2) Where such a matter is referred to an expert advisory committee upon request of an interested person, the Secretary may, pursuant to regulations, require such person to pay fees to pay the costs, to the Department, arising by reason of such referral. Such fees, including advance deposits to cover such fees, shall be available, until expended, for paying (directly or by way of reimbursement of the applicable appropriations) the expenses of advisory committees under this subsection and other expenses arising by reason of referrals to such committees and for refunds in accordance with such regulations.

[(h) As used in this section and in sections 301 and 304, the term "manufacture, compound, or process" shall be deemed to refer to "manufacture, preparation, propagation, compounding, or processing" as defined in section 510(a), and the term "manufacturers, compounders, and processors" shall be deemed to refer to persons engaged in such defined activities.]

* * * * *

CHAPTER VII—GENERAL ADMINISTRATIVE PROVISIONS

* * * * *

EXAMINATIONS AND INVESTIGATIONS

SEC. 702. * * *

(c) Any officer or employee of the Department designated by the Secretary to conduct examinations, investigations, or inspections under this Act relating [to depressant or stimulant drugs or] to counterfeit drugs may, when so authorized by the Secretary—

- (1) carry firearms;
- (2) execute and serve search warrants and arrest warrants;
- (3) execute seizure by process issued pursuant to libel under section 304;
- (4) make arrests without warrant for offenses under this Act with respect to such drugs if the offense is committed in his presence or, in the case of a felony, if he has probable cause to believe that the person so arrested has committed, or is committing, such offense; and

(5) make, prior to the institution of libel proceedings under section 304(a)(2), seizures of drugs or containers or of equipment, punches, dies, plates, stones, labeling, or other things, if they are, or he has reasonable grounds to believe that they are, subject to seizure and condemnation under such section 304(a)(2). In the event of seizure pursuant to this paragraph (5), libel proceedings under section 304(a)(2) shall be instituted promptly and the property seized be placed under the jurisdiction of the court.

* * * * *

CHAPTER VIII—IMPORTS AND EXPORTS

SEC. 801. (a) The Secretary of the Treasury shall deliver to the Secretary of Health, Education, and Welfare, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the

owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony. The Secretary of Health, Education, and Welfare shall furnish to the Secretary of the Treasury a list of establishments registered pursuant to subsection (i) of section 510 and shall request that if any drugs manufactured, prepared, propagated, compounded, or processed in an establishment not so registered are imported or offered for import into the United States, samples of such drugs be delivered to the Secretary of Health, Education, and Welfare, with notice of such delivery to the owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated, misbranded, or in violation of section 505, then such article shall be refused admission, except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such article refused admission unless such article is exported, under regulations prescribed by the Secretary of the Treasury, within ninety days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations. **[This Clause (2) of the third sentence of this paragraph shall not be construed to prohibit the admission of narcotic drugs the importation of which is permitted under [section 2 of the Act of May 26, 1922, as amended (U.S.C., 1946 edition, title 21, sec. 173).]** *the Controlled Substances Import and Export Act.*

* * * * *

PUBLIC HEALTH SERVICE ACT

TITLE I—SHORT TITLE AND DEFINITIONS

SHORT TITLE

SEC. 1. Titles I to IX inclusive, of this Act may be cited as the "Public Health Service Act".

DEFINITIONS

SEC. 2. When used in this Act—

- (a) The term "Service" means the Public Health Service;
- (b) The term "Surgeon General" means the Surgeon General of the Public Health Service;
- (c) Unless the context otherwise requires, the term "Secretary" means the Secretary of Health, Education, and Welfare;
- (d) The term "regulations", except when otherwise specified, means rules and regulations made by the Surgeon General with the approval of the Secretary;
- (e) The term "executive department" means any executive department, agency, or independent establishment of the United States or any corporation wholly owned by the United States;

(f) The term "State" means a State or the District of Columbia, Puerto Rico, or the Virgin Islands, except that as used in section 361 (d) such term means a State or the District of Columbia;

(g) The term "possession" includes, among other possessions, Puerto Rico and the Virgin Islands;

(h) The term "seamen" includes any person employed on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation;

(i) The term "vessel" includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water, exclusive of aircraft and amphibious contrivances;

(j) The term "habit-forming narcotic drug" or "narcotic" means opium and coca leaves and the several alkaloids derived therefrom, the best known of these alkaloids being morphia, heroin, and codeine, obtained from opium, and cocaine derived from the coca plant: all compounds, salts, preparations, or other derivatives obtained either from the raw material or from the various alkaloids; Indian hemp and its various derivatives, compounds, and preparations, and peyote in its various forms; isonipecaine and its derivatives, compounds, salts and preparations; opiates (as defined in section 3228(f) of the Internal Revenue Code);

(k) The term "addict" means any person who habitually uses any habit-forming narcotic drugs so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to the use of such habit-forming narcotic drugs as to have lost the power of self-control with reference to his addiction;

(l) The term "psychiatric disorders" includes diseases of the nervous system which affect mental health;

(m) The term "State mental health authority" means the State health authority, except that, in the case of any State in which there is a single State agency, other than the State health authority, charged with responsibility for administering the mental health program of the State, it means such other State agency;

(n) The term "heart diseases" means diseases of the heart and circulation;

(o) The term "dental diseases and conditions" means diseases and conditions affecting teeth and their supporting structures, and other related diseases of the mouth; and

(p) The term "uniformed service" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service, or Coast and Geodetic Survey.

(q) *The term "drug dependent person" means a person who is using a controlled substance (as defined in section 102 of the Controlled Substances Act) and who is in a state of psychic or physical dependence, or*

both, arising from the use of that substance on a continuous basis. Drug dependence is characterized by behavioral and other responses which include a strong compulsion to take the substance on a continuous basis in order to experience its psychic effects or to avoid the discomfort caused by its absence.

* * * * *

TITLE III—GENERAL POWERS AND DUTIES OF PUBLIC HEALTH SERVICE

PART A—RESEARCH AND INVESTIGATION

* * * * *

NARCOTICS

[**SEC. 302.** (a) In carrying out the purposes of section 301 with respect to narcotics, the studies and investigations shall include the use and misuse of narcotic drugs, the quantities of crude opium, coca leaves, and their salts, derivatives, and preparations, together with reserves thereof, necessary to supply the normal and emergency medicinal and scientific requirements of the United States. The results of studies and investigations of the quantities of crude opium, coca leaves, or other narcotic drugs, together with such reserves thereof, as are necessary to supply the normal and emergency medicinal and scientific requirements of the United States, shall be reported not later than the 1st day of September each year to the Secretary of the Treasury, to be used at his discretion in determining the amounts of crude opium and coca leaves to be imported under the Narcotic Drugs Import and Export Act, as amended.]

SEC. 302. (a) In carrying out the purposes of section 301 with respect to drugs the use or misuse of which might result in drug abuse or dependency, the studies and investigations authorized therein shall include the use and misuse of narcotic drugs and other drugs. Such studies and investigations shall further include the quantities of crude opium, coca leaves, and their salts, derivatives, and preparations, and other drugs subject to control under the Controlled Substances Act and the Controlled Substances Import and Export Act, together with reserves thereof, necessary to supply the normal and emergency medicinal and scientific requirements of the United States. The results of studies and investigations of the quantities of narcotic drugs or other drugs subject to control under such Acts, together with such reserves thereof, as are necessary to supply the normal and emergency medicinal and scientific requirements of the United States, shall be reported not later than the first day of April of each year to the Attorney General, to be used at his discretion in determining manufacturing quotas or importation requirements under such Acts.

* * * * *

MENTAL HEALTH

SEC. 303. (a) In carrying out the purposes of section 301 with respect to mental health, the Surgeon General is authorized—

- (1) to provide training and instruction and to establish and maintain traineeships, in accordance with the provisions of section 433(a) ;

(2) to make grants to State or local agencies, laboratories, and other public or nonprofit agencies and institutions, and to individuals for investigations, experiments, demonstrations, studies, and research projects with respect to the development of improved methods of diagnosing mental illness, and of care, treatment, and rehabilitation of the mentally ill, including grants to State agencies responsible for administration of State institutions for care, or care and treatment, of mentally ill persons for developing and establishing improved methods of operation and administration of such institutions.

The Secretary may authorize persons engaged in research on the use and effect of drugs to protect the privacy of individuals who are the subject of such research by withholding from all persons not connected with the conduct of such research the names or other identifying characteristics of such individuals. Persons so authorized to protect the privacy of such individuals may not be compelled in any Federal, State, or local civil, criminal, administrative, legislative, or other proceedings to identify such individuals.

(b) Grants under paragraph (2) of subsection (a) may be made only upon recommendation of the National Advisory Mental Health Council. Such grants may be paid in advance or by way of reimbursement, as may be determined by the Surgeon General; and shall be made on such conditions as the Surgeon General finds necessary.

PART E—NARCOTICS ADDICTS AND OTHER DRUG ABUSERS

CARE AND TREATMENT

SEC. 341. (a) The Surgeon General is authorized to provide for the confinement, care, protection, treatment, and discipline of persons addicted to the use of habit-forming narcotic drugs who are civilly committed to treatment or convicted of offenses against the United States and sentenced to treatment under the Narcotic Addict Rehabilitation Act of 1966, addicts who are committed to the custody of the Attorney General pursuant to the provisions of the Federal Youth Corrections Act (chapter 402 of title 18 of the United States Code), addicts and other persons with drug abuse and drug dependence problems who voluntarily submit themselves for treatment, and addicts convicted of offenses against the United States and who are not sentenced to treatment under the Narcotic Addict Rehabilitation Act of 1966, including persons convicted by general courts-martial and consular courts. Such care and treatment shall be provided at hospitals of the Service especially equipped for the accommodation of such patients or elsewhere where authorized under other provisions of law, and shall be designed to rehabilitate such persons, to restore them to health, and, where necessary, to train them to be self-supporting and self-reliant; but nothing in this section or in this part shall be construed to limit the authority of the Surgeon General under other provisions of law to provide for the conditional release of patients and for aftercare under supervision.

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EMPLOYMENT OF ADDICTS OR OTHER PERSONS WITH DRUG ABUSE
AND DRUG DEPENDENCE PROBLEMS

SEC. 342. Narcotic addicts *or other persons with drug abuse and drug dependence problems* in hospitals of the Service designated for their care shall be employed in such manner and under such conditions as the Surgeon General may direct. In such hospitals the Surgeon General may, in his discretion, establish industries, plants, factories, or shops for the production and manufacture of articles, commodities, and supplies for the United States Government. The Secretary of the Treasury may require any Government department, establishment, or other institution, for whom appropriations are made directly or indirectly by the Congress of the United States, to purchase at current market prices, as determined by him or his authorized representative, such of the articles, commodities, or supplies so produced or manufactured as meet their specifications; and the Surgeon General shall provide for payment to the inmates or their dependents of such pecuniary earnings as he may deem proper. The Secretary shall establish a working-capital fund for such industries, plants, factories, and shops out of any funds appropriated for Public Health Service hospitals at which addicts *or other persons with drug abuse and drug dependence problems* are treated and cared for; and such fund shall be available for the purchase, repair, or replacement of machinery or equipment, for the purchase of raw materials and supplies, for the purchase of uniforms and other distinctive wearing apparel of employees in the performance of their official duties, and for the employment of necessary civilian officers and employees. The Surgeon General may provide for the disposal of products of the industrial activities conducted pursuant to this section, and the proceeds of any sales thereof shall be covered into the Treasury of the United States to the credit of the working-capital fund.

CONVICTS

SEC. 343. (a) The authority vested with the power to designate the place of confinement of a prisoner shall transfer to hospitals of the Service especially equipped for the accommodation of addicts *or other persons with drug abuse and drug dependence problems*, if accommodations are available, all addicts *or other persons with drug abuse and drug dependence problems* who have been or are hereafter sentenced to confinement, or who are now or shall hereafter be confined, in any penal, correctional, disciplinary, or reformatory institution of the United States, including those addicts *or other persons with drug abuse and drug dependence problems* convicted of offenses against the United States who are confined in State and Territorial prisons, penitentiaries, and reformatories, except that no addict *or other person with a drug abuse or other drug dependence problem* shall be transferred to a hospital of the Service who, in the opinion of the officer authorized to direct the transfer, is not a proper subject for confinement in such an institution either because of the nature of the crime he has committed or because of his apparent incorrigibility. The authority vested with the power to designate the place of confinement of a prisoner shall transfer from a hospital of the Service to the institution from which he was received, or to such other institution as may be designated by the proper authority, any addict *or other person with a drug abuse or*

other drug dependence problem whose presence at a hospital of the Service is detrimental to the well-being of the hospital or who does not continue to be a narcotic addict *or other person with a drug abuse or other drug dependence problem*. All transfers of such prisoners to or from a hospital of the Service shall be accompanied by necessary attendants as directed by the officer in charge of such hospital and the actual and necessary expenses incident to such transfers shall be paid from the appropriation for the maintenance of such Service hospital except to the extent that other Federal agencies are authorized or required by law to pay expenses incident to such transfers. When sentence is pronounced against any person whom the prosecuting officer believes to be an addict *or other person with a drug abuse or other drug dependence problem*, such officer shall report to the authority vested with the power to designate the place of confinement, the name of such person, the reasons for his belief, all pertinent facts bearing on such addiction, *drug abuse, or drug dependence*, and the nature of the offense committed. Whenever an alien addict *or other person with a drug abuse or other drug dependence problem* transferred to a Service hospital pursuant to this subsection is entitled to his discharge but is subject to deportation, in lieu of being returned to the penal institution from which he came he shall be deported by the authority vested by law with power over deportation.

(b) The provisions of the Act of June 21, 1902, as amended (U.S.C., 1940 edition, title 18, secs. 710-712a), regulating commutation of sentence for good conduct of United States prisoners, section 8 of the Act of May 27, 1930 (U.S.C., 1940 edition, title 18, sec. 744h), regulating commutation of sentence for employment in industry, and the Act of June 25, 1910, as amended (U.S.C., 1940 edition, title 18, secs. 714-723c), relating to parole, shall be applicable to any narcotic addict *or other person with a drug abuse or other drug dependence problem* confined in any institution in execution of a judgment or sentence upon conviction of an offense against the United States; except that no narcotic addict *or other person with a drug abuse or other drug dependence problem* confined in any institution, whether or not an institution of the Public Health Service, shall be released by reason of commutation of sentence or parole until the Surgeon General shall have certified that such individual is no longer an addict *or other person with a drug abuse or other drug dependence problem*.

(c) Not later than one month prior to the expiration of the sentence of any addict *or other person with a drug abuse or other drug dependence problem* confined in a Service hospital, he shall be examined by the Surgeon General or his authorized representative. If the Surgeon General believes the person to be discharged is still an addict *or other person with a drug abuse or other drug dependence problem* and that he may by further treatment in a Service hospital be cured of his addiction, *drug abuse, or drug dependence*, the addict *or other person with a drug abuse or other drug dependence problem* shall be informed, in accordance with regulations, of the advisability of his submitting himself to further treatment. The addict *or other person with a drug abuse or other drug dependence problem* may then apply in writing to the Surgeon General for further treatment in a Service hospital for a period not exceeding the maximum length of time

considered necessary by the Surgeon General. Upon approval of the application by the Surgeon General or his authorized agent, the addict or other person with a drug abuse or other drug dependence problem may be given such further treatment as is necessary to cure him of his addiction, drug abuse, or drug dependence.

(d) Every person convicted of an offense against the United States, upon discharge, or upon release on parole from a hospital of the Service, shall be furnished with the gratuities and transportation authorized by law to be furnished to prisoners upon release from a penal, correctional, disciplinary, or reformatory institution.

(e) Any court of the United States having the power to suspend the imposition or execution of sentence and to place a defendant on probation under any existing laws may impose as one of the conditions of such probation that the defendant, if an addict or other person with a drug abuse or other drug dependence problem, shall submit himself for treatment at a hospital of the Service especially equipped for the accommodation of addicts or other persons with drug abuse and drug dependence problems until discharged therefrom as cured and that he shall be admitted thereto for such purpose. Upon the discharge of any such probationer from a hospital of the Service, he shall be furnished with the gratuities and transportation authorized by law to be furnished to prisoners upon release from a penal, correctional, disciplinary, or reformatory institution. The actual and necessary expense incident to transporting such probationer to such hospital and to furnishing such transportation and gratuities shall be paid from the appropriation for the maintenance of such hospital except to the extent that other Federal agencies are authorized or required by law to pay the cost of such transportation: *Provided*, That where existing law vests a discretion in any officer as to the place to which transportation shall be furnished or as to the amount of clothing and gratuities to be furnished, such discretion shall be exercised by the Surgeon General with respect to addicts or other persons with drug abuse and drug dependence problems discharged from hospitals of the Service.

VOLUNTARY PATIENTS

SEC. 344. (a) Any addict or other person with a drug abuse or other drug dependence problem, whether or not he shall have been convicted of an offense against the United States, may apply to the Surgeon General for admission to a hospital of the Service especially equipped for the accommodation of addicts or other persons with drug abuse and drug dependence problems.

(b) Any applicant shall be examined by the Surgeon General who shall determine whether the applicant is an addict or other person with a drug abuse or other drug dependence problem, whether by treatment in a hospital of the Service he may probably be cured of his addiction, drug abuse, or drug dependence, and the estimated length of time necessary to effect his cure. The Surgeon General may, in his discretion, admit the applicant to a Service hospital. No such addict or other person with a drug abuse or other drug dependence problem, shall be admitted unless he agrees to submit to treatment for the maximum amount of time estimated by the Surgeon General to be necessary to effect a cure, and unless suitable accommodations are available after all eligible

addicts or other persons with drug abuse and drug dependence problems convicted of offenses against the United States have been admitted. Any such addict or other person with a drug abuse or other drug dependence problem may be required to pay for his subsistence, care, and treatment at rates fixed by the Surgeon General and amounts so paid shall be covered into the Treasury of the United States to the credit of the appropriation from which the expenditure for his subsistence, care, and treatment was made. Appropriations available for the care and treatment of addicts or other persons with drug abuse and drug dependence problems admitted to a hospital of the Service under this section shall be available, subject to regulations, for paying the cost of transportation to any place within the continental United States, including subsistence allowance while traveling, for any indigent addict or other person with a drug abuse or drug dependence problem who is discharged as cured.

(c) Any addict or other person with a drug abuse or other drug dependence problem admitted for treatment under this section, including any addict or other person with a drug abuse or other drug dependence problem, not convicted of an offense, who voluntarily submits himself for treatment, may be confined in a hospital of the Service for a period not exceeding the maximum amount of time estimated by the Surgeon General as necessary to effect a cure of the addiction, drug abuse, or drug dependence or until such time as he ceases to be an addict or other person with a drug abuse or other drug dependence problem.

(d) Any addict or other person with a drug abuse or other drug dependence problem admitted for treatment under this section shall not thereby forfeit or abridge any of his rights as a citizen of the United States; nor shall such admission or treatment be used against him in any proceeding in any court; and the record of his voluntary commitment shall, except as otherwise provided by this Act, be confidential and shall not be divulged.

* * * * *

PENALTIES

SEC. 346. (a) Any person not authorized by law or by the Surgeon General who introduces or attempts to introduce into or upon the grounds of any hospital of the Service at which addicts or other persons with drug abuse and drug dependence problems are treated and cared for, any habit-forming narcotic drug or substance controlled under the *Controlled Substances Act*, weapon, or any other contraband article or thing, or any contraband letter or message intended to be received by an inmate thereof, shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for not more than ten years.

(b) It shall be unlawful for any person properly committed thereto to escape or attempt to escape from a hospital of the Service at which addicts or other persons with drug abuse and drug dependence problems are treated and cared for, and any such person upon apprehension and conviction in a United States court shall be punished by imprisonment for not more than five years, such sentence to begin upon the expiration of the sentence for which such person was originally confined.

(c) Any person who procures the escape of any person admitted to a hospital of the Service at which addicts are treated and cared for, or who advises, connives at, aids, or assists in such escape, or who conceals any such inmate after such escape, shall be punished upon conviction in a United States court by imprisonment in the penitentiary for not more than three years.

RELEASE OF PATIENTS

SEC. 347. For purposes of this Act, an individual shall be deemed cured of his addiction, *drug abuse, or drug dependence* and rehabilitated if the Surgeon General determines that he has received the maximum benefits of treatment and care by the Service for his addiction, *drug abuse, or drug dependence* or if the Surgeon General determines that his further treatment and care for such purpose would be detrimental to the interests of the Service.

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TITLE V—MISCELLANEOUS

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GRANTS TO FEDERAL INSTITUTIONS

SEC. 507. Appropriations to the Public Health Service [available for research, training, or demonstration project grants pursuant to this Act] *available under this Act for research, training, or demonstration project grants or for grants to expand existing treatment and research programs and facilities for alcoholism, narcotic addiction, drug abuse, and drug dependence, and appropriations available to the Secretary under the Community Mental Health Centers Act for construction and staffing of community mental health centers and alcoholism and narcotic addiction, drug abuse, and drug dependence facilities* shall also be available, on the same terms and conditions as apply to non-Federal institutions, for grants for the same purpose to hospitals of the Service, of the Veterans' Administration, or of the Bureau of Prisons of the Department of Justice, and to Saint Elizabeths Hospital, *except that grants to such Federal institutions may be funded at 100 per centum of the costs.*

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PARTS D AND E OF THE COMMUNITY MENTAL
HEALTH CENTERS ACT

[PART D—NARCOTIC ADDICT REHABILITATION]

PART D—NARCOTIC ADDICTION, DRUG ABUSE, AND DRUG
DEPENDENCE PREVENTION AND REHABILITATION

GRANTS FOR TREATMENT FACILITIES

SEC. 251. (a) Grants from appropriations under section 261 may be made to public or nonprofit private agencies and organizations to assist them in meeting the costs of construction of treatment facilities (including posthospitalization treatment facilities) for narcotic ad-

dicts *and other persons with drug abuse and drug dependence problems* within the States, and to assist them in meeting the costs, determined pursuant to regulations of the Secretary, of compensation of professional and technical personnel for the initial operation of such facilities constructed with grants made under part A or this part or of new services in existing treatment facilities for narcotic addicts *and other persons with drug abuse and drug dependence problems*.

(b) The grant program for construction of facilities authorized by subsection (a) shall be carried out consistently with the grant program under part A except to the extent, in the judgment of the Secretary, special considerations make differences appropriate; but (1) before the Secretary may make a grant under such subsection for the construction of a treatment facility for narcotic addicts *and other persons with drug abuse and drug dependence problems* he must find that the application for such grant meets the requirement of section 205(a)(5) (relating to the payment of prevailing wages), and (2) the amount of any such grant with respect to any project shall be such percentage of the cost thereof, but not in excess of 66 $\frac{2}{3}$ per centum (or 90 per centum in the case of a facility providing services for persons in an area designated by the Secretary as an urban or rural poverty area) as the Secretary may determine.

(c) Grants made under subsection (a) for the costs of compensation of professional and technical personnel may not exceed the percentages of such costs, and may be made only for the periods, prescribed for grants for such costs under section 242.

DIRECT GRANTS FOR SPECIAL PROJECTS

SEC. 252. The Secretary is authorized, during the period beginning July 1, 1968, and ending with the close of June 30, 1973, to make grants to any public or nonprofit private agencies and organizations to cover part or all of the cost of (A) developing specialized training programs or materials relating to the provision of public health services for the prevention and treatment of narcotic addiction, *drug abuse, and drug dependence*, or developing in-service training or short-term or refresher courses with respect to the provision of such services; (B) training personnel to operate, supervise, and administer such services; (C) conducting surveys and field trials to evaluate the adequacy of the programs for the prevention and treatment of narcotic addiction, *drug abuse, and drug dependence*, within the several States with a view to determining ways and means of improving, extending, and expanding such programs; and (D) programs for treatment and rehabilitation of narcotic addicts which the Secretary determines are of special significance because they demonstrate new or relatively effective or efficient methods of delivery of services to such narcotic addicts *and other persons with drug abuse and drugs dependence problems*.

DRUG ABUSE EDUCATION

SEC. 253. (a) *The Secretary is authorized to make grants to States and political subdivisions thereof and to public or nonprofit private agencies and organizations, and to enter into contracts with other private agencies and organizations, for—*

(1) *the collection, preparation, and dissemination of educational materials dealing with the use and abuse of drugs and the prevention of drug abuse, and*

(2) *the development and evaluation of programs of drug abuse education directed at the general public, school-age children, and special high-risk groups.*

(b) *The Secretary, acting through the National Institute of Mental Health, shall (1) serve as a focal point for the collection and dissemination of information related to drug abuse; (2) collect, prepare, and disseminate materials (including films and other educational devices) dealing with the abuse of drugs and the prevention of drug abuse; (3) provide for the preparation, production, and conduct of programs of public education (including those using films and other educational devices); (4) train professional and other persons to organize and participate in programs of public education in relation to drug abuse; (5) coordinate activities carried on by such departments, agencies, and instrumentalities of the Federal Government as he shall designate with respect to health education aspects of drug abuse; (6) provide technical assistance to State and local health and educational agencies with respect to the establishment and implementation of programs and procedures for public education on drug abuse; and (7) undertake other activities essential to a national program for drug abuse education.*

(c) *The Secretary, acting through the National Institute of Mental Health, is authorized to develop and conduct workshops, institutes, and other activities for the training of professional and other personnel to work in the area of drug abuse education.*

(d) *To carry out the purposes of this section, there are authorized to be appropriated \$7,000,000 for the fiscal year ending June 30, 1971, \$10,000,000 for the fiscal year ending June 30, 1972, and \$12,000,000 for the fiscal year ending June 30, 1973.*

PROJECTS ELIGIBLE UNDER REGULAR PROGRAM

SEC. [253.] 254. *Nothing in this part shall be construed to preclude approval under part A or B of a grant for a project for the construction or initial staffing of a facility for the treatment of narcotic addicts and other persons with drug abuse and drug dependence problems.*

PAYMENTS

SEC. [254.] 255. *Payments under this part may be made in advance or by way of reimbursement, and on such terms and conditions and in such installments, as the Secretary may determine.*

SPECIAL PROJECTS FOR NARCOTIC ADDICTS AND DRUG DEPENDENT PERSONS

SEC. 256. (a) *The Secretary is authorized to make grants to public or nonprofit private agencies and organizations to cover a portion of the costs of programs for treatment and rehabilitation of narcotic addicts or drug dependent persons which include (1) detoxification services, (2) institutional services (including medical, psychological, educational, and counseling services), and (3) community-based aftercare services.*

(b) *Grants under this section for the costs of any treatment and rehabilitation program—*

(1) may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of eight years after such first day; and

(2) (A) *except as provided in subparagraph (B), may not exceed 80 per centum of such costs for each of the first two years after such first day, 75 per centum of such costs for the third year after such first day, 60 per centum of such costs for the fourth year after such first day, 45 per centum of such costs for the fifth year after such first day, and 30 per centum of such costs for each of the next three years after such first day; and*

(B) *in the case of any such program providing services for persons in an area designated by the Secretary as an urban or rural poverty area, such grants may not exceed 90 per centum of such costs for each of the first two years after such first day, 80 per centum of such costs for the third year after such first day, 75 per centum of such costs for the fourth and fifth years after such first day, and 70 per centum of such costs for each of the next three years after such first day.*

(c) *No application for a grant authorized by this section shall be approved by the Secretary unless such application is forwarded through the State agency responsible for administering the plan submitted pursuant to section 204 of this Act or, if there be a separate State agency, designated by the Governor as responsible for planning, coordinating, and executing the State's efforts in the treatment and rehabilitation of narcotic addicts and drug dependent persons, through such latter agency, which shall submit to the Secretary such comments as it deems appropriate.*

(d) *The Secretary shall make grants under this section for projects within the States in accordance with criteria determined by him designed to provide priority for grant applications in States, and in areas within the States, having the higher percentages of population who are narcotic addicts or drug dependent persons.*

(e) *There are authorized to be appropriated to carry out this section not to exceed \$20,000,000 for the fiscal year ending June 30, 1971; \$20,000,000 for the fiscal year ending June 30, 1972; and \$20,000,000 for the fiscal year ending June 30, 1973.*

PART E—GENERAL PROVISIONS

AUTHORIZATION OF APPROPRIATIONS FOR REHABILITATION OF ALCOHOLICS [AND NARCOTIC ADDICTS], NARCOTIC ADDICTS, AND OTHER PERSONS WITH DRUG ABUSE AND DRUG DEPENDENCE PROBLEMS

SEC. 261. (a) There are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1969, \$15,000,000 for the fiscal year ending June 30, 1970, ~~[\$30,000,000 for the fiscal year ending June 30, 1971, \$35,000,000 for the fiscal year ending June 30, 1972, and \$40,000,000 for the fiscal year ending June 30, 1973]~~ *\$40,000,000 for the fiscal year ending June 30, 1971, \$60,000,000 for the fiscal year ending June 30, 1972, and \$80,000,000 for the fiscal year ending June 30, 1973,* for project grants for construction and staffing of facilities for the prevention and treatment of alcoholism under part C or the prevention and treatment of narcotic addiction, *drug abuse, and drug dependence* under part D and for grants under section 252 and section 246. Sums so appropriated for any fiscal year shall remain available for obligation until the close of the next fiscal year.

(b) There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the next nine fiscal years such

sums as may be necessary to continue to make grants for staffing with respect to any project under part C or D for which a staffing grant was made from appropriations under subsection (a) of this section for any fiscal year ending before July 1, 1973.

(c) Not to exceed 5 per centum of the amount appropriated pursuant to the preceding provisions of this section for any fiscal year shall be available to the Secretary to make grants to local public or nonprofit private organizations to cover up to 100 per centum of the costs (but in no case to exceed \$50,000) of the projects for assessing local needs for programs of services for alcoholics or narcotic addicts *and other persons with drug abuse and drug dependence problems*, designing such programs, obtaining local financial and professional assistance and support for such programs in the community, and fostering community involvement in initiating and developing such programs in the community. In no case shall a grant under this subsection be for a period in excess of one year; nor shall any grant be made under this subsection with respect to any project if, for any preceding year, a grant under this subsection has been made with respect to such project.

PROGRAM EVALUATION

SEC. 262. Such portion (as the Secretary may determine) of any appropriation under this title for any fiscal year ending after June 30, 1968, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the programs authorized by this title.

PROTECTION OF PERSONAL RIGHTS OF ALCOHOLICS [AND NARCOTIC ADDICTS], NARCOTIC ADDICTS, AND OTHER PERSONS WITH DRUG ABUSE AND DRUG DEPENDENCE PROBLEMS

SEC. 263. In making grants to carry out the purposes of parts C and D, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research which is carried out (in whole or in part) with funds provided from appropriations under this part unless such individual explicitly agrees to become a subject of such research.

GRANTS FOR CONSULTATION SERVICES

SEC. 264. (a) In the case of any community mental health center, alcoholism prevention and treatment facility, specialized facility for alcoholics, treatment facility for narcotic addicts *and other persons with drug abuse and drug dependence problems*, or facility for mental health of children, to which a grant under part B, C, D, or F, as the case may be, is made from appropriations for any fiscal year beginning after June 30, 1970, to assist it in meeting a portion of the costs of compensation of professional and technical personnel who provide consultation services, the Secretary may, with respect to such center or facility, make a grant under this section in addition to such other staffing grant for such center or facility.

(b) A grant under subsection (a) with respect to a center or facility referred to in that subsection—

(1) may be made only for the period applicable to the staffing grant made under part B, C, D, or F, as the case may be, with respect to such center or facility, and

(2) may not exceed whichever of the following is the lower: (A) 15 per centum of the costs with respect to which such other staffing grant is made, or (B) that percentage of such costs which when added to the percentage of such costs covered by such other staffing grant equals 100 per centum.

(c) For purposes of making initial grants under this section, there are authorized to be appropriated \$5,000,000 for each of the fiscal years ending June 30, 1971, June 30, 1972, and June 30, 1973. There are also authorized to be appropriated for the fiscal year ending June 30, 1972, and for each of the next eight fiscal years such sums as may be necessary to continue to make grants under this section for projects which received initial grants under this section from appropriations authorized for any fiscal year ending before July 1, 1973.

DEFINITION OF TECHNICAL PERSONNEL

SEC. 265. For purposes of this title, the term "technical personnel" includes accountants, financial counselors, medical transcribers, allied health professions personnel, dietary and culinary personnel, and any other personnel whose background and education would indicate that they are to perform technical functions in the operation of centers or facilities for which assistance is provided under this title; but such term does not include minor clerical personnel or maintenance or housekeeping personnel.

APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

SEC. 266. Grants made under this title for the cost of construction and for the cost of compensation of professional and technical personnel may be made only upon recommendation of the National Advisory Mental Health Council established by section 217(a) of the Public Health Service Act.

TITLE 18, UNITED STATES CODE

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§ 1114. Protection of officers and employees of the United States.

Whoever kills any judge of the United States, any United States Attorney, any Assistant United States Attorney, or any United States marshal or deputy marshal or person employed to assist such marshal or deputy marshal, any officer or employee of the Federal Bureau of Investigation of the Department of Justice, any postal inspector, any postmaster, officer, or employee in the field service of the Post Office Department, any officer or employee of the secret service or of the Bureau of Narcotics and Dangerous Drugs, any officer or enlisted man of the Coast Guard, any officer or employee of any United States penal or correctional institution, any officer, employee or agent of the customs or of the internal revenue or any person assisting him in the execution of his duties, any immigration officer, any officer or employee of the Department of Agriculture or of the Department of the Interior designated by the Secretary of Agriculture or the Secretary of the Interior to enforce any Act of Congress for the protection, preservation, or

restoration of game and other wild birds and animals, any employee of the Department of Agriculture designated by the Secretary of Agriculture to carry out any law or regulation, or to perform any function in connection with any Federal or State program or any program of Puerto Rico, Guam, the Virgin Islands of the United States, or the District of Columbia, for the control or eradication or prevention of the introduction or dissemination of animal diseases, any officer or employee of the National Park Service, any officer or employee of, or assigned to duty, in the field service of the Bureau of Land Management, any employee of the Bureau of Animal Industry of the Department of Agriculture, or any officer or employee of the Indian field service of the United States, or any officer or employee of the National Aeronautics and Space Administration directed to guard and protect property of the United States under the administration and control of the National Aeronautics and Space Administration, any security officer of the Department of State or the Foreign Service, or any officer or employee of the Department of Health, Education, and Welfare designated by the Secretary of Health, Education, and Welfare to conduct investigations or inspections under the Federal Food, Drug, and Cosmetic Act while engaged in the performance of his official duties, or on account of the performance of his official duties, shall be punished as provided under sections 1111 and 1112 of this title.

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[CHAPTER 68—NARCOTICS

[Sec.

[1401. Definitions.

[1402. Surrender of heroin—procedure.

[1403. Use of communications facilities—penalties.

[1404. Motion to suppress—appeal by the United States.

[1405. Issuance of search warrants—procedure.

[1406. Immunity of witnesses.

[1407. Border crossings—narcotic addicts and violators.

[§ 1401. Definitions

[As used in this chapter—

[The term “heroin” shall mean any substance identified chemically as diacetylmorphine or any salt thereof.

[The term “United States” shall include the District of Columbia, the Commonwealth of Puerto Rico, the insular possessions of the United States, the Trust Territory of the Pacific, and the Canal Zone.

[§ 1402. Surrender of heroin—procedure

[Any heroin lawfully possessed prior to the effective date of this Act shall be surrendered to the Secretary of the Treasury, or his designated representative, within one hundred and twenty days after the effective date of the Act, and each person making such surrender shall be fairly and justly compensated therefor. The Secretary of the Treasury, or his designated representative, shall formulate regulations for such procedure. All quantities of heroin not surrendered in accordance with this section and the regulations promulgated thereunder by the Secretary of the Treasury, or his designated representative, shall by him be declared contraband, seized, and forfeited to the United States

without compensation. All quantities of heroin received pursuant to the provisions of this section, or otherwise, shall be disposed of in the manner provided in section 4733 of the Internal Revenue Code of 1954, except that no heroin shall be distributed or used for other than scientific research purposes approved by the Secretary of the Treasury, or his designated representative.

§ 1403. Use of communications facilities—penalties

[(a) Whoever uses any communication facility in committing or in causing or facilitating the commission of, or in attempting to commit, any act or acts constituting an offense or a conspiracy to commit an offense the penalty for which is provided in—

[(1) subsection (a) or (b) of section 7237 of the Internal Revenue Code of 1954,

[(2) subsection (c), (h), or (i) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C. sec. 174), or

[(3) the Act of July 11, 1941, as amended (21 U.S.C. sec. 184a),

shall be imprisoned not less than two and not more than five years, and, in addition, may be fined not more than \$5,000. Each separate use of a communication facility shall be a separate offense under this section.

[(b) For purposes of this section, the term “communication facility” means any and all public and private instrumentalities used or useful in the transmission of writings, signs, signals, pictures, and sounds of all kinds by mail, telephone, wire, radio, or other means of communication.

§ 1404. Motion to suppress—appeal by the United States

[In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion for the return of seized property and to suppress evidence made before the trial of a person charged with a violation of—

[(1) any provision of part I or part II of subchapter A of chapter 39 of the Internal Revenue Code of 1954 the penalty for which is provided in subsection (a) or (b) of section 7237 of such Code,

[(2) subsection (c), (h), or (i) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C., sec. 174), or

[(3) the Act of July 11, 1941, as amended (21 U.S.C., sec. 184a).

This section shall not apply with respect to any such motion unless the United States attorney shall certify, to the judge granting such motion, that the appeal is not taken for purposes of delay. Any appeal under this section shall be taken within 30 days after the date the order was entered and shall be diligently prosecuted.

§ 1405. Issuance of search warrants—procedure

[In any case involving a violation of any provision of part I or part II of subchapter A of chapter 39 of the Internal Revenue Code of 1954 the penalty for which is provided in subsection (a) or (b) of section 7237 of such Code, a violation of subsection (c), (h), or (i) of

section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C., sec. 174), or a violation of the Act of July 11, 1941, as amended (21 U.S.C., sec. 184a)—

[(1) a search warrant may be served at any time of the day or night if the judge or the United States magistrate issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist, and

[(2) a search warrant may be directed to any officer of the Metropolitan Police of the District of Columbia authorized to enforce or assist in enforcing a violation of any such provisions.

[§ 1406. Immunity of witnesses

[Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any violation of—

[(1) any provision of part I or part II of subchapter A of chapter 39 of the Internal Revenue Code of 1954 the penalty for which is provided in subsection (a) or (b) of section 7237 of such Code,

[(2) subsection (c), (h), or (i) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C., sec. 174), or

[(3) the Act of July 11, 1941, as amended (21 U.S.C., sec. 184a), is necessary to the public interest, he, upon the approval of the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in the next sentence) against him in any court. No witness shall be exempt under this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section.

[§ 1407. Border crossings—narcotic addicts and violators

[(a) In order further to give effect to the obligations of the United States pursuant to the Hague convention of 1912, proclaimed as a treaty on March 3, 1915 (38 Stat. 1912), and the limitation convention of 1931, proclaimed as a treaty on July 10, 1933 (48 Stat. 1571), and in order to facilitate more effective control of the international traffic in narcotic drugs, and to prevent the spread of drug addiction, no citizen of the United States who is addicted to or uses narcotic drugs, as defined in section 4731 of the Internal Revenue Code of 1954, as amended (except a person using such narcotic drugs as a result of sickness or accident or injury and to whom such narcotic drug is being furnished, prescribed, or administered in good faith by a duly licensed physician in attendance upon such person, in the course of his professional practice) or who has been convicted of a violation of any of the

narcotic or marihuana laws of the United States, or of any State thereof, the penalty for which is imprisonment for more than one year, shall depart from or enter into or attempt to depart from or enter into the United States, unless such person registers, under such rules and regulations as may be prescribed by the Secretary of the Treasury with a customs official, agent, or employee at a point of entry or a border customs station. Unless otherwise prohibited by law or Federal regulation such customs official, agent, or employee shall issue a certificate to any such person departing from the United States; and such person shall, upon returning to the United States, surrender such certificate to the customs official, agent, or employee present at the port of entry or border customs station.

[(b) Whoever violates any of the provisions of this section shall be punished for each such violation by a fine of not more than \$1,000 or imprisonment for not less than one nor more than three years, or both.]

* * * * *

§ 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises.

(a) Whoever travels in interstate or foreign commerce or uses any facility in interstate or foreign commerce, including the mail, with intent to—

- (1) distribute the proceeds of any unlawful activity; or
- (2) commit any crime of violence to further any unlawful activity; or
- (3) otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity,

and thereafter performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3), shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

(b) As used in this section "unlawful activity" means (1) any business enterprise involving gambling, liquor on which the Federal excise tax has not been paid, narcotics or controlled substances (as defined in section 102(6) of the Controlled Substances Act), or prostitution offenses in violation of the laws of the State in which they are committed or of the United States, or (2) extortion, bribery, or arson in violation of the laws of the State in which committed or of the United States.

(c) Investigations of violations under this section involving liquor [or narcotics] shall be conducted under the supervision of the Secretary of the Treasury.

* * * * *

[§ 3616. Use of confiscated motor vehicles

[The Secretary of the Treasury may authorize the use by narcotic agents of motor vehicles confiscated under the provisions of section 3116 of Title 26 and sections 781-788 of Title 49 and pay the cost of acquisition, maintenance, repair, and operation thereof.]

* * * * *

§ 4251. Definitions

As used in this chapter—

(a) "Addict" means any individual who habitually uses any narcotic drug as defined by section [4731 of the Internal Revenue Code of 1954, as amended.] *as defined in section 102(16) of the Controlled Substances Act*, so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to the use of such narcotic drugs as to have lost the power of self-control with reference to his addiction.

(b) "Crime of violence" includes voluntary manslaughter, murder, rape, mayhem, kidnaping, robbery, burglary or housebreaking in the nighttime, extortion accompanied by threats of violence, assault with a dangerous weapon or assault with intent to commit any offense punishable by imprisonment for more than one year, arson punishable as a felony, or an attempt or conspiracy to commit any of the foregoing offenses.

(c) "Treatment" includes confinement and treatment in an institution and under supervised aftercare in the community and includes, but is not limited to, medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative services designed to protect the public and benefit the addict by correcting his antisocial tendencies and ending his dependence on addicting drugs and his susceptibility to addiction.

(d) "Felony" includes any offense in violation of a law of the United States classified as a felony under section 1 of title 18 of the United States Code, and further includes any offense in violation of a law of any State, any possession or territory of the United States, the District of Columbia, the Canal Zone, or the Commonwealth of Puerto Rico, which at the time of the offense was classified as a felony by the law of the place where that offense was committed.

(e) "Conviction" and "convicted" means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, and do not include a final judgment which has been expunged by pardon, reversed, set aside, or otherwise rendered nugatory.

(f) "Eligible offender" means any individual who is convicted of an offense against the United States, but does not include—

(1) an offender who is convicted of a crime of violence.

(2) an offender who is convicted of unlawfully importing or selling or conspiring to import or sell a narcotic drug, unless the court determines that such sale was for the primary purpose of enabling the offender to obtain a narcotic drug which he requires for his personal use because of his addiction to such drug.

(3) an offender against whom there is pending a prior charge of a felony which has not been finally determined or who is on probation or whose sentence following conviction on such a charge, including any time on parole or mandatory release, has not been fully served: *Provided*, That an offender on probation, parole, or mandatory release shall be included if the authority authorized to require his return to custody consents to his commitment.

(4) an offender who has been convicted of a felony on two or more prior occasions.

(5) an offender who has been committed under title I of the Narcotic Addict Rehabilitation Act of 1966, under this chapter, under the District of Columbia Code, or under any State proceeding because of narcotic addiction on three or more occasions.

* * * * *

NARCOTIC DRUGS IMPORT AND EXPORT ACT

[That when used in this Act—

[(a) The term "narcotic drug" shall have the meaning ascribed to the term "narcotic drugs" by section 3228(g) of the Internal Revenue Code; the term "isonipecaine" shall have the meaning ascribed to that term by section 3228(e) of such Code; and the term "opiate" shall have the meaning ascribed to that term by section 3228(f) of such Code.

[(b) The term "United States", when used in a geographical sense, includes the several States and Territories, and the District of Columbia;

[(c) The term "board" means the Federal Narcotics Control Board established by section 2 of this Act; and

[(d) The term "person" means individual, partnership, corporation, or association.

[SEC. 2. (a) That there is hereby established a board to be known as the "Federal Narcotics Control Board" and to be composed of the Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce. Except as otherwise provided in this Act or by other law, the administration of this Act is vested in the Department of the Treasury.

[(b) That it is unlawful to import or bring any narcotic drug into the United States or any territory under its control or jurisdiction; except that such amounts of crude opium and coca leaves as the board finds to be necessary to provide for medical and legitimate uses only, may be imported and brought into the United States or such territory under such regulations as the board shall prescribe, but no crude opium may be imported or brought in for the purpose of manufacturing heroin. All narcotic drugs imported under such regulations shall be subject to the duties which are now or may hereafter be imposed upon such drugs when imported.

[(c) Whoever fraudulently or knowingly imports or brings any narcotic drug into the United States or any territory under its control or jurisdiction, contrary to law, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of any such narcotic drug after being imported or brought in, knowing the same to have been imported or brought into the United States contrary to law, or conspires to commit any of such acts in violation of the laws of the United States, shall be imprisoned not less than five or more than twenty years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense (as determined under section 7237(c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than ten or more than forty years and, in addition, may be fined not more than \$20,000.

Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of the narcotic drug, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains the possession to the satisfaction of the jury.

For provision relating to sentencing, probation, etc., see section 7237(d) of the Internal Revenue Code of 1954.

(d) Any narcotic drug imported or brought into the United States or any territory under its control or jurisdiction, contrary to law, shall (1) if smoking opium or opium prepared for smoking, be seized and summarily forfeited to the United States Government without the necessity of instituting forfeiture proceedings of any character; or (2), if any other narcotic drug, be seized and forfeited to the United States Government, without regard to its value, in the manner provided by sections 3075 and 3076 of the Revised Statutes, or the provisions of law hereafter enacted which are amendatory of, or in substitution for, such sections. Any narcotic drug which is forfeited in a proceeding for condemnation or not claimed under such sections, or which is summarily forfeited as provided in this subdivision, shall be placed in the custody of the board and in its discretion be destroyed or delivered to some agency of the United States Government for use for medical or scientific purposes.

(e) Any alien who at any time after his entry is convicted under subdivision (c) shall, upon the termination of the imprisonment imposed by the court upon such conviction and upon warrant issued by the Secretary of Labor, be taken into custody and deported in accordance with the provisions of sections 19 and 20 of the Act of February 5, 1917, entitled "An Act to regulate the immigration of aliens to, and the residence of aliens in, the United States," or provisions of law hereafter enacted which are amendatory of, or in substitution for, such sections.

(f) Whenever on trial for a violation of subdivision (c) the defendant is shown to have or to have had possession of the narcotic drug, such possession shall be deemed sufficient evidence to authorize conviction, unless the defendant explains the possession to the satisfaction of the jury.

(g) The master of any vessel or other watercraft, or a person in charge of a railroad car or other vehicle, shall not be liable under subdivision (c), if he satisfies the jury that he had no knowledge of and used due diligence to prevent the presence of the narcotic drug in or on such vessel, watercraft, railroad car, or other vehicle; but the narcotic drug shall be seized, forfeited, and disposed of as provided in subdivision (d).

(h) Notwithstanding any other provision of law, whoever, knowingly, with intent to defraud the United States, imports or brings into the United State marihuana contrary to law, or smuggles or clandestinely introduces into the United States marihuana which should have been invoiced, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of such marihuana after being imported or brought in, knowing the same to have been imported or brought into the United State contrary to law, or whoever conspires to do any of the foregoing acts, shall be imprisoned not less than five or more than twenty years and, in addition, may be fined not more than

\$20,000. For a second or subsequent offense (as determined under section 7237(c) of the Internal Revenue Code of 1954), the offender shall be imprisoned for not less than ten or more than forty years and, in addition, may be fined not more than \$20,000.

Whenever on trial for a violation of this subsection, the defendant is shown to have or to have had the marihuana in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

As used in this subsection, the term "marihuana" has the meaning given to such term by section 4761 of the Internal Revenue Code of 1954.

For provision relating to sentencing, probation, etc., see section 7237(d) of the Internal Revenue Code of 1954.

(i) Notwithstanding any other provision of law, whoever, having attained the age of eighteen years, knowingly sells, gives away, furnishes, or dispenses, facilitates the sale, giving, furnishing, or dispensing, or conspires to sell, give away, furnish, or dispense, any heroin unlawfully imported or otherwise brought into the United States, to any person who has not attained the age of eighteen years, may be fined not more than \$20,000, and shall be imprisoned for life, or for not less than ten years, except that the offender shall suffer death if the jury in its discretion shall so direct.

Whenever on trial for a violation of this subsection the defendant is shown to have had heroin in his possession, such possession shall be sufficient proof that the heroin was unlawfully imported or otherwise brought into the United States unless the defendant explains his possession to the satisfaction of the jury.

For the purposes of this subsection, the term "heroin" means any substance identified chemically as diacetylmorphine or any salt thereof. For provision relating to sentencing, probation, etc., see section 7237(d) of the Internal Revenue Code of 1954.

SEC. 3. That on and after July first, nineteen hundred and thirteen, all smoking opium or opium prepared for smoking found within the United States shall be presumed to have been imported after the first day of April, nineteen hundred and nine, and the burden of proof shall be on the claimant or the accused to rebut such presumption.

SEC. 4. That any person subject to the jurisdiction of the United States who shall, either as principal or as accessory, receive or have in his possession, or conceal on board of or transport on any foreign or domestic vessel or other watercraft or railroad car or other vehicle destined to or bound from the United States or any possession thereof, any smoking opium or opium prepared for smoking, or who, having knowledge of the presence in or on any such vessel, watercraft, or vehicle of such article, shall not report the same to the principal officer thereof, shall be subject to the penalty provided in section 2 of this Act. Whenever on trial for violation of this section the defendant is shown to have or to have had possession of such opium, such possession shall be deemed sufficient evidence to authorize conviction, unless the defendant shall explain the possession to the satisfaction of the jury: *Provided, however,* That any master of a vessel or other watercraft, or person in charge of a railroad car or other vehicle, shall not be liable under this section if he shall satisfy the jury

that he had no knowledge and used due diligence to prevent the presence of such article in or on such vessel, watercraft, car, or other vessel, and any such article shall be forfeited and shall be destroyed.

【SEC. 5. That no smoking opium or opium prepared for smoking shall be admitted into the United States or into any territory under its control or jurisdiction for transportation to another country, or be transferred or transshipped from one vessel to another vessel within any waters of the United States for immediate exportation or for any other purpose; and except with the approval of the board, no other narcotic drug may be so admitted, transferred, or transshipped.

【SEC. 6. (a) No person subject to the jurisdiction of the United States Government shall export or cause to be exported from the United States, or from territory under its control or jurisdiction, any narcotic drug to any other country except—

【(1) to a country which has ratified and become a party to the International Opium Convention of 1912 for the Suppression of the Abuses of Opium, Morphine, Cocaine, and Derivative Drugs, or to the International Opium Convention signed at Geneva on February 19, 1925, any narcotic drugs derived directly or indirectly from crude opium or coca leaves; or

【(2) to a country which has ratified and become a party to the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs concluded at Geneva, July 13, 1931, and entered into force with respect to the United States of America, July 9, 1933, as amended by the protocol signed at Lake Success on December 11, 1946, and the protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (as amended by the protocol signed at Lake Success on December 11, 1946) signed at Paris, November 19, 1948, and entered into force with respect to the United States of America, September 11, 1950, any narcotic drugs not derived directly or indirectly from crude opium or coca leaves; and in the instance of (1) and (2) then only if—

【(A) such country has instituted and maintains, in conformity with the respective conventions, a system which the Secretary of the Treasury or his delegate deems adequate, for the control of imports of narcotic drugs;

【(B) the narcotic drug is consigned to a holder of such permits or licenses as may be required under the laws of the country of import; and

【(C) there is furnished to the Secretary or his delegate proof deemed adequate by him that the narcotic drug is to be applied exclusively to medical and scientific uses within the country to which exported, that it will not be reexported from such country, and that there is an actual need for the narcotic drug for medical and scientific uses within such country.

【(b) The exceptions contained in subsection (a) shall not apply to smoking opium or opium prepared for smoking, the exportation of which is absolutely prohibited.

【(c) Notwithstanding the provisions of subsection (a), the Secretary or his delegate may authorize the exportation of any narcotic

drug (including crude opium and coca leaves) to a country which has ratified and become a party either to the 1912 convention, the 1925 convention, or the 1931 convention and supplementing protocols of 1946 and 1948, if the particular drug is to be applied to a special scientific purpose in the country of destination and the authorities of such country will permit the importation of the particular drug for such purpose.

[(d) The Secretary of State shall request all foreign governments to communicate through the diplomatic channels copies of the laws and regulations promulgated in their respective countries which prohibit or regulate the importation and shipment in transit of any narcotic drug and, when received, shall advise the Secretary or his delegate thereof.

[SEC. 7. That any person who exports or causes to be exported any of the aforesaid drugs in violation of the preceding section shall be fined in any sum not exceeding \$5,000 nor less than \$50 or by imprisonment for any time not exceeding two years, or both. And one-half of any fine recovered from any person or persons convicted of an offense under any section of this Act may be paid to the person or persons giving information leading to such recovery, and one-half of any bail forfeited and collected in any proceedings brought under this Act may be paid to the person or persons giving the information which led to the institution of such proceedings, if so directed by the court exercising jurisdiction in the case: *Provided*, That no payment for giving information shall be made to any officer or employee of the United States.

[SEC. 8. (a) That a narcotic drug that is found upon a vessel arriving at a port of the United States or territory under its control or jurisdiction and is not shown upon the vessel's manifest, or that is landed from any such vessel without a permit first obtained from the collector of customs for that purpose, shall be seized, forfeited, and disposed of in the manner provided in subdivision (d) of section 2, and the master of the vessel shall be liable (1) if the narcotic drug is smoking opium, to a penalty of \$25 an ounce, and (2) if any other narcotic drug, to a penalty equal to the value of the narcotic drug.

[(b) Such penalty shall constitute a lien upon the vessel which may be enforced by proceedings by libel in rem. Clearance of the vessel from a port of the United States may be withheld until the penalty is paid, or until there is deposited with the collector of customs at the port, a bond in a penal sum double the amount of the penalty, with sureties approved by the collector, and conditioned on the payment of the penalty (or so much thereof as is not remitted by the Secretary of the Treasury) and of all costs and other expenses to the Government in proceedings for the recovery of the penalty, in case the master's application for remission of the penalty is denied in whole or in part by the Secretary of the Treasury.

[(c) The provisions of law for the mitigation and remission of penalties and forfeitures incurred for violations of the customs laws, shall apply to penalties incurred for a violation of the provisions of this section.

[SEC. 9. That this Act may be cited as the "Narcotic Drugs Import and Export Act."]]

OPIUM POPPY CONTROL ACT OF 1942

That it is the purpose of this Act (1) to discharge more effectively the obligations of the United States under the International Opium Convention of 1912, and the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs of 1931; (2) to promote the public health and the general welfare; (3) to regulate interstate and foreign commerce in opium poppies; and (4) to safeguard the revenue derived from taxation of opium and opium products.

SEC. 2. For the purpose of this Act—

[(a) The term "person" includes a partnership, company, association, or corporation, as well as a natural person or persons.

[(b) The terms "produce" or "production" include the planting, cultivation, growth, harvesting, and any other activity which facilitates the growth of the opium poppy.

[(c) The term "opium poppy" includes the plant *Papaver somniferum*, any other plant which is the source of opium or opium products, and any part of any such plant.

[(d) The term "opium" includes the inspissated juice of the opium poppy, in crude or refined form.

[(e) The term "opium products" includes opium and all substances obtainable from opium or the opium poppy, except the seed thereof.

SEC. 3. It shall be unlawful for any person who is not the holder of a license authorizing him to produce the opium poppy, duly issued to him by the Secretary to the Treasury in accordance with the provisions of this Act, to produce or attempt to produce the opium poppy, or to permit the production of the opium poppy in or upon any place owned, occupied, used, or controlled by him.

SEC. 4. (a) Except as otherwise provided in section 7: (1) it shall be unlawful for any person who is not the holder of a license authorizing him to produce the opium poppy or to manufacture opium or opium products, duly issued to him by the Secretary of the Treasury in accordance with the provisions of this Act, to purchase or in any other manner obtain the opium poppy; and (2) it shall be unlawful for any person to sell, transfer, convey any interest in, or give away the opium poppy to any person not so licensed.

[(b) It shall be unlawful for any person who is not the holder of a license authorizing him to manufacture opium or opium products, duly issued to him by the Secretary of the Treasury in accordance with the provisions of this Act, to manufacture, compound, or extract opium or opium products from the opium poppy.

SEC. 5. It shall be unlawful for any person who is not the holder of a license authorizing him to produce the opium poppy or to manufacture opium or opium products, duly issued to him by the Secretary of the Treasury in accordance with the provisions of this Act, to send, ship, carry, transport, or deliver any opium poppies within any State, Territory, the District of Columbia, the Canal Zone, or insular possession of the United States, or from any State, Territory, the District of Columbia, the Canal Zone, or insular possession of the United States: *Provided*, That nothing contained in this section shall apply to any common carrier engaged in transporting opium poppies pursuant to an agreement with a person duly licensed under the provisions of this Act as a producer

of the opium poppy, or as a manufacturer of opium or opium products, or to any employee of any person so licensed while acting within the scope of his employment.

【SEC. 6. (a) Any person who desires to procure a license to produce the opium poppy, or to manufacture opium or opium products, shall make application therefor in such manner and form as the Secretary of the Treasury shall by rules and regulations prescribe.

【(b) A license to produce the opium poppy shall be issued only to a person who, in the opinion of the Secretary of the Treasury, is determined to be a person (1) of good moral character; (2) of suitable financial standing and farming experience; (3) who owns or controls suitable farm land to be used as a production area, in such locality, as will, in the judgment of the Secretary of the Treasury, render reasonably probable the efficient and diligent performance of the operations of producing the opium poppy in appropriate number and quality; and (4) who complies with such additional requirements as the Secretary of the Treasury shall deem and prescribe as reasonably necessary for the controlled production and distribution of the opium poppy. Each such license shall be nontransferable and shall be valid only to the extent of the production area and maximum weight of opium poppy yield specified in the license, shall state the locality of the production area, and shall be effective for a period of one year from the date of issue and may be renewed, in the discretion of the Secretary of the Treasury, for a like period.

【(c) A license to manufacture opium or opium products shall be issued only to a person who, in the opinion of the Secretary of the Treasury, is determined to be a person (1) of good moral character; (2) who possesses a method and facilities, deemed satisfactory to the Secretary of the Treasury, for the efficient and economical extraction of opium or opium products; (3) who has such experience in manufacturing and marketing other medicinal drugs as to render reasonably probable the orderly and lawful distribution of opium or opium products of suitable quality to supply medical and scientific needs; and (4) who complies with such additional requirements as the Secretary of the Treasury shall deem and prescribe as reasonably necessary for the controlled production, manufacture, and distribution of the opium poppy, opium, or opium products. Such license shall be nontransferable, shall state the maximum quantity of opium poppies purchasable or obtainable thereunder, and shall be effective for a period of one year from the date of issue and may be renewed, in the discretion of the Secretary of the Treasury, for a like period.

【(d) All licenses issued under this Act shall be limited to such number, localities, and areas as the Secretary of the Treasury shall determine to be appropriate to supply the medical and scientific needs of the United States for opium or opium products, with due regard to provision for reasonable reserves: *Provided, however*. That nothing contained in this Act shall be construed as requiring the Secretary of the Treasury to issue or renew any license or licenses under the provisions of this Act.

【(e) The Secretary of the Treasury may revoke or refuse to renew any license issued under this Act, if, after due notice and opportunity for hearing, he finds such action to be in the public interest, or finds that the licensee has failed to maintain the requisite qualifications.

【SEC. 7. It shall be unlawful for any person to sell, transfer, convey any interest in, or give away, except to a person duly licensed under this Act, or for any unlicensed person to purchase or otherwise obtain, opium poppy seed for the purpose of opium poppy production: *Provided*, That the seed obtained from opium poppies produced by licensed producers may be sold or transferred by such producers to unlicensed persons, and may thereafter be resold or transferred, for ultimate consumption as a spice seed or for the manufacture of oil.

【SEC. 8. (a) Any opium poppies which have been produced or otherwise obtained heretofore, and which may be produced or otherwise obtained hereafter in violation of any of the provisions of this Act, shall be seized by and forfeited to the United States.

【(b) The failure, upon demand by the Secretary of the Treasury, or his duly authorized agent, of the person in occupancy or control of land or premises upon which opium poppies are being produced or stored to produce an appropriate license, or proof that he is the holder thereof, shall constitute authority for the seizure and forfeiture of such opium poppies.

【(c) The Secretary of the Treasury, or his duly authorized agent, shall have authority to enter upon any land (but not a dwelling house, unless pursuant to a search warrant issued according to law) where opium poppies are being produced or stored, for the purposes of enforcing the provisions of this Act.

【(d) Any opium poppies, the owner or owners of which are unknown, seized by or coming into the possession of the United States in the enforcement of this Act shall be forfeited to the United States.

【(e) The Secretary of the Treasury is hereby directed to destroy any opium poppies seized by and forfeited to the United States under this section, or to deliver for medical or scientific purposes such opium poppies to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulations as may be prescribed by the Secretary of the Treasury.

【SEC. 9. (a) Nothing in this Act shall be construed to repeal any provisions of the Internal Revenue Code, except that the provisions of subchapter A of chapter 23, and part V of subchapter A of chapter 27 of the Internal Revenue Code shall not apply to the production, sale, or transfer of opium poppies, when such opium poppies are lawfully produced, sold, or transferred by persons duly licensed under this Act in conformity with the provisions of this Act and the regulations issued pursuant thereto.

【(b) Nothing in this Act shall be construed to repeal any provision of the Narcotic Drugs Import and Export Act, as amended (U.S.C., title 21, secs. 171-184): *Provided*, That the Secretary of the Treasury is hereby authorized to limit further or to prohibit entirely the importation or bringing in of crude opium, to the extent that he shall find the medical and scientific needs of the United States for opium or opium products are being, or can be, supplied by opium poppies produced in accordance with this Act.

【SEC. 10. (a) It shall be the duty of the Secretary of the Treasury, whenever in his opinion the medical and scientific needs of the Nation will not be met by importation or licensed production, to provide for

the acquisition of opium poppy seed, for the production of the opium poppy, for the manufacture of opium or opium products, and for the use, sale, giving away, or other proper distribution of opium poppy seed, opium poppies, opium, or opium products by the United States Government either directly or through and with the approval of the head of any agency of the Government, including any Government-owned or controlled corporation.

[(b) None of the prohibitions contained in this Act shall apply to any officer or employee of the United States Treasury Department, who in the performance of his official duties and within the scope of his authority engages in any of the businesses or activities herein described, nor to any other officer or employee of the United States Government, who in the performance of his official duties, within the scope of his authority and with the approval of the Secretary of the Treasury, engages in any of the businesses or activities herein described.

[SEC. 11. (a) It shall be the duty of the Secretary of the Treasury to enforce the provisions of this Act, and he is hereby authorized to make, prescribe, and publish all necessary rules and regulations for carrying out the provisions hereof, and to confer or impose any of the rights, privileges, powers, and duties conferred or imposed upon him by this Act upon such officers or employees of the Treasury Department as he shall designate or appoint.

[(b) It shall be the duty of the other departments, bureaus, and independent establishments, and particularly the Bureau of Plant Industry in the Department of Agriculture, when requested by the Secretary of the Treasury, to furnish such assistance, including technical advice, as will aid in carrying out the purposes of this Act.

[SEC. 12. The provisions of this Act shall apply to the several States, the District of Columbia, the Canal Zone, Puerto Rico, and the other insular possessions of the United States.

[SEC. 13. (a) Any person who violates any provision of this Act shall be guilty of a felony and upon conviction thereof, be fined not more than \$2,000, or imprisoned not more than five years, or both, in the discretion of the court.

[(b) Any person who willfully makes, aids, or assists in the making of, or procures, counsels, or advises in the preparation or presentation of, a false or fraudulent statement in any application for a license under the provisions of this Act shall (whether or not such false or fraudulent statement is made by or with the knowledge or consent of the person authorized to present the application) be guilty of a misdemeanor, and, upon conviction thereof, be fined not more than \$2,000 or imprisoned for not more than one year, or both.

[SEC. 14. It shall not be necessary to negative any exemptions set forth in this Act in any complaint, information, indictment, or other writ or proceeding laid or brought under this Act and the burden of proof of any such exemption shall be upon the defendant. In the absence of the production of an appropriate license by the defendant, he shall be presumed not to have been duly licensed in accordance with this Act and the burden of proof shall be on the defendant to rebut such presumption.

【SEC. 15. If any provision of this Act, or the application of such provision to any circumstance, shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

【SEC. 16. This Act shall take effect on the sixtieth day after its enactment.

【SEC. 17. The Act may be cited as the “Opium Poppy Control Act of 1942”.】

NARCOTICS MANUFACTURING ACT OF 1960

【SHORT TITLE

【SECTION 1. This Act may be cited as the “Narcotics Manufacturing Act of 1960”.

【NECESSITY FOR LEGISLATION

【SEC. 2. The enactment of this Act is necessary for the following reasons:

【(1) The Congress has long recognized that the manufacture, distribution, and use of narcotic drugs for nonmedical and nonscientific purposes endangers the health of the American people and threatens the general welfare. The Congress has enacted laws and the Senate has approved international conventions designed to establish effective control over domestic and international traffic in narcotic drugs.

【(2) Until recently, most narcotic drugs were made from natural raw materials such as the opium poppy and the coca leaf, produced in limited areas of the world. In practice, control over the production of narcotic drugs could therefore be achieved by national and international restrictions over the production and shipment of these raw materials and their use to manufacture narcotic drugs.

【(3) In recent years, however, technological advances have resulted in the development of new types of narcotic drugs, produced synthetically from a variety of generally available raw materials. As a result, controls over the production of narcotic drugs can no longer be maintained solely by controls relating to the opium poppy and the coca leaf.

【(4) The United States has joined with other nations in executing international conventions intended to establish suitable controls over production, shipment, and use of all narcotic drugs. These conventions are not self-executing, and the obligations of the United States thereunder must be performed pursuant to appropriate legislation.

【(5) In order (A) to discharge more effectively the international obligations of the United States, (B) to promote the public health, safety, and welfare, (C) to regulate interstate and foreign commerce in narcotic drugs, and (D) to safeguard the revenue derived from taxation of narcotic drugs, the Congress finds it necessary to enact a statute for the licensing and control of the manufacture of all narcotic drugs.

【DEFINITIONS

【SEC. 3. For the purposes of this Act—

【(a) The term “1931 convention” means the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs, concluded at Geneva, July 13, 1931, and entered into force

with respect to the United States of America, July 9, 1933, as amended by the protocol signed at Lake Success on December 11, 1946.

[(b) The term "1948 protocol" means the protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (as amended by the protocol signed at Lake Success on December 11, 1946), signed at Paris, November 19, 1948, and entered into force with respect to the United States of America, September 11, 1950.

[(c) The term "Secretary or his delegate" means the Secretary of the Treasury, or any officer, employee, or agency of the Treasury Department duly authorized by the Secretary (directly or indirectly by one or more redelegations of authority) to perform the function mentioned or described in the context.

[(d) The term "person" includes an individual, partnership, corporation, association, trust, or other institution or entity.

[(e) The term "narcotic drug" means narcotic drug as defined in section 4731(a) of the Internal Revenue Code of 1954, as amended by section 4 of this Act.

[(f) The term "manufacture" means the production of a narcotic drug, either directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis.

[(g) The term "basic class of narcotic drug" means any one of the following classes of narcotic drugs and any additional class or classes of narcotic drugs (other than crude opium or coca leaves), by whatever trade name designated, as may be defined from time to time by the Secretary or his delegate in accordance with section 6 of this Act:

[1. Opium, powdered, granulated, or deodorized, or tinctures or extracts of opium.

[2. Mixed alkaloids of opium and their salts.

[3. Morphine and its salts.

[4. Codeine and its salts.

[5. Thebaine and its salts.

[6. Narcotine and its salts.

[7. Papaverine and its salts.

[8. Cotarnine and its salts.

[9. Narceine and its salts.

[10. Ethylmorphine and its salts.

[11. Apomorphine and its salts.

[12. Nalorphine (N-allylnormorphine) and its salts.

[13. Hydromorphone (dihydromorphinone) and its salts.

[14. Metopon (methyldihydromorphinone) and its salts.

[15. Dihydrocodeine and its salts.

[16. Hydrocodone (dihydrocodeinone) and its salts.

[17. Oxycodone (dihydrohydroxycodone) and its salts.

[18. Cocaine and its salts.

[19. Ecgonine and its salts.

[20. Pethidine (meperidine, isonipecaïne) (1-methyl-4-phenylpiperidine-4-carboxylic acid ethyl ester) and its salts.

[21. Alphaprodine (alpha-1, 3-dimethyl-4-phenyl-4-propionoxypiperidine) and its salts.

[22. Methadone (amidone) (6-dimethylamino-4, 4-diphenyl-3-heptanone) and its salts.

【23. Isomethadone (isoamidone) (6-dimethylamino-5-methyl-4, 4-diphenyl-3-hexanone) and its salts.

【24. Levorphan and racemorphan (3-hydroxy-N-methylmorphinan) and their salts.

【25. Levomethorphan and racemethorphan (3-methoxy-N-methylmorphinan) and their salts.

【26. Anileridine (Ethyl 1-[2-(p-amino phenyl)-ethyl]-4-phenylpiperidine-4-carboxylate) and its salts.

【27. Phenazocine (2'-Hydroxy-5, 9-dimethyl-2-(2-phenylethyl)-6, 7-benzomorphan) and its salts.

【(h) The term "net disposal" means the quantity of a basic class of narcotic drug, sold, exchanged, given away, used in the production of another basic class of narcotic drug for which the manufacturer is licensed, or otherwise disposed of (as such or contained in or combined with other drugs compounded by the manufacturer of such basic class) by the manufacturer during a stated period, less the quantity of any such basic class of narcotic drug returned to the manufacturer by a customer and any quantity sold or transferred to another licensed manufacturer of the same basic class of narcotic drug.

【(i) The term "narcotic precursor" means a substance other than a narcotic drug which the Secretary or his delegate has found, after due notice and opportunity for public hearing—

【(1) is an immediate chemical precursor of a narcotic drug;

【(2) is produced primarily for use in the manufacture of a narcotic drug; and

【(3) is used, or is likely to be used, in the manufacture of a narcotic drug by persons other than persons licensed to manufacture such narcotic drug.

【AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

【SEC. 4. (a) Subsection (a) of section 4731 of the Internal Revenue Code of 1954 is amended to read as follows:

【“(a) NARCOTIC DRUGS.—The words ‘narcotic drugs’ as used in this part shall mean any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

【“(1) Opium, isonipecaine, coca leaves, and opiate;

【“(2) Any compound, manufacture, salt, derivative, or preparation of opium, isonipecaine, coca leaves, or opiate;

【“(3) Any substance (and any compound, manufacture, salt, derivative, or preparation thereof) which is chemically identical with any of the substances referred to in clauses (1) and (2);

except that the words ‘narcotic drugs’ as used in this part shall not include decocainized coca leaves or extracts of coca leaves, which extracts do not contain cocaine or ecgonine.”

【(b) Subsection (g) of section 4731 of the Internal Revenue Code of 1954 is amended to read as follows:

【“(g) OPIATE.—

【“(1) IN GENERAL.—The word ‘opiate’ as used in this part shall mean any drug (as defined in the Federal Food, Drug, and Cosmetic Act (52 Stat. 1041, sec. 201 (g); 21 U.S.C. 321) or other substance found by the Secretary or his delegate and proclaimed by

the Secretary or his delegate (after considering the technical advice of the Secretary of Health, Education, and Welfare, or his delegate, on the subject) to have been so found in the Federal Register, after due notice and opportunity for public hearing, to have an addiction-forming or addiction-sustaining liability similar to morphine or cocaine or to be capable of conversion into a drug having such addiction-forming or addiction-sustaining liability, where, in the judgment of the Secretary or his delegate, the relative technical simplicity and degree of yield of such conversion create a risk of improper use of the drug or other substance.

["(2) **TERMINATION.**—The Secretary or his delegate is authorized to withdraw any previous finding that a drug or other substance is an 'opiate' whenever (after considering the technical advice of the Secretary of Health, Education, and Welfare, or his delegate, on the subject) he determines that such previous finding was erroneous, and upon publication of such determination in the Federal Register, the particular drug or other substance shall cease to be an opiate. For purposes of the foregoing provision the Secretary or his delegate may consider any action taken pursuant to article 3 of the 1948 protocol (as defined in section 3(b) of the Narcotics Manufacturing Act of 1960).

["(3) **REGULATIONS, ETC.**—The Secretary or his delegate is authorized to issue necessary rules and regulations for carrying out the provisions of this subsection, and to confer or impose upon any officer or employee of the Treasury Department whom he shall designate or appoint, the duty of conducting any hearing authorized hereunder.

["(4) **CROSS REFERENCE.**—

["For treatment of certain drugs as being, or ceasing to be, opiates for purposes of this part, see section 5 of the Narcotics Manufacturing Act of 1960."]

[(c) Subsection (a) of section 4702 of the Internal Revenue Code of 1954 is amended to read as follows:

["(a) **EXCEPTIONS FROM CERTAIN PROVISIONS AUTHORIZED FOR PREPARATIONS OF NO ADDICTIVE QUALITY OR OF MINOR ADDICTIVE QUALITY.**—

["(1) If the Secretary or his delegate, either upon his own motion or upon the application of an interested party, after consideration of the report and recommendations of an advisory committee appointed under paragraph (4) of this subsection, and after due notice and opportunity for hearing, finds that a pharmaceutical preparation containing a narcotic drug combined with other active or inactive ingredients—

["(A) either possesses no addiction-forming or addiction-sustaining liability, or does not possess an addiction-forming or addiction-sustaining liability sufficient to warrant imposition of all of the requirements of this part, and

["(B) does not permit the recovery of a narcotic drug having such an addiction-forming or addiction-sustaining liability, with such relative technical simplicity and degree of yield as to create a risk of improper use;

the Secretary or his delegate may except such pharmaceutical preparation to the extent consistent with the obligations undertaken by the United States pursuant to the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs, concluded at Geneva, July 13, 1931, and entered into force with respect to the United States of America, July 9, 1933, as amended by the protocol signed at Lake Success on December 11, 1946, and the protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (as amended by the protocol signed at Lake Success on December 11, 1946), signed at Paris, November 19, 1948, and entered into force with respect to the United States of America, September 11, 1950, and with the public health, safety, and welfare, from any or all of the requirements imposed by this part, other than those requirements imposed by sections 4721, 4722, 4724(a), and 4732, and from any or all of the requirements imposed by section 6 of the Act entitled 'An Act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909, as amended by section 15 of the Narcotics Manufacturing Act of 1960.

["(2) In excepting any pharmaceutical preparation under paragraph (1), the Secretary or his delegate may, in his discretion, apply any or all of the following requirements:

["(A) Such pharmaceutical preparation shall be manufactured, sold, distributed, given away, dispensed, or possessed as a medicine and not for the purpose of evading the intentions and provisions of this subpart and subpart C;

["(B) Any manufacturer, producer, compounder, or vendor (including dispensing physicians) of such pharmaceutical preparation, lawfully entitled to manufacture, produce, compound, or vend such pharmaceutical preparation, shall keep such records relating to such pharmaceutical preparation as the Secretary or his delegate shall deem necessary;

["(C) Every person so possessing or disposing of such pharmaceutical preparation shall register as required in section 4722 and, if he is not paying a tax under section 4721, shall pay a special tax of \$1 for each year, or fractional part thereof, in which he is engaged in such occupation, to the official in charge of the collection district in which he carries on such occupation as provided in subpart C.

["(3) If the Secretary or his delegate shall subsequently determine, after due notice and opportunity for hearing, that a pharmaceutical preparation to which such exceptions have been made applicable possesses a degree of addiction liability, or permits recovery of a narcotic drug having a degree of addiction liability, that results in abusive use of such exceptions, he is authorized to withdraw and revoke such exceptions in whole or in part.

["(4) Whenever the Secretary or his delegate shall, on his own motion, determine that there may exist reasonable evidence to support a finding in accordance with paragraph (1) of this subsection, or whenever an interested party makes an application for such a

finding, the Secretary or his delegate shall thereupon appoint an advisory committee of experts. At least one member of such an advisory committee shall be selected by the Secretary or his delegate, one by the interested party making the application, if any, one by the Surgeon General of the (United States) Public Health Service, and one by the Commissioner of the (United States) Food and Drug Administration. The Secretary or his delegate shall submit to such advisory committee the application of the interested party, if any, and any other available data. As soon as practicable thereafter, the advisory committee shall, after independent study of the material submitted to it by the Secretary or his delegate and other data available to it, certify a report and recommendations to the Secretary or his delegate with respect to the pharmaceutical preparation involved.

“(5) After consideration of the report and recommendation of the advisory committee, and after due notice and opportunity for hearing, the Secretary or his delegate shall either make the finding provided for in paragraph (1) of this subsection and grant such exceptions as he deems appropriate, or determine that the evidence does not support such a finding and deny the application, if any.”

“(d) The amendment to subsection (g) of section 4731 of the Internal Revenue Code of 1954, made by subsection (b) of this section, shall not affect any proceeding commenced before such amendment, but such proceeding shall be continued to final disposition as if the amendment had not been made.

NOTIFICATIONS, FINDINGS, AND DECISIONS UNDER THE 1948 PROTOCOL

“SEC. 5. (a) Before a notification may be sent on behalf of the United States to the Secretary General of the United Nations, under article 1 of the 1948 protocol, that a drug is considered liable to the same kind of abuse and productive of the same kind of harmful effects as the drugs specified in article 1, paragraph 2, of the 1931 convention, such drug shall have been found by the Secretary or his delegate to be an “opiate”, as defined in section 4731(g) of the Internal Revenue Code of 1954, as amended by section 4(b) of this Act, and so proclaimed in accordance with the procedure prescribed by section 4731 (g) as amended by section 4(b) of this Act.

“(b) With respect to any drug which is or may be used for medical or scientific purposes and to which the 1931 convention does not apply, and which is liable to the same kind of abuse and productive of the same kind of harmful effects as the drugs specified in article 1, paragraph 2 of the 1931 convention, upon receipt by the United States of a finding or decision made pursuant to article 1 or article 2 of the 1948 protocol that any such drug is capable of producing addiction or of conversion into a drug capable of producing addiction and that the appropriate provisions of the 1931 convention shall apply to such drug, such finding or decision shall be transmitted to the Secretary or his delegate. The Secretary or his delegate shall cause such finding or decision to be published in the Federal Register unless such drug has already been determined to be an opiate under the procedure prescribed

by section 4731(g) of the Internal Revenue Code of 1954, as amended by section 4 of this Act. From the time of such publication, such drug shall be an opiate to the same extent as if the procedure prescribed by section 4731(g) of the Internal Revenue Code of 1954, as amended by section 4 of this Act, had been followed with respect to such drug.

[(c) If the finding or decision so received and published in the Federal Register relates to a drug which has not previously been determined to be an opiate under the procedure prescribed by section 4731(g) of the Internal Revenue Code of 1954, as amended by section 4 of this Act, any person in the United States interested in the domestic manufacture and distribution of such drug for medical and scientific purposes may submit to the Secretary or his delegate written data, views, and argument opposed to such finding or decision. Such written data, views, and argument shall be transmitted to the Secretary General of the United Nations for consideration by the World Health Organization or the Commission on Narcotic Drugs of the United Nations, as the case may be, under article 3 of the 1948 protocol. If thereafter the United States receives a revised finding or decision, under article 3 of the 1948 protocol, that such a drug is not capable of producing addiction or conversion into a drug capable of producing addiction and that the provisions of the 1931 convention shall not apply to such drug, such revised finding or decision shall be transmitted to the Secretary or his delegate, who shall cause such revised finding or decision to be published in the Federal Register within ninety days of receipt thereof by the Secretary or his delegate. From the time of such publication, such drug shall cease to be an opiate, unless the Secretary or his delegate has theretofore initiated an opiate procedure under section 4731(g) of the Internal Revenue Code of 1954, as amended by section 4 of this Act.

[(d) Upon receipt by the United States of a revised finding or decision under article 3 of the 1948 protocol (except a revised finding or decision to which subsection (c) applies) that a drug (theretofore subject to the Federal narcotic laws as an opiate) is not capable of producing addiction or conversion into a drug capable of producing addiction and that the provisions of the 1931 convention shall not apply to such drug, the revised finding or decision shall be transmitted to the Secretary or his delegate. The Secretary or his delegate may, in his discretion, publish the revised finding or decision in the Federal Register and, from the time of such publication, such drug shall cease to be an opiate. If the revised finding or decision is not so published in the Federal Register, the said drug shall continue to be an opiate.

MODIFICATION OF LIST OF BASIC NARCOTIC DRUGS

[Sec. 6. The Secretary or his delegate, upon his initiative or upon his initiative or upon the petition of any interested person shall have the power by rule made on the record after opportunity for hearing, to alter classifications set forth in section 3(g) by adding to, subtracting from, or further defining such classifications or any one or more of them, on the basis of their chemical structure and content and addiction liability or convertibility into an addicting drug. No new basic class shall be added unless with respect to any drug or drugs falling within such class the Secretary or his delegate shall have determined

that such drug is a narcotic drug as defined by section 4731 of the Internal Revenue Code of 1954, as amended by section 4 of this Act, or has caused a finding or decision to be published in the Federal Register pursuant to section 5 of this Act. For purposes of this section, the Secretary or his delegate may consider changes in classification established by the World Health Organization or its successor in function.

【RESTRICTIONS ON THE MANUFACTURE OF NARCOTIC DRUGS

【SEC. 7. (a) Except as otherwise provided in this Act, it shall be unlawful for any person to manufacture any narcotic drug unless—

【(1) such narcotic drug falls within a basic class of narcotic drugs established by or pursuant to this Act, and

【(2) such person holds a currently effective license and manufacturing quota with respect to such basic class of narcotic drug issued pursuant to section 8 of this Act.

【(b) The omission of a narcotic drug from the classification established pursuant to section 3(g) shall not be construed to permit the manufacture of such narcotic drug, the intent of this Act being to limit the manufacture of narcotic drugs in the United States to those narcotic drugs established under this Act as a basic class of narcotic drugs or as a member of a basic class of narcotic drugs. The fact that the Secretary or his delegate shall have—

【(1) determined that a drug is a narcotic drug as defined by section 4731 of the Internal Revenue Code of 1954, as amended by section 4 of this Act, or

【(2) caused a finding or decision with respect to any drug or other substance to be published in the Federal Register pursuant to section 5 of this Act,

shall not require the Secretary or his delegate to add such narcotic drug to the classifications set forth in section 3(g) or to grant a manufacturing quota for such narcotic drug, if the Secretary or his delegate shall determine that it is contrary to the public health and safety to permit the manufacture of such drug within the United States.

【(c) It shall be unlawful for any person (1) to manufacture or attempt to manufacture any narcotic drug, or (2) to knowingly permit the manufacture of any narcotic drug, in or upon any place owned, leased, occupied, used or controlled by him unless he (or the lessee, tenant, or other occupant as the case may be) is the holder of a license and quota for the manufacture during the period in question of such narcotic drug in accordance with the provisions of sections 3(g), 8, and 11 of this Act; and it shall be unlawful for the holder of any such quota to manufacture during the period for which the quota is applicable any quantity of such narcotic drug in excess of the amount authorized by such quota.

【LICENSES TO MANUFACTURE NARCOTIC DRUGS

【SEC. 8. (a) Every person who manufactures a basic class or classes of narcotic drug shall, on or before January 1, 1961, if then already engaged in such manufacture, or otherwise before engaging in such manufacture, obtain from the Secretary or his delegate a license or

licenses for the appropriate basic class or classes of narcotic drug. There shall be a separate license for the manufacture of each basic class of narcotic drug. In determining whether to issue a license for a particular basic class of narcotic drug to a particular applicant, the Secretary or his delegate shall be governed by the following factors—

[(1) maintenance of effective controls against the diversion of the particular basic class of narcotic drug and of narcotic drugs compounded therefrom into other than legitimate medical and scientific channels through limitation of manufacture of the particular basic class of narcotic drug to the smallest number of establishments which will produce an adequate and uninterrupted supply of narcotic drugs of or derived from such basic class of narcotic drugs for medical and scientific purposes, consistent with the public interest; and

[(2) compliance with the obligations undertaken by the United States pursuant to the 1931 convention and the 1948 protocol; and

[(3) promotion of technical advances in the art of manufacturing narcotic drugs and the development of new narcotic drug products; and

[(4) the applicant's education, moral character and reputation, the applicant's past drug manufacturing experience and the quality of his products, his technical competence, the existence in the applicant's establishment of adequate safeguards against diversion of narcotic drugs into other than legitimate medical and scientific channels; and

[(5) such other factors as may be relevant to and consistent with the public interest.

[(b) Registration pursuant to section 4722 of the Internal Revenue Code of 1954, shall be a prerequisite to the issuance of any license under this section. Licenses shall be in such form as the Secretary or his delegate shall prescribe and shall continue in effect subject only to annual renewal of registration unless revoked pursuant to section 9 of this Act or voluntarily surrendered. Issuance of a license pursuant to this section shall not entitle the licensee to perform any act with respect to narcotic drugs as to which the consent or approval of the Secretary or his delegate is required by the provisions of this or any other Act.

[(c) Issuance of a license for the manufacture of any one basic class of narcotic drug shall not entitle the holder thereof to manufacture for sale, distribution, or other use any other basic class of narcotic drug.

[(d) Notwithstanding the foregoing provisions of this section, the Secretary or his delegate shall authorize any person registered as a manufacturer or as a person engaged in research under section 4722 of the Internal Revenue Code of 1954, who meets the standards for licensing under subsection (a)(4) of this section 8, whether or not such person actually holds a license under subsection (a), to produce such limited quantities as the Secretary or his delegate may specify of any narcotic drug, except crude opium or coca leaves, whether or not a basic class for such drug has been established under section 3(g) of this Act, exclusively for research in the development of manufacturing processes for the drug, or for chemical, pharmacological or medical testing of such drugs, for fitness for medical or scientific use and for determination of its suitability for general manufacture and distribution for

medical or scientific use. Such person shall make such reports as the Secretary or his delegate may require relating to the quantities of narcotic drug manufactured and to use and disposal of such quantities of such narcotic drug. Such quantities of such narcotic drug may be disposed of only in accordance with the regulations of the Secretary or his delegate. Any authorization made under this subsection (d) shall be subject to revocation or suspension in accordance with the procedure set forth in section 9 of this Act.

[(e) In issuing or refusing to issue manufacturing licenses pursuant to this section, the Secretary or his delegate shall act in conformity with the procedure prescribed by section 5 of the Administrative Procedure Act and the Secretary or his delegate shall be deemed to constitute "the agency" for purposes of compliance with sections 7 and 8 of such Act. Each licensee of the basic class of narcotic drug with respect to which a license is sought to be obtained shall be deemed a person entitled to notice within the meaning of section 5(a) of the Administrative Procedure Act.

【REVOCATION OR SUSPENSION OF LICENSES

【Sec. 9. (a) Any license issued pursuant to section 8 of this Act may be revoked by the Secretary or his delegate if the licensee—

【(1) has been convicted of violating or conspiring to violate any law of the United States or of any State where the offense involves any activity or transaction with respect to narcotic drugs; or

【(2) has violated or failed to comply with any duly promulgated regulation of the Secretary or his delegate relating to narcotic drugs, and such violation or failure to comply reflects adversely on the licensee's reliability and integrity with respect to narcotic drugs.

In the case of a licensee holding more than one license issued pursuant to section 8 of this Act, revocation may be in the discretion of the Secretary or his delegate extended to all licenses held by such licensee.

【(b) Before revoking any license pursuant to subsection (a), the Secretary or his delegate shall serve upon the licensee an order to show cause why an order of revocation should not be issued. Any such order to show cause shall contain a statement of the basis thereof, and shall call upon such licensee to appear before the Secretary or his delegate at a time and place stated in the order, but in no event less than thirty days after the date of receipt of such order, and give evidence upon the matter specified therein. The Secretary or his delegate may in his discretion suspend any license simultaneously with the issuance of an order to show cause, in cases where he finds that the public health, safety, or interest require such suspension. Such suspension shall continue in effect until the conclusion of any revocation proceeding, including judicial review thereof, unless sooner withdrawn by the Secretary or his delegate, or dissolved by a court of competent jurisdiction. Every hearing held pursuant to this section shall be conducted in accordance with section 5 of the Administrative Procedure Act and the Secretary or his delegate shall be deemed to constitute "the agency" for purposes of compliance with sections 7 and 8 of such Act. If after hearing, default, or waiver thereof by the licensee, the Secretary or his delegate determines that an order of revocation should issue, he

shall issue such order, which shall include a statement of his findings and the grounds and reasons therefor and shall specify the effective date of the order, and he shall cause such order to be served on the licensee. In any case where a hearing is conducted pursuant to the provisions of this section both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Secretary or his delegate. Proceedings under this section shall be independent of, and not in lieu of, criminal prosecution or other proceedings under this Act or any other law of the United States.

[AUTHORITY TO SEIZE NARCOTIC DRUGS, ORDER FORMS, AND TAX STAMPS

[SEC. 10. In the event of the suspension or revocation of a license obtained under section 8, all narcotic drugs owned or possessed by such person at the time of suspension or at the effective date of the revocation order, as the case may be, whether or not taxes have been paid on such narcotic drugs, together with all unused order forms or narcotic tax stamps owned or possessed by such person, may at the discretion of the Secretary or his delegate be placed under seal and no disposition made until the time for taking an appeal has elapsed or until all appeals have been concluded. Upon a suspension or revocation order becoming final all narcotic drugs, tax stamps, and order forms shall be forfeited to the Government.

[MANUFACTURING QUOTAS FOR BASIC CLASSES OF NARCOTIC DRUGS

[SEC. 11. (a) For the purpose of fixing manufacturing quotas under this section and in order to carry out the treaty obligations of the United States, the Secretary or his delegate shall make determinations of the total quantity of each basic class of narcotic drug necessary to be manufactured during each calendar year to provide for the estimated medical and scientific needs of the United States, for lawful export requirements, and for establishment and maintenance of reserve stocks.

[(b) In fixing individual manufacturing quotas for any basic class of narcotic drug for a calendar year pursuant to this section, or at any time after fixing such individual quotas, the Secretary or his delegate shall limit or reduce such individual quotas to the extent necessary to prevent the aggregate of such individual quotas from exceeding the amount of the determination of the Secretary or his delegate under subsection (a). In any such limitation or reduction pursuant to this subsection the quota of each licensed manufacturer of such basic class of drug shall be limited or reduced in the same proportion as the limitation or reduction of the aggregate of such quotas. However, if any licensee, before the issuance of a limitation or reduction in quota, has manufactured in excess of his quota so limited or reduced, the amount of such excess shall be subtracted from such licensee's manufacturing quota for the following year.

[(c) On or before June 1 of each year, upon application therefor by a person having a license to manufacture a basic class of narcotic drug, the Secretary or his delegate shall fix a manufacturing quota for such calendar year for such basic class of narcotic drug for such person. Subject to the provisions of subsections (a) and (b), such quota shall be sufficient to cover the applicant's estimated disposal, inventory, and

other requirements for the calendar year as determined by the Secretary or his delegate, who shall take into account the applicant's current disposal rate, the trend of such disposal rate during the preceding calendar year, the applicant's production cycle and inventory position, the economic availability of raw materials, yield and stability problems, emergencies such as strikes and fires, and other factors. Subject to the provisions of subsections (a) and (b), such quota shall not be less than the sum of—

[(1) such licensed manufacturer's net disposal of such basic class of narcotic drug during the immediately preceding calendar year or the average of the three immediately preceding calendar years in which such manufacturer produced such basic class of narcotic drug, whichever is greater; and

[(2) one-half of such manufacturer's net disposal of such basic class of narcotic drug during the immediately preceding calendar year;

less such manufacturer's inventory of such basic class of narcotic drug on December 31 of the preceding calendar year.

[(d) During the period from January 1 until a manufacturing quota for such calendar year is fixed pursuant to subsection (c), any licensed manufacturer entitled to receive a quota for any basic class of narcotic drug under subsection (c) may manufacture a provisional quota of not more than 75 per centum of whichever of the following is greater—

[(1) such manufacturer's net disposal of such basic class of narcotic drug during the twelve months immediately preceding September 30 of the preceding calendar year; or

[(2) twelve times such manufacturer's average monthly net disposal of such basic class of narcotic drug for the thirty-three months immediately preceding September 30 of the preceding calendar year;

or such higher or lower percentage as the Secretary or his delegate may from time to time for good cause direct. Any higher or lower percentage so directed shall apply to the provisional quotas of all licensed manufacturers for such basic class of narcotic drug.

[(e) The Secretary or his delegate shall, on application therefor, and subject to the provisions of subsections (a) and (b), fix a quota for any licensed manufacturer of a basic class of narcotic drug who has not manufactured such basic class of narcotic drug during one or more of the three immediately preceding calendar years, in an amount adequate to cover such manufacturer's reasonably anticipated requirements for the current calendar year.

[(f) At any time during the calendar year any licensed manufacturer who has applied for or received a manufacturing quota for a basic class of narcotic drug may apply for an increase in such quota, to meet his estimated disposal, inventory, and other requirements during the remainder of such calendar year. In passing upon such application the Secretary or his delegate shall take into consideration any occurrences since the filing of such manufacturer's initial quota application that may require an increased manufacturing rate by such manufacturer during the balance of such calendar year. In passing upon such application the Secretary or his delegate may also take into consideration the amount, if any, by which the determination of the Sec-

retary or his delegate under subsection (a) exceeds the aggregate of the quotas of all manufacturers under this section, and the equitable distribution of such excess among other manufacturers.

[EXCEPTION FROM APPLICABILITY OF LICENSE AND QUOTA PROVISIONS

[SEC. 12. Notwithstanding any other provisions of this Act—

[(1) no license or quota shall be required for the manufacture of such quantities of narcotic drugs as incidentally but necessarily result from the manufacturing process used for the manufacture of a basic class of narcotic drug duly licensed under this Act; and

[(2) no license or quota shall be required for the manufacture of such quantities of narcotic drugs as incidentally but necessarily result from the manufacture of any substance which is not a narcotic drug.

Unless such incidentally but necessarily resulting narcotic drug shall have been determined to be nonaddicting by the Secretary or his delegate, it may (apart from being used in the process of producing a narcotic drug for which license and quota are held) be retained or disposed of only in such manner as may be prescribed or authorized by the Secretary or his delegate.

[REGULATION WITH RESPECT TO PERSONS WHO MANUFACTURE NARCOTIC PRECURSORS

[SEC. 13. Persons who manufacture, compound, package, sell, deal in, or give away any narcotic precursor shall keep such records and make such reports with respect to such narcotic precursor as the Secretary or his delegate shall by regulation prescribe. The Secretary or his delegate may advise the Congress whether in his opinion the manufacture and distribution of narcotic precursors threaten to result in the diversion of narcotic drugs into other than legitimate medical and scientific channels and whether in his judgment further legislation with respect to narcotic precursors is necessary or desirable.

[CERTAIN PROCEDURES FOR JUDICIAL REVIEW

[SEC. 14. Every final decision of the Secretary or his delegate under sections 3(i), 6, 8, 9, 11(c), 11(e), or 11(f) of this Act shall be subject to judicial review as provided by and in the manner prescribed in Public Law 901, Eighty-first Congress, approved December 29, 1950 (5 U.S.C., secs. 1031-1042).

[AMENDMENT TO LAW WITH RESPECT TO EXPORTATION OF NARCOTIC DRUGS

[SEC. 15. Section 6 of the Act entitled "An Act to prohibit the importation and use of opium for other than medicinal purposes", approved February 9, 1909, as amended (21 U.S.C. 182), is amended to read as follows:

["SEC. 6. (a) No person subject to the jurisdiction of the United States Government shall export or cause to be exported from the United States, or from territory under its control or jurisdiction, any narcotic drug to any other country except—

¶“(1) to a country which has ratified and become a party to the International Opium Convention of 1912 for the Suppression of the Abuses of Opium, Morphine, Cocaine, and Derivative Drugs, or to the International Opium Convention signed at Geneva on February 19, 1925, any narcotic drugs derived directly or indirectly from crude opium or coca leaves; or

¶“(2) to a country which has ratified and become a party to the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs concluded at Geneva, July 13, 1931, and entered into force with respect to the United States of America, July 9, 1933, as amended by the protocol signed at Lake Success on December 11, 1946, and the protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (as amended by the protocol signed at Lake Success on December 11, 1946) signed at Paris November 19, 1948, and entered into force with respect to the United States of America, September 11, 1950, any narcotic drugs not derived directly or indirectly from crude opium or coca leaves; and in the instance of (1) and (2) then only if—

¶“(A) such country has instituted and maintains, in conformity with the respective conventions, a system which the Secretary of the Treasury or his delegate deems adequate, for the control of imports of narcotic drugs;

¶“(B) the narcotic drug is consigned to a holder of such permits or licenses as may be required under the laws of the country of import; and

¶“(C) there is furnished to the Secretary or his delegate proof deemed adequate by him that the narcotic drug is to be applied exclusively to medical and scientific uses within the country to which exported, that it will not be reexported from such country, and that there is an actual need for the narcotic drug for medical and scientific uses within such country.

¶“(b) The exceptions contained in subsection (a) shall not apply to smoking opium or opium prepared for smoking, the exportation of which is absolutely prohibited.

¶“(c) Notwithstanding the provisions of subsection (a), the Secretary or his delegate may authorize the exportation of any narcotic drug (including crude opium and coca leaves) to a country which has ratified, and become a party either to the 1912 convention, the 1925 convention, or the 1931 convention and supplementing protocols of 1946 and 1948, if the particular drug is to be applied to a special scientific purpose in the country of destination and the authorities of such country will permit the importation of the particular drug for such purpose.

¶“(d) The Secretary of State shall request all foreign governments to communicate through the diplomatic channels copies of the laws and regulations promulgated in their respective countries which prohibit or regulate the importation and shipment in transit of any narcotic drug and, when received, shall advise the Secretary or his delegate thereof.”

**[AUTHORIZING IMPORTATION OF NARCOTIC DRUGS AS TO
CERTAIN PERSONS**

[SEC. 16. Notwithstanding the provisions of this Act or any other law, the Secretary or his delegate may in his discretion authorize the importation of any narcotic drug or drugs (including crude opium or coca leaves) for delivery to officials of the United Nations, of the Government of the United States, or of any of the several States, or to any person licensed or qualified to be licensed under section 8 of this Act, for scientific purposes only.

[ENFORCEMENT AND AUTHORITY TO DELEGATE FUNCTIONS

[SEC. 17. It shall be the duty of the Secretary or his delegate to enforce the provisions of this Act, and he is hereby authorized to make, prescribe, and publish all necessary rules and regulations for carrying out its provisions, including but not limited to rules and regulations for the prevention of unlawful diversion of narcotic drugs, and to confer or impose any of the rights, privileges, powers, and duties conferred or imposed upon him by this Act upon such officers or employees of the Treasury Department as he shall designate or appoint.

[PENAL PROVISIONS

[SEC. 18. (a) Any person who violates any of the provisions of this Act shall be guilty of a felony, and, upon conviction thereof, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

[(b) Any person who willfully makes, aids, or assists in the making of, or procures, counsels, or advises in the preparation or presentation of, a false or fraudulent statement in any application made pursuant to this Act shall be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than \$2,000 or imprisoned for not more than one year, or both.

[PROCEDURE AND PRESUMPTIONS

[SEC. 19. It shall not be necessary to negative any exemptions set forth in this Act in any complaint, information, indictment, or other writ or proceeding laid or brought under this Act and the burden of proof of any such exemption shall be upon the person claiming its benefit. In the absence of proof by such person that he is the duly authorized holder of an appropriate license or quota issued under this Act, he shall be presumed not to be the holder of such license or quota and the burden of proof shall be upon him to rebut such presumption.

[APPLICABILITY OF ACT

[SEC. 20. The provisions of this Act shall apply to the several States, the District of Columbia, the Canal Zone, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and the other insular territories and possessions of the United States.

【SEPARABILITY OF INVALID PROVISIONS

【SEC. 21. If any provision of this Act, or the application of such provision to any circumstances, shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

【EFFECTIVE DATE

【SEC. 22. With the exception of section 8(a), this Act shall take effect on January 1 of the year following the date of its enactment. Section 8(a) shall take effect on the date of enactment of this Act.】

INTERNAL REVENUE CODE OF 1954

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CHAPTER 39—REGULATORY TAXES

【SUBCHAPTER A. Narcotic drugs and marihuana】

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【Subchapter A—Narcotic Drugs and Marihuana

【Part I. Narcotic drugs.

【Part II. Marihuana.

【Part III. Miscellaneous provisions relating to narcotic drugs marihuana.

【PART I—NARCOTIC DRUGS

【Subpart A. Tax on opium, isonipeaine, opiates, and coca leaves.

【Subpart B. Tax on opium for smoking.

【Subpart C. Occupational tax.

【Subpart D. General provisions relating to narcotic drugs.

【Subpart A—Tax on Opium Isonipeaine, Opiates, and Coca Leaves

【Sec. 4701. Imposition of tax.

【Sec. 4702. Exemptions.

【Sec. 4703. Affixing of stamps.

【Sec. 4704. Packages.

【Sec. 4705. Order forms.

【Sec. 4706. Forfeitures.

【Sec. 4707. Cross references.

【SEC. 4701. IMPOSITION OF TAX.

【(a) RATE.—There shall be imposed an internal revenue tax upon narcotic drugs, produced in or imported into the United States, and sold, or removed for consumption or sale, at the rate of 1 cent per ounce, and any fraction of an ounce in a package shall be taxed as an ounce. The tax imposed by this subsection shall be in addition to any import duty imposed on narcotic drugs.

[(b) BY WHOM PAID.—The tax imposed by subsection (a) shall be paid by the importer, manufacturer, producer, or compounder.

[SEC. 4702. EXEMPTIONS.

[(a) EXCEPTIONS FROM CERTAIN PROVISIONS AUTHORIZED FOR PREPARATIONS OF NO ADDICTIVE QUALITY OR OF MINOR ADDICTIVE QUALITY.—

[(1) If the Secretary or his delegate, either upon his own motion or upon the application of an interested party, after consideration of the report and recommendations of an advisory committee appointed under paragraph (4) of this subsection, and after due notice and opportunity for hearing, finds that a pharmaceutical preparation containing a narcotic drug combined with other active or inactive ingredients—

[(A) either possesses no addiction-forming or addiction-sustaining liability, or does not possess an addiction-forming or addiction-sustaining liability sufficient to warrant imposition of all of the requirements of this part, and

[(B) does not permit the recovery of a narcotic drug having such an addiction-forming or addiction-sustaining liability, with such relative technical simplicity and degree of yield as to create a risk of improper use;

the Secretary or his delegate may except such pharmaceutical preparation to the extent consistent with the obligations undertaken by the United States pursuant to the Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs, concluded at Geneva, July 13, 1931, and entered into force with respect to the United States of America, July 9, 1933, as amended by the protocol signed at Lake Success on December 11, 1946, and the protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (as amended by the protocol signed at Lake Success on December 11, 1946), signed at Paris, November 19, 1948, and entered into force with respect to the United States of America, September 11, 1950, and with the public health, safety, and welfare, from any or all of the requirements imposed by this part, other than those requirements imposed by sections 4721, 4722, 4724(a), and 4732, and from any or all of the requirements imposed by section 6 of the Act entitled "An Act to prohibit the importation and use of opium for other than medicinal purposes", approved February 9, 1909, as amended by section 15 of the Narcotics Manufacturing Act of 1960.

[(2) In excepting any pharmaceutical preparation under paragraph (1), the Secretary or his delegate may, in his discretion, apply any or all of the following requirements:

[(A) Such pharmaceutical preparation shall be manufactured, sold, distributed, given away, dispensed, or possessed as a medicine and not for the purpose of evading the intentions and provisions of this subpart and subpart C;

[(B) Any manufacturer, producer, compounder, or vendor (including dispensing physicians) of such pharmaceutical preparation, lawfully entitled to manufacture, produce, com-

pound, or vend such pharmaceutical preparation, shall keep such records relating to such pharmaceutical preparation as the Secretary or his delegate shall deem necessary;

[(C) Every person so possessing or disposing of such pharmaceutical preparation shall register as required in section 4722 and, if he is not paying a tax under section 4721, shall pay a special tax of \$1 for each year, or fractional part thereof, in which he is engaged in such occupation, to the official in charge of the collection district in which he carries on such occupation as provided in subpart C.

[(3) If the Secretary or his delegate shall subsequently determine, after due notice and opportunity for hearing, that a pharmaceutical preparation to which such exceptions have been made applicable possesses a degree of addiction liability, or permits recovery of a narcotic drug having a degree of addiction liability, that results in abusive use of such exceptions, he is authorized to withdraw and revoke such exceptions in whole or in part.

[(4) Whenever the Secretary or his delegate shall, on his own motion, determine that there may exist reasonable evidence to support a finding in accordance with paragraph (1) of this subsection, or whenever an interested party makes an application of such a finding, the Secretary or his delegate shall thereupon appoint an advisory committee of experts. At least one member of such an advisory committee shall be selected by the Secretary or his delegate, one by the interested party making the application, if any, one by the Surgeon General of the (United States) Public Health Service, and one by the Commissioner of the (United States) Food and Drug Administration. The Secretary or his delegate shall submit to such advisory committee the application of the interested party, if any, and any other available data. As soon as practicable thereafter, the advisory committee shall, after independent study of the material submitted to it by the Secretary or his delegate and other data available to it, certify a report and recommendations to the Secretary or his delegate with respect to the pharmaceutical preparation involved.

[(5) After consideration of the report and recommendation of the advisory committee, and after due notice and opportunity for hearing, the Secretary or his delegate shall either make the finding provided for in paragraph (1) of this subsection and grant such exceptions as he deems appropriate, or determine that the evidence does not support such a finding and deny the application, if any.

[(b) DECOCAINIZED COCA LEAVES.—The provisions of this subpart and sections 4721 to 4726, inclusive, shall not apply to decocainized coca leaves or preparations made therefrom, or to other preparations of coca leaves which do not contain cocaine.

[(c) GOVERNMENT AND STATE OFFICIALS.—

[(1) STAMPING DRUGS.—Officials of the United States, Territorial, District of Columbia, or insular possessions, State or municipal governments, who in the exercise of their official duties engage in any of the business described in sections 4721 to 4726, inclusive, shall not be required to stamp narcotic drugs, as prescribed in this subpart, but their right to this exemption shall be evidenced in such manner as the Secretary or his delegate may by regulations prescribe.

[(2) REGISTRATION AND PAYMENT OF TAX.—

[For exemption of officials of the United States, Territorial, District of Columbia, or insular possessions, State or municipal governments from the requirements as to registration and the payment of special taxes, see section 4772(b).**]**

[SEC. 4703. AFFIXING OF STAMPS.

[The stamps provided in section 4771(a) (1) for narcotic drugs shall be so affixed to the bottle or other container as to securely seal the stopper, covering, or wrapper thereof.**]**

[SEC. 4704. PACKAGES.

[(a) GENERAL REQUIREMENT.—It shall be unlawful for any person to purchase, sell, dispense, or distribute narcotic drugs except in the original stamped package or from the original stamped package; and the absence of appropriate taxpaid stamps from narcotic drugs shall be prima facie evidence of a violation of this subsection by the person in whose possession the same may be found.

[(b) EXCEPTIONS IN CASE OF REGISTERED PRACTITIONERS.—The provisions of subsection (a) shall not apply—

[(1) PRESCRIPTIONS.—To any person having in his or her possession any narcotic drugs or compounds of narcotic drug which have been obtained from a registered dealer in pursuance of a written or oral prescription referred to in section 4705(c) (2), issued for legitimate medical uses by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4722; and where the bottle or other container in which such narcotic drug or compound of a narcotic drug may be put up by the dealer upon said prescription bears the name and registry number of the druggist, and name and address of the patient, serial number of prescription, and name, address, and registry number of the person issuing said prescription; or

[(2) DISPENSATIONS DIRECT TO PATIENTS.—To the dispensing, or administration, or giving away of narcotic drugs to a patient by a registered physician, dentist, veterinary surgeon, or other practitioner in the course of his professional practice, and where said drugs are dispensed or administered to the patient for legitimate medical purposes, and the record kept as required by this subpart of the drugs so dispensed, administered, distributed, or given away.

[SEC. 4705. ORDER FORMS.

[(a) GENERAL REQUIREMENT.—It shall be unlawful for any person to sell, barter, exchange, or give away narcotic drugs except in pursuance of a written order of the person to whom such article is sold, bartered, exchanged, or given, on a form to be issued in blank for that purpose by the Secretary or his delegate.

[(b) EXCEPTION IN CASE OF VIRGIN ISLANDS.—The President is authorized and directed to issue such Executive orders as will permit those persons in the Virgin Islands of the United States, lawfully entitled to sell, deal in, dispense, prescribe, and distribute narcotic drugs, to obtain said drugs from persons registered under section 4722 within the continental United States for legitimate medical purposes, without regard to the order forms described in this section.

[(c) OTHER EXCEPTIONS.—Nothing contained in this section, section 4735, or section 4774 shall apply—

[(1) USE OF DRUGS IN PROFESSIONAL PRACTICE.—To the dispensing or distribution of narcotic drugs to a patient by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4722, in the course of his professional practice only: *Provided*, That such physician, dentist, veterinary surgeon, or other practitioner shall keep a record of all such drugs dispensed or distributed, showing the amount dispensed or distributed, the date, and the name and address of the patient to whom such drugs are dispensed or distributed, except such as may be dispensed or distributed to a patient upon whom such physician, dentist, veterinary surgeon, or other practitioner shall personally attend; and such record shall be kept for a period of two years from the date of dispensing or distributing such drugs, subject to inspection, as provided in section 4773.

[(2) PRESCRIPTIONS.—(A) To the sale, dispensing, or distribution of narcotic drugs by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4722: *Provided, however*, That (i) such prescription shall be dated as of the day on which signed and shall be signed by the physician, dentist, veterinary surgeon, or other practitioner who shall have issued the same: (ii) that such dealer shall preserve such prescription for a period of two years from the day on which such prescription is filled in such a way as to be readily accessible to inspection by the officers, agents, employees, and officials mentioned in section 4773.

[(B) In lieu of a written prescription for such narcotic drugs or compounds of a narcotic drug which the Secretary or his delegate, in his discretion (after considering any views expressed on the subject by the Surgeon General, United States Public Health Service; the Commissioner, United States Food and Drug Administration; the respective heads of State narcotic law enforcement agencies; and the respective secretaries of national associations representing (i) narcotic drug manufacturers, (ii) physicians, and (iii) pharmacists), shall find and by regulation designate to possess relatively little or no addiction liability, the sale, dispensing, or distribution may be made by a dealer to a consumer upon oral prescription of a duly registered physician, dentist, veterinary surgeon, or other practitioner, which oral prescription is reduced promptly to writing, and the writing filed and preserved by the dealer for a period of two years from the date on which such prescription is filled in such a way as to be readily accessible to inspection by the officers, agents, employees, and officials mentioned in section 4773. In issuing an oral prescription, the prescriber shall furnish the dealer with the same information as is required by law or regulation in case of a written prescription for narcotic drugs or compounds of a narcotic drug except for the written signature of the prescriber, and the dealer who fills such prescription shall be required to inscribe such information on the written record of the prescription made, filed and preserved by him, and shall inscribe on the label of the container of the narcotic drug or com-

pound of a narcotic drug the same information as is required in filling a written prescription. An oral prescription shall not be refilled.

[(C) If the Secretary or his delegate shall subsequently determine that a narcotic drug or a compound of a narcotic drug, to which the oral prescription procedure described in the preceding subparagraph has been made applicable, possesses a degree of drug addiction liability that, in his opinion, results in abusive use of such procedure, he shall by regulation publish the determination in the Federal Register. The determination shall be final, and after the expiration of a period of six months from the date of its publication, the oral prescription procedure described in the preceding subparagraph shall cease to apply to the particular narcotic drug or to the particular compound of a narcotic drug which is the subject of the determination.

[(3) EXPORTATION.—To the sale, exportation, shipment, or delivery of narcotic drugs by any person within the United States or any Territory or the District of Columbia or any of the insular possessions of the United States to any person in any foreign country, regulating their entry in accordance with such regulations for importation thereof into such foreign country as are prescribed by said country, such regulations to be promulgated from time to time by the Secretary of State.

[(4) GOVERNMENT AND STATE OFFICIALS.—To the sale, barter, exchange, or giving away of narcotic drugs to any officer of the United States Government or of any State, Territorial, district, county, or municipal or insular government lawfully engaged in making purchases thereof for the various departments of the Army and Navy, the Public Health Service, and for Government, State, Territorial, district, county, or municipal or insular hospitals or prisons.

[(d) PRESERVATION.—Every person who shall accept any order required under subsection (a), and in pursuance thereof shall sell, barter, exchange, or give away narcotic drugs, shall preserve such order for a period of two years in such a way as to be readily accessible to inspection by any officer or employee of the Treasury Department duly authorized for that purpose, and the State, Territorial, district, municipal, and insular officials named in section 4773.

[(e) DUPLICATES.—Every person who shall give an order as provided in this section to any other person for narcotic drugs shall, at or before the time of giving such order, make or cause to be made a duplicate thereof on a form to be issued in blank for that purpose by the Secretary or his delegate, and in case of the acceptance of such order shall preserve such duplicate for said period of 2 years in such a way as to be readily accessible to inspection by the officers, employees, and officials mentioned in section 4773.

[(f) SUPPLY.—The Secretary or his delegate shall cause suitable forms to be prepared for the purposes mentioned in this section, and shall cause the same to be distributed to each internal revenue district for sale to those persons who shall have registered and paid the special tax as required by sections 4721 and 4722; and he shall require that the same be sold only to persons who have registered and paid the special tax as required by said sections. The price at which such forms shall be

sold shall be fixed by the Secretary or his delegate but shall not exceed the sum of \$1 per hundred. The Secretary or his delegate shall cause to be kept accounts of the number of such forms sold, the names of the purchasers, and the number of such forms sold to each of such purchasers. Whenever any of such forms are sold, the Secretary or his delegate shall cause the name of the purchaser thereof to be plainly written or stamped thereon before delivering the same; and no person other than such purchaser shall use any of said forms bearing the name of such purchaser for the purpose of procuring narcotic drugs, or furnish any of the forms bearing the name of such purchaser to any person with intent thereby to procure the shipment or delivery of narcotic drugs.

[(g) UNLAWFUL USE.—It shall be unlawful for any person to obtain by means of said order forms narcotic drugs for any purpose other than the use, sale, or distribution thereof by him in the conduct of a lawful business in said drugs or in the legitimate practice of his profession.

[(h) CROSS REFERENCE.—

[For issuance of order forms in Puerto Rico and the Trust Territory of the Pacific Islands, see section 4735 (a). For issuance of order forms in Guam, see section 4735 (d).

[SEC. 4706. FORFEITURES.

[(a) UNSTAMPED PACKAGES.—All unstamped packages of narcotic drugs found in the possession of any person, except as provided in this subpart, shall be subject to seizure and forfeiture, and all the provisions of internal revenue laws relating to searches, seizures, and forfeiture of unstamped articles shall be extended to and made to apply to the articles taxed under this subpart and the persons upon whom the taxes under this subpart or sections 4721 to 4726, inclusive, are imposed.

[(b) CROSS REFERENCES.—

[(1) CONFISCATION AND DISPOSAL OF SEIZED DRUGS.— For provisions relating to the confiscation and disposal of seized drugs, see section 4733.

[(2) OTHER FORFEITURE PROVISIONS.—

[For other general forfeiture provisions, see subtitle F.

[SEC. 4707. CROSS REFERENCES.

[For penalties and other general and administrative provisions, see sections 4731 to 4736, inclusive; sections 4771 to 4776, inclusive; and subtitle F.

[Subpart B—Tax on Opium for Smoking

[Sec. 4711. Imposition of tax.

[Sec. 4712. Stamps.

[Sec. 4713. Manufacturers.

[Sec. 4714. Forfeiture.

[Sec. 4715. Cross references.

[Sec. 4716. Application to Guam.

[SEC. 4711. IMPOSITION OF TAX.

[There shall be imposed an internal revenue tax of \$300 per pound upon all opium manufactured in the United States for smoking purposes.

[SEC. 4712. STAMPS**[(a) METHOD OF PAYMENT.—**

[(1) STAMPS.—All opium prepared for smoking manufactured in the United States shall be duly stamped in such a permanent manner as to denote the payment of the internal revenue tax thereon.

[(2) ASSESSMENT.—

[For assessment in case of omitted taxes payable by stamp, see subtitle F.

[(b) CERTAIN STAMP PROVISIONS APPLICABLE.—The provisions of law covering the engraving, issue, sale, accountability, effacement, cancellation, and destruction of stamps relating to tobacco and snuff, as far as applicable, shall apply to stamps provided for by paragraph (1) of subsection (a).

[SEC 4713. MANUFACTURERS.

[(a) DEFINITION.—Every person who prepares opium suitable for smoking purposes from crude gum opium, or from any preparation thereof, or from the residue of smoked or partially smoked opium, commonly known as yen shee, or from any mixture of the above, or any of them, shall be regarded as a manufacturer of smoking opium within the meaning of this subpart.

[(b) BOND.—Every manufacturer of opium suitable for smoking purposes shall file with the official in charge of the internal revenue district in which his manufactory is located such bonds as the Secretary or his delegate may by regulation require. The bond required of such manufacturer shall be in a penal sum of not less than \$100,000; and the sum of said bond may be increased from time to time and additional sureties required, at the discretion of the Secretary or his delegate. No person shall engage in such manufacture who has not given the bond required by the Secretary or his delegate.

[(c) CITIZENSHIP.—No person shall engage in the manufacture of opium suitable for smoking purposes who is not a citizen of the United States.

[(d) SIGNS AND FACTORY NUMBER.—Every manufacturer of opium suitable for smoking purposes shall put up such signs and affix such number to his factory as the Secretary or his delegate may by regulation require.

[SEC. 4714. FORFEITURE.

[All opium prepared for smoking, whenever found within the United States without the stamps required by this subpart, shall be forfeited and destroyed.

[SEC. 4715. CROSS REFERENCES.

[For penalties and other general and administrative provisions applicable to this subpart, see sections 4731 to 4736, inclusive; sections 4771 to 4776, inclusive; and subtitle F.

[SEC. 4716. APPLICATION TO GUAM.

[The provisions of this subpart shall be applicable to Guam, and in Guam, the administration of this subpart shall be performed by the appropriate internal revenue officers of the Government of Guam, and all revenues collected thereunder in Guam shall accrue intact to the government thereof.

[Subpart C—Occupational Tax

- [Sec. 4721. Imposition of tax.
- [Sec. 4722. Registration.
- [Sec. 4723. Possession by person not registered.
- [Sec. 4724. Unlawful acts in case of failure to register and pay special tax.
- [Sec. 4725. Other laws applicable.
- [Sec. 4726. Cross references.

[SEC. 4721. IMPOSITION OF TAX.

[On or before July 1 of each year every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, or gives away narcotic drugs shall pay the special taxes hereinafter provided. Every person upon first engaging in any of such activities shall immediately pay the proportionate part of the tax for the period ending on the following June 30.

[(1) IMPORTERS, MANUFACTURERS, OR PRODUCERS.—Importers, manufacturers, producers, or compounders, lawfully entitled to import, manufacture, produce, or compound narcotic drugs, \$24 a year;

[(2) WHOLESALE DEALERS.—Wholesale dealers, lawfully entitled to sell and deal in narcotic drugs, \$12 a year;

[(3) RETAIL DEALERS.—Retail dealers, lawfully entitled to sell and deal in narcotic drugs, \$3 a year;

[(4) PHYSICIANS, DENTISTS, VETERINARY SURGEONS, AND OTHER PRACTITIONERS.—Physicians, dentists, veterinary surgeons, and other practitioners, lawfully entitled to distribute, dispense, give away, or administer narcotic drugs to patients upon whom they in the course of their professional practice are in attendance, \$1 a year or fraction thereof during which they engage in any of such activities;

[(5) PERSONS ENGAGED IN RESEARCH, INSTRUCTION, OR ANALYSIS.—Persons not registered as an importer, manufacturer, producer, or compounder and lawfully entitled to obtain and use in a laboratory narcotic drugs for the purpose of research, instruction, or analysis shall pay \$1 a year, but such persons shall keep such special records relating to receipt, disposal, and stocks on hand of narcotic drugs as the Secretary or his delegate may by regulation require. Such special records shall be open at all times to the inspection of any duly authorized officer or employee of the Treasury Department.

[(6) PERSONS NOT OTHERWISE TAXED.—

[For a tax of \$1 a year on persons not otherwise taxed, dispensing preparations and remedies of limited narcotic content, see section 4702 (a).

[(7) PERSONS IN CANAL ZONE.—

[For authority of the President to issue Executive orders providing for the imposition of a special tax upon all persons in the Canal Zone who produce, import, compound, deal in, dispense, distribute, sell, or give away narcotic drugs, see section 4735 (b).

[SEC. 4722. REGISTRATION.

On or before July 1 of each year every person who engages in any of the activities enumerated in section 4721 shall register with the Secretary or his delegate his name or style, place of business and place or places where such business is to be carried on, and every person upon first engaging in any such activities shall immediately make like registration.

[SEC. 4723. POSSESSION BY PERSON NOT REGISTERED.

The possession of any original stamped package containing narcotic drugs by any person who has not registered and paid special taxes as required by sections 4721 and 4722 shall be prima facie evidence of liability to such special tax.

[SEC. 4724. UNLAWFUL ACTS IN CASE OF FAILURE TO REGISTER AND PAY SPECIAL TAX.

[(a) TRAFFICKING.—It shall be unlawful for any person required to register under the provisions of this subpart or section 4702(a) to import, manufacture, produce, compound, sell, deal in, dispense, distribute, administer, or give away narcotic drugs without having registered and paid the special tax imposed by this subpart or section 4702(a).

[(b) TRANSPORTATION.—Except as otherwise provided in this subsection, it shall be unlawful for any person to send, ship, carry, or deliver narcotic drugs from any State or Territory or the District of Columbia, or any insular possession of the United States, into any other State or Territory or the District of Columbia, or any insular possession of the United States. Nothing contained in this subsection shall apply—

[(1) to any person who shall have registered and paid the special tax as required by sections 4721 and 4722;

[(2) to common carriers engaged in transporting narcotic drugs;

[(3) to any employee acting within the scope of his employment for any person who shall have registered and paid the special tax as required by sections 4721 and 4722, or to any contract carrier or other agent acting within the scope of his agency for such registered person;

[(4) to any person who shall deliver any such drug which has been prescribed or dispensed by a physician, dentist, veterinarian, or other practitioner required to register under the terms of this subpart or section 4702(a) and employed to prescribe for the particular patient receiving such drug;

[(5) to any person carrying any narcotic drug or compound of a narcotic drug which has been obtained by the person from a registered dealer in pursuance of a written or oral prescription referred to in section 4705(c) (2), issued for legitimate medical uses by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4722, if the bottle or other container in which such drug or compound of a narcotic drug is carried bears the name and registry number of the drugist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person issuing such prescription;

[(6) to any person carrying any such drug which has been obtained by the person as a patient from a registered physician, dentist, or other practitioner in the course of his professional practice if such drug is dispensed to the patient for legitimate medical purposes; or

[(7) to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties.

[(c) POSSESSION.—It shall be unlawful for any person who has not registered and paid the special tax provided for by this subpart or section 4702(a) to have in his possession or under his control narcotic drugs; and such possession or control shall be presumptive evidence of a violation of this subsection and subsection (a), and also a violation of the provisions of sections 4721 and 4722: *Provided*, That this subsection shall not apply to any employee of a registered person, or to a nurse under the supervision of a physician, dentist, or veterinary surgeon registered under this subpart or section 4702(a), having such possession or control by virtue of his employment or occupation and not on his own account; or to the possession of narcotic drugs which has or have been prescribed in good faith by a physician, dentist, or veterinary surgeon registered under this subpart or section 4702(a); or to any United States, State, county, municipal, District, Territorial, or insular officer or official who has possession of any of said drugs, by reason of his official duties; or to a warehouseman holding possession for a person registered and who has paid the taxes under this subpart and sections 4701 to 4707, inclusive; or to common carriers engaged in transporting such drugs: *Provided further*, That it shall not be necessary to negative any of the aforesaid exemptions in any complaint, information, indictment, or other writ or proceeding laid or brought under this subpart or sections 4701 to 4707, inclusive; and the burden of proof of any such exemption shall be upon the defendant.

[SEC. 4725. OTHER LAWS APPLICABLE.

[All provisions of law relating to special taxes, as far as necessary, shall be extended and made applicable to the special tax imposed by this subpart.

[SEC. 4726. CROSS REFERENCES.

[For penalties and other general and administrative provisions applicable to this subpart, see sections 4731 to 4736, inclusive; sections 4771 to 4776, inclusive; chapter 40; and subtitle F.

[Subpart D—General Provisions Relating to Narcotic Drugs

[Sec. 4731. Definitions.

[Sec. 4732. Records, statements, and returns.

[Sec. 4733. Confiscation and disposal of seized drugs.

[Sec. 4734. Laws unaffected.

[Sec. 4735. Administration in Puerto Rico, the Trust Territory of the Pacific Islands, the Canal Zone, and the Virgin Islands.

[Sec. 4736. Other laws applicable.

SEC. 4731. DEFINITIONS.

[(a) **NARCOTIC DRUGS.**—The words “narcotic drugs” as used in this part shall mean any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

[(1) Opium, isonipecaine, coca leaves, and opiate;

[(2) Any compound, manufacture, salt, derivative, or preparation of opium, isonipecaine, coca leaves, or opiate;

[(3) Any substance (and any compound, manufacture, salt, derivative, or preparation thereof) which is chemically identical with any of the substances referred to in clauses (1) and (2); except that the words “narcotic drugs” as used in this part shall not include decocainized coca leaves or extracts of coca leaves, which extracts do not contain cocaine or ecgonine.

[(b) **PERSON.**—The word “person”, as used in sections 4701 to 4707, inclusive, and sections 4721 to 4726, inclusive, shall be construed to mean and include a partnership, association, company, or corporation, as well as a natural person.

[(c) **IMPORTER, MANUFACTURER, OR PRODUCER.**—Every person who imports, manufactures, compounds, or otherwise produces for sale or distribution narcotic drugs shall be deemed to be an importer, manufacturer, or producer.

[(d) **WHOLESALE DEALER.**—Every person who sells, or offers for sale, any of said drugs in the original stamped packages as provided in section 4704(a) shall be deemed a wholesale dealer.

[(e) **RETAIL DEALER.**—Every person who sells or dispenses from original stamped packages as provided in section 4704(a) shall be deemed a retail dealer: *Provided*, That the office, or if none, the residence, of any person shall be considered, for the purpose of this part, except sections 4711 to 4715, inclusive, his place of business.

[(f) **ISONIPECAINE.**—The word “isonipecaine”, as used in this part shall mean any substance identified chemically as 1-methyl-4-phenylpiperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated.

[(g) **OPIATE.**—

[(1) **IN GENERAL.**—The word “opiate” as used in this part shall mean any drug (as defined in the Federal Food, Drug, and Cosmetic Act (52 Stat. 1041, sec. 201(g); 21 U.S.C. 321)) or other substance found by the Secretary or his delegate and proclaimed by the Secretary or his delegate (after considering the technical advice of the Secretary of Health, Education, and Welfare, or his delegate, on the subject) to have been so found in the Federal Register, after due notice and opportunity for public hearing to have an addiction-forming or addiction-sustaining liability similar to morphine or cocaine or to be capable of conversion into a drug having such addiction-forming or addiction-sustaining liability, where, in the judgment of the Secretary or his delegate, the relative technical simplicity and degree of yield of such conversion create a risk of improper use of the drug or other substance.

[(2) **TERMINATION.**—The Secretary or his delegate is authorized to withdraw any previous finding that a drug or other substance is an “opiate” whenever (after considering the technical

advice of the Secretary of Health, Education, and Welfare, or his delegate, on the subject) he determines that such previous finding was erroneous, and upon publication of such determination in the Federal Register, the particular drug or other substance shall cease to be an opiate. For purposes of the foregoing provision the Secretary or his delegate may consider any action taken pursuant to article 3 of the 1948 protocol (as defined in section 3(b) of the Narcotics Manufacturing Act of 1960).

[(3) REGULATIONS, ETC.—The Secretary or his delegate is authorized to issue necessary rules and regulations for carrying out the provisions of this subsection, and to confer or impose upon any officer or employee of the Treasury Department whom he shall designate or appoint, the duty of conducting any hearing authorized hereunder.

[(4) CROSS REFERENCE.—

[For treatment of certain drugs as being, or ceasing to be, opiates for purposes of this part, see section 5 of the Narcotics Manufacturing Act of 1960.

[(h) TERRITORY.—As used in this part—

[(1) the word “territory” shall include the Trust Territory of the Pacific Islands, and

[(2) the word “territorial” shall reflect such inclusion.

[SEC. 4732. RECORDS, STATEMENTS, AND RETURNS.

[(a) BOOKS AND MONTHLY RETURNS OF IMPORTERS, MANUFACTURERS, AND WHOLESALE DEALERS.—Importers, manufacturers, and wholesale dealers shall keep such books and records and render such monthly returns in relation to the transactions in narcotic drugs as the Secretary or his delegate may by regulations require.

[(b) RETURNS BY REGISTRANTS OF DRUGS RECEIVED.—Any person who shall be registered with the Secretary or his delegate under the provisions of section 4722 shall, whenever required so to do by the Secretary or his delegate, render to the official in charge of the internal revenue district a true and correct statement or return, verified by affidavit, setting forth the quantity of narcotic drugs received by him in said internal revenue district during such period immediately preceding the demand of the Secretary or his delegate, not exceeding 3 months, as the Secretary or his delegate may fix and determine; the names of the persons from whom the said drugs were received; the quantity in each instance received from each of such persons; and the date when received.

[SEC. 4733. CONFISCATION AND DISPOSAL OF SEIZED DRUGS.

[All narcotic drugs seized by the United States Government from any person or persons charged with any violation of this part, or the act of February 9, 1909 (c. 100, 35 Stat. 614), as amended by the act of January 17, 1914 (c. 9, 38 Stat. 275), the act of May 26, 1922 (c. 202, 42 Stat. 596), the act of June 7, 1924 (c. 352, 43 Stat. 657), the act of June 14, 1930 (c. 488, 46 Stat. 586), and the act of November 2, 1951 (c. 666, 65 Stat. 767; 21 U.S.C. 171–185), shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States; and the Secretary or his delegate is authorized to

deliver for medical or scientific purposes to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulation as may be prescribed by the Secretary or his delegate, any of the drugs so seized, confiscated, and forfeited to the United States. The provisions of this section shall also apply to narcotic drugs seized or coming into the possession of the United States in the enforcement of this part or any of the above-mentioned acts, where the owner or owners thereof are unknown. No narcotic drugs coming into possession of the United States under the operation of said part or acts, or the provisions of this section, shall be destroyed without certification by a committee appointed by the Secretary or his delegate that they are of no value for medical or scientific purposes.

[SEC. 4734. LAWS UNAFFECTED.

Nothing contained in sections 4701 to 4707, inclusive, or sections 4721 to 4726, inclusive, shall be construed to impair, alter, amend, or repeal any of the provisions of the act approved February 9, 1909, entitled "An Act to prohibit the importation and use of opium for other than medicinal purposes" (c. 100, 35 Stat. 614; 21 U.S.C. 171-185), or of the Federal Food, Drug, and Cosmetic Act (June 25, 1938, c. 675, 52 Stat. 1040; 21 U.S.C. 301 et seq.), and any amendment thereof.

[SEC 4735. ADMINISTRATION IN PUERTO RICO, THE TRUST TERRITORY OF THE PACIFIC ISLANDS, GUAM, THE CANAL ZONE, AND THE VIRGIN ISLANDS.

[(a) PUERTO RICO AND THE TRUST TERRITORY OF THE PACIFIC ISLANDS.—In Puerto Rico and the Trust Territory of the Pacific Islands, the administration of sections 4701 to 4707, inclusive, and sections 4721 to 4726, inclusive, the collection of the special tax imposed by section 4721, and the issuance of the order forms specified in section 4705 shall be performed by the appropriate internal revenue officers of those governments, and all revenues collected thereunder in Puerto Rico and the Trust Territory of the Pacific Islands shall accrue intact to the general governments thereof, respectively. The highest court of original jurisdiction of the Trust Territory of the Pacific Islands shall possess and exercise jurisdiction in all cases arising in such Territory under sections 4701 to 4707, inclusive, and sections 4721 to 4726, inclusive.

[(b) CANAL ZONE.—The President is authorized and directed to issue such Executive orders as will carry into effect in the Canal Zone the intent and purpose of sections 4701 to 4707, inclusive, and sections 4721 to 4726, inclusive, by providing for the registration and the imposition of a special tax upon all persons in the Canal Zone who produce, import, compound, deal in, dispense, sell, distribute, or give away narcotic drugs.

[(c) VIRGIN ISLANDS.—

[For authority of the President to exempt persons in the Virgin Islands from the order form requirements, see section 4705(b).

[(d) GUAM.—In Guam the administration of sections 4701 to 4707, inclusive; sections 4721 to 4726, inclusive; sections 4732 to 4734, inclusive; and insofar as they relate to narcotic drugs, sections 4771 to

4776, inclusive; the collections of the special tax imposed by section 4721 and the issuance of the order forms specified in section 4705, shall be performed by the appropriate internal revenue officers of Guam, and all revenues collected thereunder in Guam shall accrue intact to the general government thereof.

[SEC. 4736. OTHER LAWS APPLICABLE.

[All administrative, special, or stamp provisions of law, including the law relating to the assessment of taxes, so far as applicable, shall be extended to and made a part of sections 4701 to 4707, inclusive, sections 4721, 4722, and 4724(a), and of section 4772 insofar as it relates to narcotic drugs.

[PART II—MARIHUANA

[Subpart A. Tax on transfers.
[Subpart B. Occupational tax.

[Subpart C. General provisions relating to marihuana.

[Subpart A—Tax on Transfers

[Sec. 4741. Imposition of tax.
[Sec. 4742. Order forms.
[Sec. 4743. Affixing of stamps.

[Sec. 4744. Unlawful possession.
[Sec. 4745. Forfeitures.
[Sec. 4746. Cross references.

[SEC. 4741. IMPOSITION OF TAX.

[(a) RATE.—There shall be imposed upon all transfers of marihuana which are required by section 4742 to be carried out in pursuance of written order forms taxes at the following rates:

[(1) TRANSFERS TO SPECIAL TAXPAYERS.—Upon each transfer to any person who has paid the special tax and registered under sections 4751 to 4753, inclusive, \$1 per ounce of marihuana or fraction thereof.

[(2) TRANSFERS TO OTHERS.—Upon each transfer to any person who has not paid the special tax and registered under sections 4751 to 4753, inclusive, \$100 per ounce of marihuana or fraction thereof.

[(b) BY WHOM PAID.—Such tax shall be paid by the transferee at the time of securing each order form and shall be in addition to the price of such form. Such transferee shall be liable for the tax imposed by this section but in the event that the transfer is made in violation of section 4742 without an order form and without payment of the transfer tax imposed by this section, the transferor shall also be liable for such tax.

[SEC. 4742. ORDER FORMS.

[(a) GENERAL REQUIREMENT.—It shall be unlawful for any person, whether or not required to pay a special tax and register under sections 4751 to 4753, inclusive, to transfer marihuana, except in pursuance of a written order of the person to whom such marihuana is transferred, on a form to be issued in blank for that purpose by the Secretary or his delegate.

[(b) EXCEPTIONS.—Subject to such regulations as the Secretary or his delegate may prescribe, nothing contained in this section shall apply—

[(1) PROFESSIONAL PRACTICE.—To a transfer of marihuana to a patient by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753, in the course of his

professional practice only: *Provided*, That such physician, dentist, veterinary surgeon, or other practitioner shall keep a record of all such marihuana transferred, showing the amount transferred and the name and address of the patient to whom such marihuana is transferred, and such record shall be kept for a period of 2 years from the date of the transfer of such marihuana, and subject to inspection as provided in section 4773.

【(2) PRESCRIPTIONS.—To a transfer of marihuana, made in good faith by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753: *Provided*, That such prescription shall be dated as of the day on which signed and shall be signed by the physician, dentist, veterinary surgeon, or other practitioner who issues the same: *Provided further*, That such dealer shall preserve such prescription for a period of 2 years from the day on which such prescription is filled, so as to be readily accessible for inspection by the officers, employees, and officials mentioned in section 4773.

【(3) EXPORTATION.—To the sale, exportation, shipment, or delivery of marihuana by any person within the United States, any Territory, the District of Columbia, or any of the insular possessions of the United States, to any person in any foreign country regulating the entry of marihuana, if such sale, shipment, or delivery of marihuana is made in accordance with such regulations for importation into such foreign country as are prescribed by such foreign country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

【(4) GOVERNMENT AND STATE OFFICIALS.—To a transfer of marihuana to any officer or employee of the United States Government or of any State, Territorial, District, county, or municipal or insular government lawfully engaged in making purchases thereof for the Department of Defense, the Public Health Service, and for Government, State, Territorial, District, county, or municipal or insular hospitals or prisons.

【(5) CERTAIN SEEDS.—To a transfer of any seeds of the plant *Cannabis sativa L.* to any person registered under section 4753.

【(c) SUPPLY.—The Secretary or his delegate shall cause suitable forms to be prepared for the purposes mentioned in this section and shall cause them to be distributed to each internal revenue district for sale. The price at which such forms shall be sold shall be fixed by the Secretary or his delegate, but shall not exceed 2 cents each. Whenever any of such forms are sold, the Secretary or his delegate shall cause the date of sale, the name and address of the proposed vendor, the name and address of the purchaser, and the amount of marihuana ordered to be plainly written or stamped thereon before delivering the same.

【(d) PRESERVATION.—Each such order form sold by the Secretary or his delegate shall be prepared to include an original and two copies, any one of which shall be admissible in evidence as an original. The original and one copy shall be given to the purchaser thereof. The original shall in turn be given by the purchaser thereof to any person who shall, in pursuance thereof, transfer marihuana to him and shall be preserved by such person for a period of 2 years so as to be readily accessible for inspection by an officer or employee mentioned in section

4773. The copy given to the purchaser shall be retained by the purchaser and preserved for a period of 2 years so as to be readily accessible to inspection by any officer or employee mentioned in section 4773. The second copy shall be preserved in the records of the internal revenue district.

[(e) EXEMPTION OF CERTAIN TRANSFERS TO MILLERS.—Nothing in this section shall apply to a transfer of the plant *Cannabis sativa* L. or any parts thereof from any person registered under section 4753 to a person who is also registered under section 4753 as a taxpayer required to pay the tax imposed by paragraph (6) of section 4751.

[SEC. 4743. AFFIXING OF STAMPS.

[(The stamps provided in section 4771(a)(1) for marihuana shall be affixed by the Secretary or his delegate to the original order form.

[SEC. 4744. UNLAWFUL POSSESSION.

[(a) PERSONS IN GENERAL.—It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 4741(a)—

[(1) to acquire or otherwise obtain any marihuana without having paid such tax, or

[(2) to transport or conceal, or in any manner facilitate the transportation or concealment of, any marihuana so acquired or obtained.

Proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the Secretary or his delegate, to produce the order form required by section 4742 to be retained by him shall be presumptive evidence of guilt under this subsection and of liability for the tax imposed by section 4741(a).

[(b) GOVERNMENT AND STATE OFFICIALS.—No liability shall be imposed by virtue of this section upon any duly authorized officer of the Treasury Department engaged in the enforcement of this part, or upon any duly authorized officer of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States, who shall be engaged in the enforcement of any law or municipal ordinance dealing with the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana.

[SEC. 4745. FORFEITURES.

[(a) OWNERSHIP BY VIOLATORS.—Any marihuana which may be seized by the United States Government from any person or persons charged with any violation of this part shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States.

[(b) UNKNOWN OWNERSHIP.—Any marihuana seized or coming into the possession of the United States in the enforcement of this part, the owner or owners of which are unknown, shall be confiscated by and forfeited to the United States.

[(c) DISPOSAL.—The Secretary or his delegate is hereby directed to destroy any marihuana confiscated by and forfeited to the United States under this section or to deliver such marihuana to any department, bureau, or other agency of the United States Government, upon proper application therefor, under such regulations as may be prescribed by the Secretary or his delegate.

[(d) OTHER LAWS APPLICABLE.—Except as inconsistent with the provisions of this part, all the provisions of internal revenue laws relating to searches, seizures, and forfeitures are extended to include marihuana.

[SEC. 4746. CROSS REFERENCES.

[For penalties and other general and administrative provisions applicable to this subpart, see sections 4761 and 4762; sections 4771 to 4776, inclusive, and subtitle F.

[Subpart B—Occupational Tax

[Sec. 4751. Imposition of tax.

[Sec. 4752. Computation and liability for tax.

[Sec. 4753. Registration.

[Sec. 4754. Returns.

[Sec. 4755. Unlawful acts in case of failure to register and pay special tax.

[Sec. 4756. Other laws applicable.

[Sec. 4757. Cross references.

[SEC. 4751. IMPOSITION OF TAX.

[Every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana shall before engaging in any of the above-mentioned activities, and thereafter on or before July 1 of each year, pay the following special taxes respectively:

[(1) IMPORTERS, MANUFACTURERS, AND COMPOUNDERS.—Importers, manufacturers, and compounders of marihuana, \$24 a year;

[(2) PRODUCERS.—Producers of marihuana (except those included within paragraph (4)), \$1 a year, or fraction thereof, during which they engage in such activity;

[(3) PHYSICIANS, DENTISTS, VETERINARY SURGEONS, AND OTHER PRACTITIONERS.—Physicians, dentists, veterinary surgeons, and other practitioners who distribute, dispense, give away, administer, or prescribe marihuana to patients upon whom they in the course of their professional practice are in attendance, \$1 a year, or fraction thereof, during which they engage in any of such activities;

[(4) PERSONS ENGAGED IN RESEARCH, INSTRUCTION, OR ANALYSIS.—Any person not registered as an importer, manufacturer, producer, or compounder who obtains and uses marihuana in a laboratory for the purpose of research, instruction, or analysis, or who produces marihuana for any such purpose, \$1 a year, or fraction thereof, during which he engages in such activities;

[(5) PERSONS NOT OTHERWISE TAXED.—Any person who is not a physician, dentist, veterinary surgeon, or other practitioner and who deals in, dispenses, or gives away marihuana, \$3 a year: *Provided*. That any person who has registered and paid the special tax as an importer, manufacturer, compounder, or producer, as required by paragraphs (1) and (2), may deal in, dispense, or give away marihuana imported, manufactured, compounded, or produced by him without further payment of the tax imposed by this section;

[(6) **MILLERS.**—Any person who at a mill manufactures or produces from the plant *Cannabis sativa L.* any fiber or fiber products, \$1 a year, or fraction thereof, during which he engages in such activities.

[SEC. 4752. COMPUTATION AND LIABILITY FOR TAX.

[(a) **COMPUTATION OF TAX.**—Where a tax under paragraph (1) or (5) of section 4751 is payable on July 1 of any year it shall be computed for 1 year; where any such tax is payable on any other day it shall be computed proportionately from the first day of the month in which the liability for the tax accrued to the following July 1.

[(b) **LIABILITY IN CASE OF ACTIVITIES IN MORE THAN ONE PLACE.**—In the event that any person subject to a tax imposed by section 4751 engages in any of the activities enumerated in such section at more than one place, such person shall pay the tax with respect to each such place.

[(c) **LIABILITY IN CASE OF MORE THAN ONE ACTIVITY BY SAME PERSON AT SAME TIME.**—Except as otherwise provided, whenever more than one of the activities enumerated in section 4751 is carried on by the same person at the same time, such person shall pay the tax for each such activity, according to the respective rates prescribed.

[SEC. 4753. REGISTRATION.

[(a) **IN GENERAL.**—Any person subject to the tax imposed by section 4751 shall, upon payment of such tax, register his name or style and his place or places of business with the official in charge of the internal revenue district in which such place or places of business are located.

[(b) **SPECIAL REQUIREMENTS FOR MILLERS.**—The Secretary or his delegate shall not permit the registration of any person under this section as a person required to pay the tax imposed by paragraph (6) of section 4751, unless in the opinion of the Secretary or his delegate such person (or if a corporation, each officer thereof) is a person of good moral character and unless in the opinion of the Secretary or his delegate such person is a person of suitable financial standing, intends to engage in good faith in the business of manufacturing or producing fiber or fiber products from the plant *Cannabis sativa L.* on a commercial basis, and is not seeking registration under this section for the purpose of facilitating the unlawful diversion of marihuana. Any person who is registered under this section and has paid the tax imposed by paragraph (6) of section 4751 shall afford officers and employees designated by the Secretary or his delegate ready access at all times to any part of the premises of the mill or other premises of such person and the right to inspect any and all books, papers, records, or documents connected with the activities of such person in dealing in, manufacturing, and processing *Cannabis sativa L.* and fiber or fiber products thereof, and the handling of marihuana. The Secretary or his delegate may cancel or may refuse to renew, after notice and opportunity for hearing, the registration of any such person if he finds that such person has not complied or is not complying with the requirements of this subsection, or if he finds that grounds exist which would justify the refusal to permit the original registration of such person under this section.

[SEC. 4754. RETURNS.

[(a) REGISTRANTS.—Any person who shall be registered under the provisions of section 4753 with the Secretary or his delegate shall, whenever required to do so by the Secretary or his delegate, render a true and correct statement or return, verified by affidavits, setting forth the quantity of marihuana received or harvested by him during such period immediately preceding the demand of the Secretary or his delegate, not exceeding 3 months, as the Secretary or his delegate may fix and determine. If such person is not solely a producer, he shall set forth in such statement or return the names of the persons from whom said marihuana was received, the quantity in each instance received from such persons, and the date when received.

[(b) CROSS REFERENCES.—

[For general requirement as to records, statements, and returns in the case of persons liable for tax, see subtitle F.

[SEC. 4755. UNLAWFUL ACTS IN CASE OF FAILURE TO REGISTER AND PAY SPECIAL TAX.**[(a) TRAFFICKING.**—

[(1) LIABILITY.—It shall be unlawful for any person required to register and pay the special tax under the provisions of sections 4751 to 4753, inclusive, to import, manufacture, produce, compound, sell, deal in, dispense, distribute, prescribe, administer, or give away marihuana without having so registered and paid such tax.

[(2) ENFORCEMENT OF LIABILITY.—In any suit or proceeding to enforce the liability imposed by this section or sections 4751 to 4753, inclusive, if proof is made that marihuana was at any time growing upon land under the control of the defendant, such proof shall be presumptive evidence that at such time the defendant was a producer and liable under this section as well as under sections 4751 to 4753, inclusive.

[(b) TRANSPORTATION.—Except as otherwise provided in this subsection, it shall be unlawful for any person to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, or any insular possession of the United States, or from any State, Territory, the District of Columbia, or any insular possession of the United States into any other State, Territory, the District of Columbia, or insular possession of the United States. Nothing contained in this subsection shall apply—

[(1) to any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive;

[(2) to any common carrier engaged in transporting marihuana;

[(3) to any employee acting within the scope of his employment for any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive, or to any contract carrier or other agent acting within the scope of his agency for such registered person;

[(4) to any person who shall deliver marihuana which has been prescribed or dispensed by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753 and employed to prescribe for the particular patient receiving such marihuana;

[(5) to any person carrying marihuana which has been obtained by the person from a registered dealer in pursuance of a written prescription referred to in section 4742(b) (2), issued for legitimate medical uses by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753, if the bottle or other container in which such marihuana is carried bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person issuing such prescription :

[(6) to any person carrying marihuana which has been obtained by the person as a patient from a registered physician, dentist, or other practitioner in the course of his professional practice if such marihuana is dispensed to the patient for legitimate medical purposes; or

[(7) to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties.

[SEC. 4756. OTHER LAWS APPLICABLE.

[All provisions of law (including penalties) applicable in respect of the taxes imposed by sections 4701 and 4721 shall, insofar as not inconsistent with this part, be applicable in respect of the taxes imposed by this part.

[SEC. 4757. CROSS REFERENCES.

[For penalties and other general and administrative provisions applicable to this subpart, see sections 4761 and 4762; sections 4771 to 4776, inclusive; chapter 40; and subtitle F.

[Subpart C—General Provisions Relating to Marihuana

[Sec. 4761. Definitions.

[Sec. 4762. Administration in insular possession.

[SEC. 4761. DEFINITIONS.

[When used in this part—

[(1) PERSON.—The term “person” means an individual, a partnership, trust, association, company, or corporation, and includes an officer or employee of a trust, association, company, or corporation, or a member or employee of a partnership, who, as such officer, employee, or member, is under a duty to perform any act in respect of which any violation of this part occurs.

[(2) MARIHUANA.—The term “marihuana” means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

[(3) PRODUCER.—The term “producer” means any person who (A) plants, cultivates, or in any way facilitates the natural growth of marihuana; or (B) harvests and transfers or makes use of marihuana.

[(4) TRANSFER OR TRANSFERRED.—The term “transfer” or “transferred” means any type of disposition resulting in a change of possession, but shall not include a transfer to a common carrier for the purpose of transporting marihuana.

[SEC. 4762. ADMINISTRATION IN INSULAR POSSESSION.

[(a) PUERTO RICO.—In Puerto Rico the administration of this part, the collection of the special taxes and transfer taxes, and the issuance of the order forms provided for in section 4742 shall be performed by the appropriate internal revenue officers of the government of Puerto Rico, and all revenues collected under this part in Puerto Rico shall accrue intact to the general government thereof.

[(b) VIRGIN ISLANDS.—The President shall be authorized and directed to issue such Executive orders as will carry into effect in the Virgin Islands the intent and purpose of this part by providing for the registration with appropriate officers and the imposition of the special and transfer taxes upon all persons in the Virgin Islands who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer or give away marihuana.

[PART III—MISCELLANEOUS PROVISIONS RELATING TO NARCOTIC DRUGS AND MARIHUANA

[Sec. 4771. Stamps.

[Sec. 4772. Exemption from tax and registration.

[Sec. 4773. Inspection of returns, order forms, and prescriptions.

[Sec. 4774. Territorial extent of law.

[Sec. 4775. List of special taxpayers.

[Sec. 4776. Cross references.

[SEC. 4771. STAMPS.

[(a) METHOD OF PAYMENT.—

[(1) STAMPS.—The taxes imposed by sections 4701 and 4741 shall be represented by appropriate stamps, to be provided by the Secretary or his delegate.

[(2) ASSESSMENT.—

[For assessment in case of omitted taxes payable by stamp, see subtitle F.

[(b) OTHER LAWS APPLICABLE.—All the provisions of law relating to the engraving, issuance, sale, accountability, cancellation, and destruction of tax-paid stamps provided for in the internal revenue laws shall, insofar as applicable and not inconsistent with sections 4701 to 4707, inclusive, and sections 4741 to 4746, inclusive, be extended and made to apply to the stamps provided in subsection (a).

[SEC. 4772. EXEMPTION FROM TAX AND REGISTRATION.

[(a) EMPLOYEES.—No employee of any person who has registered and paid a special tax as required in sections 4721 to 4726, inclusive, or sections 4751 to 4757, inclusive, acting within the scope of his employment shall be required to register and pay such special taxes.

[(b) GOVERNMENT AND STATE OFFICIALS.—Officials of the United States, Territorial, District of Columbia, or insular possessions, State or municipal governments, who in the exercise of their official duties engage in any of the businesses described in section 4741 or activities enumerated in sections 4751 and 4752, shall not be required to register, nor pay special tax, but their right to this exemption shall be evidenced in such manner as the Secretary or his delegate may by regulations prescribe.

[(c) CROSS REFERENCES.—

[(1) CANAL ZONE.—

For authority of the President to issue Executive orders providing for the registration of all persons in the Canal Zone who produce, import, compound, deal in, dispense, distribute, sell, or give away narcotic drugs, see section 4735 (b).

[(2) VIRGIN ISLANDS.—

For authority of the President to issue Executive orders providing for the registration and the imposition of special taxes relating to marihuana, on persons in the Virgin Islands, see section 4762 (b).

[SEC. 4773. INSPECTION OF RETURNS, ORDER FORMS, AND PRESCRIPTIONS.

The duplicate order forms and the prescriptions, including the written record of oral prescriptions, required to be preserved under the provisions of section 4705 (c) (2) and (e), and the order forms and copies thereof and the prescriptions and records required to be preserved under the provisions of section 4742, in addition to the statements or returns filed in the office of the official in charge of the internal revenue district under the provisions of section 4732 (b) or 4754, shall be open to inspection by officers and employees of the Treasury Department duly authorized for that purpose, and such officials of any State or Territory, or of any organized municipality therein, or of the District of Columbia, or any insular possession of the United States, as shall be charged with the enforcement of any law or municipal ordinance regulating the production of marihuana or regulating the sale, prescribing, dispensing, dealing in, or distribution of narcotic drugs or marihuana. The Secretary or his delegate is authorized to furnish, upon written request, certified copies of any of the said statements or returns filed in the office of any official in charge of an internal revenue district to any of such officials of any State or Territory or organized municipality therein, or the District of Columbia, or any insular possession of the United States as shall be entitled to inspect the said statements or returns filed in the office of the official in charge of the internal revenue district, upon the payment of a fee of \$1 for each 100 words or fraction thereof in the copy or copies so requested.

[SEC. 4774. TERRITORIAL EXTENT OF LAW.

The provisions of sections 4701 to 4707, inclusive, and sections 4721 to 4776, inclusive, shall apply to the several States, the District of Columbia, and the insular possessions of the United States; and, in the case of narcotic drugs, shall also apply to the Trust Territory of the Pacific Islands and to the Canal Zone. On and after the effective date of the Narcotic Control Act of 1956, the provisions referred to in the preceding sentence shall not apply to the Commonwealth of Puerto

Rico unless the Legislative Assembly of the Commonwealth of Puerto Rico expressly consents thereto in the manner prescribed in the constitution of the Commonwealth of Puerto Rico for the enactment of a law, *Provided*, That (notwithstanding section 7651), sections 4741 to 4762, inclusive, as amended, and, insofar as they relate to marihuana, sections 4771 to 4776, inclusive, shall not apply to Guam.

[SEC. 4775. LIST OF SPECIAL TAXPAYERS.

[The Secretary or any officer or employee designated by him is authorized to furnish upon written request, to any person, a certified copy of the names of any or all persons who may be listed in the respective internal revenue districts as special taxpayers under the provisions of sections 4721 to 4726, inclusive, section 4702(a), section 4751, or section 4752, upon payment of a fee of \$1 for each 100 names or fraction thereof in the copy so requested.

[SEC. 4776. CROSS REFERENCES.

[For penalties and other general and administrative provisions applicable to this subchapter, see subtitle F.]

* * * * *

SEC. 4901. PAYMENT OF TAX.

(a) **CONDITION PRECEDENT TO CARRYING ON CERTAIN BUSINESS.**—No person shall be engaged in or carry on any trade or business subject to the tax imposed by section 4411 (wagering) [.] or 4461(a) (1) (coin-operated gaming devices) [., 4721 (narcotic drugs), or 4751 (marihuana)] until he has paid the special tax therefor.

(b) **COMPUTATION.**—All special taxes shall be imposed as of on the first day of July in each year, or on commencing any trade or business on which such tax is imposed. In the former case the tax shall be reckoned for 1 year, and in the latter case it shall be reckoned proportionately, from the first day of the month in which the liability to a special tax commenced, to and including the 30th day of June following.

(c) **HOW PAID.**—

(1) **STAMP.**—All special taxes imposed by law shall be paid by stamps denoting the tax.

(2) **ASSESSMENT.**—

For authority of the Secretary or his delegate to make assessments where the special taxes have not been duly paid by stamp at the time and in the manner provided by law, see subtitle F.

* * * * *

SEC. 4905. LIABILITY IN CASE OF DEATH OR CHANGE OF LOCATION.

(a) **REQUIREMENTS.**—When any person who has paid the special tax for any trade or business dies, his wife or child, or executors or administrators or other legal representatives, may occupy the house or premises, and in like manner carry on, for the residue of the term for which the tax is paid, the same trade or business as the deceased before carried on, in the same house and upon the same premises, without the payment of any additional tax. When any person removes from

the house or premises for which any trade or business was taxed to any other place, he may carry on the trade or business specified in the register kept in the office of the official in charge of the internal revenue district at the place to which he removes, without the payment of any additional tax: *Provided*, That all cases of death, change, or removal, as aforesaid, with the name of the successor to any person deceased, or of the person making such change or removal, shall be registered with the Secretary or his delegate, under regulations to be prescribed by the Secretary or his delegate.

(b) REGISTRATION.—

(1) For registration in case of wagering [, narcotics, marihuana,] and white phosphorus matches, see sections 4412 [, 4722, 4753,] and 4804 (d), respectively.

(2) For other provisions relating to registration, see subtitle F.

* * * * *

SEC. 6808. SPECIAL PROVISIONS RELATING TO STAMPS.

For special provisions on stamps relating to—

(2) Cotton futures, see subchapter D of chapter 39.

(3) Distilled spirits and fermented liquors, see chapter 51.

(4) Documents and other instruments, see chapter 34.

(5) Filled cheese, see subchapter C of chapter 39.

(6) Machine guns and short-barrelled firearms, see chapter 53.

(7) Oleomargarine, see subchapter F of chapter 38.

[(8) Opium, opium for smoking, opiates and coca leaves, and marihuana, see subchapter A of chapter 39.]

(10) Process, renovated, or adulterated butter, see subchapter C of chapter 39.

(11) Tobacco, snuff, cigars and cigarettes, see chapter 52.

(12) White phosphorous matches, see subchapter B of chapter 39.

* * * * *

SEC. 7012. CROSS REFERENCES.

[(a) Narcotic Drugs.—For provisions relating to registration in relation to narcotic drugs, see section 4722.]

[(b) Marihuana.—For provisions relating to registration in relation to marihuana, see section 4753.]

(c) Firearms.—For provisions relating to registration in connection with firearms, see sections 5802, 5841, and 5854.

[Caution: Sec. 7012(d) was deleted by P.L. 89-44, § 601(g). For deleted text, see amendment notes.]

(e) For provisions relating to registration in relation to the manufacture of white phosphorous matches, see section 4804 (d).

(f) For special rules with respect to registration by persons engaged in receiving wagers, see section 4412.

(g) For provisions relating to registration in relation to the production or importation of gasoline, see section 4101.

(h) For provisions relating to registration in relation to the manufacture or production of lubricating oils, see section 4101.

(i) Penalty.—

- (1) For penalty for failure to register, see section 7272.
- (2) For other penalties for failure to register with respect to wagering, see section 7262.

* * * * *

SEC. 7103. CROSS REFERENCES—OTHER PROVISIONS FOR BONDS.

(a) EXTENSIONS OF TIME.—

- (1) For bond where time to pay tax or deficiency has been extended, see section 6165.
- (2) For bond to stay collection of a jeopardy assessment, see section 6863.
- (3) For bond to stay assessment and collection prior to review of a Tax Court decision, see section 7485.
- (4) For furnishing of bond where taxable year is closed by the Secretary or his delegate, see section 6851 (e).
- (5) For bond in case of an election to postpone payment of estate tax where the value of a reversionary or remainder interest is included in the gross estate, see section 6165.

(b) RELEASE OF LIEN OR SEIZED PROPERTY.—

- (1) For the release of the lien provided for in section 6325 by furnishing the Secretary or his delegate a bond, see section 6325 (a) (2).
- (2) For bond to obtain release of perishable goods which have been seized under forfeiture proceeding, see section 7324 (3).
- (3) For bond to release perishable goods under levy, see section 6336.
- (4) For bond executed by claimant of seized goods valued at \$1000 or less, see section 7325 (3).

(c) MISCELLANEOUS.—

- (1) For bond as a condition precedent to the allowance of the credit for accrued foreign taxes, see section 905 (c).

(d) BONDS REQUIRED WITH RESPECT TO CERTAIN PRODUCTS.—

- (1) For bond in case of articles taxable under subchapter B of chapter 37 processed for exportation without payment of the tax provided therein, see section 4513 (c).
- (2) For bond in case of oleomargarine removed from the place of manufacture for exportation to a foreign country, see section 4593 (b).
- (3) For requirement of bonds with respect to certain industries see—

(A) section 4596 relating to a manufacturer of oleomargarine;

(B) section 4814 (c) relating to a manufacturer of process or renovated butter or adulterated butter;

(C) section 4833 (c) relating to a manufacturer of filled cheese;

[(D) section 4713 (b) relating to a manufacturer of opium suitable for smoking purposes:]

(E) section 4804 (c) relating to a manufacturer of white phosphorus matches.

(e) PERSONNEL BONDS.—

(1) For bonds of internal revenue personnel to insure faithful performance of duties, see section 7803(e).

(2) For jurisdiction of United States district courts, concurrently with the courts of the several States, in an action on the official bond of any internal revenue officer or employee, see section 7402(d).

(3) For bonds of postmasters to whom stamps have been furnished under section 6802(1), see section 6803(a)(1).

(4) For bonds in cases coming within the provisions of section 6802 (2) or (3), relating to stamps furnished a designated depository of the United States or State agent, see section 6803(b)(1).

* * * * *

[SEC. 7237. VIOLATION OF LAWS RELATING TO NARCOTIC DRUGS AND TO MARIHUANA.

[(a) WHERE NO SPECIFIC PENALTY IS OTHERWISE PROVIDED.—Whoever commits an offense, or conspires to commit an offense, described in part I or part II of subchapter A of chapter 39 for which no specific penalty is otherwise provided, shall be imprisoned not less than 2 or more than 10 years and, in addition, may be fined not more than \$20,000. For a second offense, the offender shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a third or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

[(b) SALE OR OTHER TRANSFER WITHOUT WRITTEN ORDER.—Whoever commits an offense, or conspires to commit an offense, described in section 4705(a) or section 4742(a) shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000. If the offender attained the age of 18 before the offense and—

[(1) the offense consisted of the sale, barter, exchange, giving away, or transfer of any narcotic drug or marihuana to a person who had not attained the age of 18 at the time of such offense, or

[(2) the offense consisted of a conspiracy to commit an offense described in paragraph (1),

the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

[(c) CONVICTION OF SECOND OR SUBSEQUENT OFFENSE.—

[(1) PRIOR OFFENSES COUNTED.—For purposes of subsections (a), (b), and (d) of this section, subsections (c) and (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C., sec. 174), and the Act of July 11, 1941, as amended (21 U.S.C., sec. 184a), an offender shall be considered a second or subsequent offender, as the case may be, if he previously has been convicted of any offense the penalty for which was provided in subsection (a) or (b) of this section or in—

[(A) subsection (c), (h), or (i) of section 2 of the Narcotic Drugs Import and Export Act (21 U.S.C., sec. 174);

- [(B) the Act of July 11, 1941 (21 U.S.C., sec. 184a) ;
- [(C) section 9 of the Act of December 17, 1914 (38 Stat. 789) ;
- [(D) section 1 of the Act of May 26, 1922 (42 Stat. 596) ;
- [(E) section 12 of the Marihuana Tax Act of 1937 (50 Stat. 556) ; or
- [(F) section 2557(b) (1) or 2596 of the Internal Revenue Code of 1939.

For purposes of determining prior offenses under the preceding sentence, a reference to any subsection, section, or Act providing a penalty for an offense shall be considered as a reference to such subsection, section, or Act as in effect (as originally enacted or as amended, as the case may be) with respect to the offense for which the offender previously has been convicted.

[(2) PROCEDURE.—After conviction (but before pronouncement of sentence) of any offense the penalty for which is provided in subsection (a) or (b) of this section, subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such Act of July 11, 1941, as amended, the court shall be advised by the United States attorney whether the conviction is the offender's first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth the prior convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies the identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in subsection (a) or (b) of this section, subsection (c) or (h) of such section 2, or such Act of July 11, 1941, as amended, as the case may be.

[(d) NO SUSPENSION OF SENTENCE; NO PROBATION; ETC.—Upon conviction—

[(1) of any offense the penalty for which is provided in subsection (b) of this section, subsection (c), (h), or (i) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such Act of July 11, 1941, as amended, or

[(2) of any offense the penalty for which is provided in subsection (a) of this section, if it is the offender's second or subsequent offense,

the imposition or execution of sentence shall not be suspended, probation shall not be granted, section 4202 of title 18 of the United States Code shall not apply, and the Act of July 15, 1932 (47 Stat. 696; D.C. Code 24-201 and following), as amended, shall not apply.

[(e) UNLAWFUL DISCLOSURE OF INFORMATION ON RETURNS AND ORDER FORMS.—Any person who shall disclose the information contained in the statements or returns required under section 4732(b) or 4754(a), in the duplicate order forms required under section 4705(e), or in the order forms or copies thereof referred to in section 4742(d), except—

- [(1) as expressly provided in section 4773,
- [(2) for the purpose of enforcing any law of the United States relating to narcotic drugs or marihuana, or

[(3) for the purpose of enforcing any law of any State or Territory or the District of Columbia, or any insular possession of the United States, or ordinance of any organized municipality therein, regulating the sale, prescribing, dispensing, dealing in, or distribution of narcotic drugs or marihuana, shall be fined not more than \$2,000 or imprisoned not more than 5 years or both.]

[SEC. 7238. VIOLATION OF LAWS RELATING TO OPIUM FOR SMOKING.]

[A penalty of not less than \$10,000 or imprisonment for not less than 5 years, or both, in the discretion of the court, shall be imposed for each and every violation of subpart B of part I of subchapter A of chapter 39 (relating to opium for smoking) by any person or persons.]

* * * * *

SEC. 7326. DISPOSAL OF FORFEITED OR ABANDONED PROPERTY IN SPECIAL CASES.

(a) COIN-OPERATED GAMING DEVICES.—Any coin-operated gaming device as defined in section 4462 upon which a tax is imposed by section 4461 and which has been forfeited under any provision of this title shall be destroyed, or otherwise disposed of, in such manner as may be prescribed by the Secretary or his delegate.

[(b) NARCOTIC DRUGS.—

[For provisions relating to disposal of forfeited narcotic drugs, see sections 4714, 4733, and 4745 (d).]

(c) FIREARMS.—

For provisions relating to disposal of forfeited firearms, see section 5862 (b).

* * * * *

[Subchapter E—Miscellaneous Provisions

[Sec. 7491. Burden of proof of exemptions in case of marihuana offenses.

[SEC. 7491. BURDEN OF PROOF OF EXEMPTIONS IN CASE OF MARIHUANA OFFENSES.]

[It shall not be necessary to negative any exemptions set forth in part II of subchapter A of chapter 39, relating to marihuana, in any complaint, information, indictment, or other writ or proceeding laid or brought with respect to part II of subchapter A of chapter 39 and the burden of proof of any such exemption shall be upon the defendant. In the absence of the production of evidence by the defendant that he has complied with the provisions of section 4753 relating to registration, or that he has complied with the provisions of section 4742 relating to order forms, he shall be presumed not to have complied with such provisions of such section, as the case may be.]

* * * * *

SEC. 7607. ADDITIONAL AUTHORITY FOR [BUREAU OF NARCOTICS AND] BUREAU OF CUSTOMS.

[The Commissioner, Deputy Commissioner, Assistant to the Commissioner, and agents, of the Bureau of Narcotics of the Department of the Treasury, and officers] *Officers* of the customs (as defined in section 401(1) of the Tariff Act of 1930, as amended; 19 U.S.C., sec. 1401(1)), may—

(1) carry firearms, execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under the authority of the United States, and

(2) make arrests without warrant for violations of any law of the United States relating to [narcotic drugs (as defined in section 4731) or marihuana (as defined in section 4761)] *narcotic drugs (as defined in section 102(16) of the Controlled Substances Act) or marihuana (as defined in section 102(15) of the Controlled Substances Act)* where the violation is committed in the presence of the person making the arrest or where such person has reasonable grounds to believe that the person to be arrested has committed or is committing such violation.

* * * * *

SEC. 7609. CROSS REFERENCES.

(a) INSPECTION OF BOOKS, PAPERS, RECORDS, OR OTHER DATA.—

For inspection of books, papers, records, or other data in the case of—

(1) Wholesale dealers in oleomargarine, see section 4597.

(2) Wholesale dealers in process or renovated butter or adulterated butter, see section 4815(b).

[(3) Opium, opiates, and coca leaves, see sections 4702(a), 4705, 4721, and 4773.

[(4) Marihuana, see sections 4742, 4753(b), and 4773.]

(5) Wagering, see section 4423.

(6) Alcohol, tobacco, and firearms taxes, see subtitle E.

(b) SEARCH WARRANTS.—

For provisions relating to—

(1) Searches and seizures see Rule 41 of the Federal Rules of Criminal Procedure.

(2) Issuance of search warrants with respect to subtitle E, see section 5557.

(3) Search warrants with respect to property used in violation of the internal revenue laws, see section 7302.

* * * * *

SEC. 7641. SUPERVISION OF OPERATIONS OF CERTAIN MANUFACTURERS.

Every manufacturer of filled cheese, oleomargarine, [opium suitable for smoking purposes,] process or renovated butter or adulterated butter, or white phosphorous matches shall conduct his business under such surveillance of officers or employees of the Treasury Department as the Secretary or his delegate may by regulations require.

* * * * *

SEC. 7651. ADMINISTRATION AND COLLECTION OF TAXES IN POSSESSIONS.

Except as otherwise provided in this subchapter [and in sections 4705 (b), 4735, and 4762 (relating to taxes on narcotic drugs and marihuana)], and except as otherwise provided in section 28(a) of the Revised Organic Act of the Virgin Islands and section 30 of the Organic Act of Guam (relating to the covering of the proceeds of certain taxes into the treasuries of the Virgin Islands and Guam, respectively)—

(1) **APPLICABILITY OF ADMINISTRATIVE PROVISIONS.**—All provisions of the laws of the United States applicable to the assessment and collection of any tax imposed by this title or of any other liability arising under this title (including penalties) shall, in respect of such tax or liability, extend to and be applicable in any possession of the United States in the same manner and to the same extent as if such possession were a State, and as if the term “United States” when used in a geographical sense included such possession.

(2) **TAX IMPOSED IN POSSESSION.**—In the case of any tax which is imposed by this title in any possession of the United States—

(A) **INTERNAL REVENUE COLLECTIONS.**—Such tax shall be collected under the direction of the Secretary or his delegate, and shall be paid into the Treasury of the United States as internal revenue collections; and

(B) **APPLICABLE LAWS.**—All provisions of the laws of the United States applicable to the administration, collection, and enforcement of such tax (including penalties) shall, in respect of such tax, extend to and be applicable in such possession of the United States in the same manner and to the same extent as if such possession were a State, and as if the term “United States” when used in a geographical sense included such possession.

(3) **OTHER LAWS RELATING TO POSSESSIONS.**—This section shall apply notwithstanding any other provision of law relating to any possession of the United States.

(4) **CANAL ZONE.**—For purposes of this section, the term “possession of the United States” includes the Canal Zone.

(5) **VIRGIN ISLANDS.**—

(A) For purposes of this section, the reference in section 28(a) of the Revised Organic Act of the Virgin Islands to “any tax specified in section 3811 of the Internal Revenue Code” shall be deemed to refer to any tax imposed by chapter 2 or by chapter 21.

(B) For purposes of this title, section 28(a) of the Revised Organic Act of the Virgin Islands shall be effective as if such section had been enacted subsequent to the enactment of this title.

* * * * *

SEC. 7655. CROSS REFERENCES.

(a) **IMPOSITION OF TAX IN POSSESSIONS.**—

For provisions imposing tax in possessions, see—

(1) Chapter 2, relating to self-employment tax;

(2) Chapter 21, relating to the tax under the Federal Insurance Contributions Act;

- [(3) Parts I and III of subchapter A of chapter 39, relating to taxes in respect of narcotic drugs;
 [(4) Parts II and III of subchapter A of chapter 39, relating to taxes in respect of marihuana;]
 (5) Subchapter A of chapter 37, relating to tax on sugar.

* * * * *

SECTION 2901 OF TITLE 28, UNITED STATES CODE

§ 2901. Definitions

As used in this chapter—

(a) "Addict" means any individual who habitually uses any narcotic drug [as defined by section 4731 of the Internal Revenue Code of 1954 as amended,] *as defined by section 102(16) of the Controlled Substances Act* so as to endanger the public morals, health, safety, or welfare, or who is so far addicted to the use of such narcotic drugs as to have lost the power of self-control with reference to his addiction.

ACT OF FEBRUARY 23, 1887

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the importation of opium into any of the ports of the United States by any subject of the Emperor of China is hereby prohibited. Every person guilty of a violation of the preceding provision shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by a fine of not more than five hundred dollars nor less than fifty dollars, or by imprisonment for a period of not more than six months nor less than thirty days, or by both such fine and imprisonment, in the discretion of the court.

[SEC. 2. That every package containing opium, either in whole or in part, imported into the United States by any subject of the Emperor of China, shall be deemed forfeited to the United States; and proceedings for the declaration and consequences of such forfeiture may be instituted in the courts of the United States as in other cases of the violation of the laws relating to other illegal importations.

[SEC. 3. That no citizen of the United States shall import opium into any of the open ports of China, nor transport the same from one open port to any other open port, or buy or sell opium in any of such open ports of China, nor shall any vessel owned by citizens of the United States, or any vessel, whether foreign or otherwise, employed by any citizen of the United States, or owned by any citizen of the United States, either in whole or in part, and employed by persons not citizens of the United States, take or carry opium into any of such open ports of China, or transport the same from one open port to any other open port, or be engaged in any traffic therein between or in such open ports or any of them. Citizens of the United States offending against the provisions of this section shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding five hundred dollars nor less than fifty dollars, or by both such punishments, in the discretion of the court. The consular courts of the United

States in China, concurrently with any district court of the United States in the district in which any offender may be found, shall have jurisdiction to hear, try, and determine all cases arising under the foregoing provisions of this section, subject to the general regulations provided by law. Every package of opium or package containing opium, either in whole or in part, brought, taken, or transported, trafficked, or dealt in contrary to the provisions of this section, shall be forfeited to the United States, for the benefit of the Emperor of China; and such forfeiture, and the declaration and consequences thereof, shall be made, had, determined, and executed by the proper authorities of the United States exercising judicial powers within the Empire of China.]

THE FIRST SECTION OF THE ACT OF MARCH 28, 1928

[That the Commissioner of Narcotics, with the approval of the Secretary of the Treasury, is authorized to direct the advance of funds by the Division of Disbursement, Treasury Department, in connection with the enforcement of the Act entitled "An Act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon, all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives, or preparations, and for other purposes", approved December 17, 1914, as amended; the Act entitled "An Act to amend an Act entitled 'An Act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909", as amended, known as the "Narcotic Drugs Import and Export Act"; and the Act entitled "An Act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording", approved August 2, 1937, known as the "Marihuana Tax Act of 1937".]

SECTION 2 OF ACT OF JUNE 14, 1930

* * * * *

[SEC. 2(a) The Secretary of the Treasury is authorized to appoint, without regard to the civil service laws, one deputy commissioner and, in accordance with the civil service laws, such other officers and employees as he deems necessary to execute the functions vested in such bureau. The salaries of the deputy commissioner and of such officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended (U.S.C., title 5, ch. 13; U.S.C., Supp. III, title 5, ch. 13). The deputy commissioner shall act as Commissioner of Narcotics during the absence or disability of such commissioner, or in the event that there is no commissioner. In case of the absence or disability of the commissioner and the deputy commissioner, or in the event that there is no commissioner and deputy commissioner, the Secretary of the Treasury is authorized to designate an officer or employee of the Treasury Department to act as Commissioner of Narcotics.

[(b) In order to aid in the detection and prevention of the unlawful importation of narcotic drugs into the United States, and under such regulations as the Secretary of the Treasury may prescribe, the

Commissioner of Narcotics may confer or impose upon such officers and employees of the Bureau of Narcotics, as he may designate any of the rights, privileges, powers, or duties of customs officers and employees, and may assign any of such officers and employees of the Bureau of Narcotics to duty at ports of entry or other places specified by such commissioner.]

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SECTIONS 6, 7, AND 8 OF ACT OF JUNE 14, 1930

* * * * *

[SEC. 6. In addition to the amount of coca leaves which may be imported under section 2 (b) of the Narcotic Drugs Import and Export Act, the Commissioner of Narcotics is authorized to permit, in accordance with regulations issued by him, the importation of additional amounts of coca leaves: *Provided*, That after the entry thereof into the United States all cocaine, ecgonine, and all salts, derivatives, and preparations from which cocaine or ecgonine may be synthesized or made, contained in such additional amounts of coca leaves, shall be destroyed under the supervision of an authorized representative of the Commissioner of Narcotics. All coca leaves imported under this section shall be subject to the duties which are now or may hereafter be imposed upon such coca leaves when imported.

[SEC. 7. The Secretary of the Treasury shall cooperate with the Secretary of State in the discharge of the international obligations of the United States concerning the traffic in narcotic drugs.

[SEC. 8. (a) The Secretary of the Treasury shall cooperate with the several States in the suppression of the abuse of narcotic drugs in their respective jurisdictions, and to that end he is authorized (1) to cooperate in the drafting of such legislation as may be needed, if any, to effect the end named, (2) to arrange for the exchange of information concerning the use and abuse of narcotic drugs in said States and for cooperation in the institution and prosecution of cases in the courts of the United States and before the licensing boards and courts of the several States, (3) to conduct narcotic training programs, as an integral part of narcotic law enforcement for the training of such local and State narcotic enforcement personnel as may be arranged with the respective local and State agencies, and (4) to maintain in the Bureau of Narcotics a "Division of Statistics and Records" to accept, catalog, file, and otherwise utilize narcotic information and statistics, including complete records on drug addicts and other narcotic law offenders which may be received from Federal, State, and local agencies, and make such information available for Federal, State, and local law enforcement purposes. Federal agencies of the United States may make available to the Bureau of Narcotics the names, identification, and any other pertinent information which may be specified by the Secretary of the Treasury, or his designated representative, of all persons who are known by them to be drug addicts or convicted violators of any of the narcotic laws of the United States, or any State thereof. The Commissioner of Narcotics shall request and encourage all heads of State and local agencies to make such information available to the Bureau of Narcotics.

[(b) As used in this section, the term "Federal agencies" shall include (1) the executive departments, (2) the Departments of the Army, Navy, and the Air Force, (3) the independent establishments and agencies in the executive branch, including corporations wholly owned by the United States, and (4) the municipal government of the District of Columbia.

[The Secretary of the Treasury is hereby authorized to make such regulations as may be necessary to carry this section into effect.

[SEC. 9. This Act shall take effect upon the expiration of thirty days after the date of its enactment.]

SECTION 584 OF ACT OF JUNE 17, 1930

SEC. 584. FALSITY OR LACK OF MANIFEST—PENALTIES.

Any master of any vessel and any person in charge of any vehicle bound to the United States who does not produce the manifest to the officer demanding the same shall be liable to a penalty of \$500, and if any merchandise, including sea stores, is found on board of or after having been unladen from such vessel or vehicle which is not included or described in said manifest or does not agree therewith, the master of such vessel or the person in charge of such vehicle or the owner of such vessel or vehicle shall be liable to a penalty equal to the value of the merchandise so found or unladen, and any such merchandise belonging or consigned to the master or other officer or to any of the crew of such vessel, or to the owner or person in charge of such vehicle, shall be subject to forfeiture, and if any merchandise described in such manifest is not found on board the vessel or vehicle the master or other person in charge or the owner of such vessel or vehicle shall be subject to a penalty of \$500: *Provided*, That if the collector shall be satisfied that the manifest was lost or mislaid without intentional fraud, or was defaced by accident, or is incorrect by reason of clerical error or other mistake and that no part of the merchandise not found on board was unshipped or discharged except as specified in the report of the master, said penalties shall not be incurred.

If any of such merchandise so found consists of heroin, morphine, cocaine, isonipecaine, or opiate the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle shall be liable to a penalty of \$50 for each ounce thereof so found. If any of such merchandise so found consists of smoking opium, opium prepared for smoking, or marihuana, the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle shall be liable to a penalty of \$25 for each ounce thereof so found. If any of such merchandise so found consists of crude opium, the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle shall be liable to a penalty of \$10 for each ounce thereof so found. Such penalties shall, notwithstanding the proviso in section 594 of this Act (relating to the immunity of vessels or vehicles used as common carriers), constitute a lien upon such vessel which may be enforced by a libel in rem; except that the master or owner of a vessel used by any person as a common carrier in the transaction of business as such common carrier shall not be liable to such penalties and the vessel shall not be held subject to the lien, if it appears to the satisfaction of the court

that neither the master nor any of the officers (including licensed and unlicensed officers and petty officers) nor the owner of the vessel knew, and could not, by the exercise of the highest degree of care and diligence, have known, that such narcotic drugs were on board. Clearance of any such vessel may be withheld until such penalties are paid or until a bond, satisfactory to the collector, is given for the payment thereof. The provisions of this paragraph shall not prevent the forfeiture of any such vessel or vehicle under any other provision of law.

【The words "isonipecaïne", "opiate" and "marihuana" as used in this paragraph shall have the same meaning as defined in sections 3228(e), 3228(f), and 3238(b), respectively, of the Internal Revenue Code.】
As used in this paragraph, the terms "opiate" and "marihuana" shall have the same meaning given those terms by sections 102(17) and 102(15), respectively, of the Controlled Substances Act.

If any of such merchandise (sea stores excepted), the importation of which into the United States is prohibited, or which consists of any spirits, wines, or other alcoholic liquors for the importation of which into the United States a certificate is required under section 7 of the Anti-Smuggling Act and the required certificate be not shown, be so found upon any vessel not exceeding five hundred net tons, the vessel shall, in addition to any other penalties herein or by law provided, be seized and forfeited, and, if any manifested merchandise (sea stores excepted) consisting of any such spirits, wines, or other alcoholic liquors be found upon any such vessel and the required certificate be not shown, the master of the vessel shall be liable to the penalty herein provided in the case of merchandise not duly manifested: *Provided*, That if the collector shall be satisfied that the certificate required for the importation of any spirits, wines, or other alcoholic liquors was issued and was lost or mislaid without intentional fraud, or was defaced by accident, or is incorrect by reason of clerical error or other mistake said penalties shall not be incurred.

ACT OF JULY 3, 1930

【Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Commissioner of Narcotics is authorized and empowered to pay to any person, from funds now or hereafter appropriated for the enforcement of the narcotic laws of the United States, for information concerning a violation of any narcotic law of the United States, resulting in a seizure of contraband narcotics, such sum or sums of money as he may deem appropriate, without reference to any moiety or rewards to which such person may otherwise be entitled by law: *Provided*, That all payments under authority of this Act to any informer in any foreign country shall be made only through an accredited consul or vice consul of the United States stationed in such country, and every such payment must be supported by a voucher with an accompanying certificate of the said consul or vice consul that the payment of the amount stated on the voucher has been made to the informer named, and at the place and time specified on said voucher.】

SECTION 308 OF THE ACT OF AUGUST 27, 1935

SEC. 308. (a) The Act entitled "An Act relating to the use or disposal of vessels or vehicles forfeited to the United States for violation of the customs laws or the National Prohibition Act, and for other purposes" (43 Stat. 1116), approved March 3, 1925, as amended, is hereby repealed.

(b) Nothing contained in this title shall be construed as repealing any other laws relating to the disposition of forfeited or abandoned property, except such provisions of such laws as are directly in conflict with any provisions of this title.

(c) The following classes of property shall not be subject to allocation under sections 302, 303, or 304 of this title, but shall be disposed of in the manner otherwise provided by law :

(1) arms or munitions of war included in section 4 of title VI of the Act entitled "An Act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. 223), approved June 15, 1917, as amended :

(2) narcotic drugs, as defined in the [Narcotic Drug Import and Export Act] *Controlled Substances Act* ;

(3) firearms, as defined in the National Firearms Act ; and

(4) such other classes or kinds of property as the Director, with the approval of the Secretary of the Treasury, may deem in the public interest, and may by rules and regulations provide.

ACT OF AUGUST 7, 1939

[That the Commissioner of Narcotics, with the approval of the Secretary of the Treasury, is authorized to direct the advance of funds by the Division of Disbursement, Treasury Department, in connection with the enforcement of the Act entitled "An Act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon, all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives, or preparations, and for other purposes", approved December 17, 1914, as amended ; the Act entitled "An Act to amend an Act entitled 'An Act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909", as amended, known as the "Narcotic Drugs Import and Export Act" ; and the Act entitled "An Act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording", approved August 2, 1937, known as the "Marihuana Tax Act of 1937".]

SEC. 2. The Commissioner of Customs, with the approval of the Secretary of the Treasury, is authorized to direct the advance of funds by the Division of Disbursement, Treasury Department, in connection with the enforcement of the customs laws.

SEC. 3. A certificate by the Commissioner of Customs [or the Commissioner of Narcotics, as the case may be,] stating the amount of an expenditure made from funds advanced and certifying that the con-

fidential nature of the transaction involved renders it inadvisable to specify the details thereof or impracticable to furnish the payee's receipt shall be a sufficient voucher for the sum expressed to have been expended.

SEC. 4. The provisions of this Act shall not affect payments made for the Bureau of Customs in foreign countries, nor the right of any customs [or narcotics] officer or employee to claim reimbursement for personal funds expended in connection with the enforcement of the customs [or narcotics] laws.

SEC. 5. Advances pursuant to this Act in connection with the enforcement of the customs [or narcotics] laws may be made, notwithstanding the provisions of section 3648 of the Revised Statutes of the United States (U.S.C., title 31, sec. 539), from the appropriations available for the enforcement of such laws. The Secretary of the Treasury is authorized to prescribe such rules and regulations concerning advances made pursuant to this Act as are necessary or appropriate for the protection of the interests of the United States.

[SEC. 6. When used in this Act, the term "narcotics laws" includes the "Marihuana Tax Act of 1937".]

SECTION 7 OF THE ACT OF AUGUST 9, 1939

SEC. 7. When used in this Act—

(a) The term "vessel" includes every description of watercraft or other contrivance used, or capable of being used, as means of transportation in water, but does not include aircraft:

(b) The term "vehicle" includes every description of carriage or other contrivance used, or capable of being used, as means of transportation on, below, or above the land, but does not include aircraft:

(c) The term "aircraft" includes every description of craft or carriage or other contrivance used, or capable of being used, as means of transportation through the air:

(d) The term "narcotic drug" [means any narcotic drug, as now or hereafter defined by the Narcotic Drugs Import and Export Act, the internal-revenue laws or any amendments thereof, or the regulations issued thereunder; or marihuana as now or hereafter defined by the Marihuana Tax Act of 1937 or the regulations issued thereunder:] shall have the meaning given that term by section 102(16) of the Controlled Substances Act and shall also include marihuana as defined by section 102(15) of such Act.

(e) The term "firearm" means any firearm, as now or hereafter defined by the National Firearms Act, or any amendments thereof, or the regulations issued thereunder; and

(f) The words "obligation or other security of the United States" are used as now or hereafter defined in section 147 of the Criminal Code, as amended (U.S.C., title 18, sec. 261).

THE FIRST SECTION OF THE ACT OF JULY 15, 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That when used in this Act—

(a) The term “narcotic drug” shall have the meaning [ascribed to that term by paragraph (a) of the first section of the Narcotic Drugs Import and Export Act, as amended (21 U.S.C., sec. 171(a)), and also shall include marihuana as defined in section 3238(b) of the Internal Revenue Code.] *given that term by section 102(16) of the Controlled Substances Act and shall also include marihuana as defined by section 102(15) of such Act.*

(b) The term “Secretary” means the head of the department in which the Coast Guard is operating.

(c) The term “seaman’s document” means any document authorized by law or regulation to be issued to a merchant mariner by the Secretary.

ACT OF AUGUST 11, 1955

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. [That, for the purpose of any investigation which, in the opinion of the Secretary of the Treasury, is necessary and proper to the enforcement of the laws of the United States relating to narcotic drugs and marihuana, the Secretary of the Treasury is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any records (including books, papers, documents, and tangible things which constitute or contain evidence) which the Secretary of the Treasury finds relevant or material to the investigation. The attendance of witnesses and the production of records may be required from any place in any State or in any Territory or other place subject to the jurisdiction of the United States at any designated place of hearing: Provided, That a witness shall not be required to appear at any hearing distant more than one hundred miles from the place where he was served with subpoena. Witnesses summoned by the Secretary of the Treasury shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.] That for the purpose of any investigation which, in the opinion of the Secretary of the Treasury, is necessary and proper to the enforcement of section 545 of title 18 of the United States Code (relating to smuggling goods into the United States) with respect to any controlled substance (as defined in section 102 of the Controlled Substance Act), the Secretary of the Treasury may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of records (including books, papers, documents, and tangible things which constitute or contain evidence) relevant or material to the investigation. The attendance of witnesses and the production of records

may be required from any place within the customs territory of the United States, except that a witness shall not be required to appear at any hearing distance more than 100 miles from the place where he was served with subpoena. Witnesses summoned by the Secretary of the Treasury shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. Oaths and affirmations may be made at any place subject to the jurisdiction of the United States.

ACT OF JULY 18, 1956

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) whoever brings on board, or has in his possession or control on board, any vessel of the United States, while engaged on a foreign voyage, any narcotic drug not constituting a part of the cargo entered in the manifest or part of the ship stores, shall be imprisoned not less than five or more than twenty years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than ten or more than forty years and, in addition, may be fined not more than \$20,000. For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954.

[(b) As used in subsection (a) "narcotic drug" means any narcotic drug as now or hereafter defined by the Narcotic Drugs Import and Export Act, or any substance in respect of which a tax is imposed pursuant to chapter 23 of the Internal Revenue Code, as amended, or pursuant to any regulations thereunder.

[SEC. 2. This Act shall take effect thirty days after the date of its enactment.]

SECTION 15 OF THE ACT OF AUGUST 1, 1956

[SEC. 15. (a) It shall be unlawful for any person to produce, manufacture, compound, possess, sell, give away, deal in, dispense, administer, or transport marihuana in Guam, or to import marihuana into or export it from Guam.

[(b) As used in subsection (a) of this section, the term "marihuana" shall have the meaning now or hereafter ascribed to it in section 4761(2) of the Internal Revenue Code, and the term "produce" shall mean (a) plant, cultivate, or in any way facilitate the natural growth of marihuana, or (b) harvest and transfer or make use of marihuana.

[(c) Any person who shall violate subsection (a) of this section shall be punished for the first offense by a fine of not more than \$2,000, or by imprisonment in jail for not less than two or more than five years, or by both, and shall be punished for each subsequent offense by a fine of not more than \$2,000, or by imprisonment in jail for not less than five years or more than ten years, or by both; and any marihuana involved in any violation of subsection (a) of this section may be seized, and the court may order its confiscation and destruction.]

SECTION 301 OF THE ACT OF NOVEMBER 8, 1966

TITLE III—CIVIL COMMITMENT OF PERSONS NOT CHARGED WITH ANY CRIMINAL OFFENSE

SEC. 301. For the purposes of this title, the term—

(a) “Narcotic addict” means any individual who habitually uses any narcotic drug [as defined by section 4731 of the Internal Revenue Code of 1954, as amended,] *as defined in section 102(16) of the Controlled Substances Act* so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to the use of such narcotic drugs as to have lost the power of self-control with reference to his addiction.

(b) “Treatment” includes confinement and treatment in a hospital of the Service and under supervised aftercare in the community and includes, but is not limited to, medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative services designed to protect the public and benefit the addict by correcting his antisocial tendencies and ending his dependence on addicting drugs and his susceptibility to addiction.

(c) “Surgeon General” means the Surgeon General of the Public Health Service.

(d) “Hospital of the Service” means any hospital or other facility of the Public Health Service especially equipped for the accommodation of addicts, and any other appropriate public or private hospital or other facility available to the Surgeon General for the care and treatment of addicts.

(e) “Patient” means any person with respect to whom a petition has been filed by a United States attorney as provided under subsection (b) of section 302 of this title.

(f) “Posthospitalization program” shall mean any program providing for the treatment and supervision of a person established by the Surgeon General pursuant to section 307 of this title.

(g) “State” includes the District of Columbia and the Commonwealth of Puerto Rico.

(h) “United States” includes the Commonwealth of Puerto Rico.

(i) “Related individual” means any person with whom the alleged narcotic addict may reside or at whose house he may be, or the husband or wife, father or mother, brother or sister, or the child or the nearest available relative of the alleged narcotic addict.

