## AN ACT TO IMPROVE THE METHODS OF PRODUCTION AND THE QUALITY OF TOBACCO IN THE PHILIPPINES AND TO DEVELOP THE EXPORT TRADE THEREIN.

By authority of the United States, be it enacted by the Philippine Legislature, that:

**SECTION 1**. It is hereby provided that the Bureau of Agriculture through its agents or inspectors established in the tobacco provinces shall periodically order, whenever it shall become necessary, the purchase of seeds of well-developed tobacco plants. The seeds purchased as prescribed in this Act shall be passed through a cleaning machine with which each provincial agricultural station shall be provided, and when cleaned, shall be distributed gratuitously by the inspecting agents of the Bureau of Agriculture proportionately among the tobacco planters.

SEC. 2. It shall be unlawful for any tobacco planter or other person who has in his possession uncured or incompletely cured leaf tobacco, to cure, dry, ferment, or treat same in any other manner, otherwise than in a building or curing shed constructed in accordance with the specifications of the Bureau of Agriculture. This provision shall not apply to those who produce tobacco on a small scale exclusively for their own consumption. During a period of three years after the passage of this Act the Director of Forestry shall issue to any producer of tobacco a gratuitous license to cut timber of the first group for the construction of warehouses exclusively for the curing of tobacco.

SEC. 3. The Director of Agriculture is hereby authorized to appoint in any tobacco province the necessary inspectors to carry out the purposes of this Act. Said inspectors shall preferably be residents of the province where they are to serve and persons of great influence and proven knowledge in matters relating to the planting and production of tobacco shall be selected. Their salary shall be fixed in their appointments, but shall not exceed twelve hundred pesos per annum each and they shall not be subject to the Civil Service rules. Said tobacco inspectors shall receive a per diem not greater than two pesos when they are performing inspections outside of the municipality of their official station, together with actual and necessary traveling expenses.

SEC. 4. For the purpose of stimulating the production of the best tobacco among tobacco planters, the Director of Agriculture may classify planters as first-class and second-class planters, and may grant diplomas to planters or producers for excellence in the production of tobacco.

SEC. 5. The Collector of Internal Revenue is empowered by this Act to announce contests for the purpose of discovering some remedy against tobacco pests and may grant from the fund known as the tobacco inspection fund the amount which he considers necessary to reward the discoverer of a remedy which in his opinion proves to be the most efficient of those offered in the contest.

SEC. 6. The Collector of Internal Revenue shall have the power and it shall be his duty:

(a) To establish general and local rules respecting the Classification, marking, and packing of tobacco for domestic sale or for exportation to the United States so far as may be necessary to secure leaf tobacco of good quality and to

secure its handling under sanitary conditions and to the end that leaf tobacco be not mixed, packed, and marked as of the same quality when it is not of the same class and origin.

(b) To establish from time to time adequate rules defining the standard and the type of leaf and manufactured tobacco which may be exported to the United States, as well also as the manner in which standard tobacco for export, whether it be leaf tobacco or manufactured tobacco, shall be packed. Before establishing the rules above specified, the Collector of Internal Revenue shall give due notice of the proposed rules or amendments to those interested and shall give them an opportunity to present their objections to such rules or amendments.

(c) To require whenever it shall be deemed expedient the inspection of and affixture of inspection labels to tobacco removed from the province of its origin to another or other provinces before such removal.

SEC. 7. No leaf tobacco or manufactured tobacco shall be exported from the Philippine Islands to the United States until it shall have been inspected by the Collector of Internal Revenue or his duly authorized representative and found to be standard for export. Collectors of Customs shall not permit the exportation of tobacco from the Philippine Islands unless the shipment be in conformity with the requirements set forth in this Act. The prohibition contained in this section shall not apply to waste and refuse of tobacco accumulated in the manufacturing process, when it is invoiced and marked as such waste and refuse.

SEC. 8. For inspections made in accordance with this Act, there shall be collected a fee of thirty centavos for each thousand cigars or fraction thereof in the lot offered for inspection, three centavos for each thousand cigarettes or fraction thereof in the lot offered for inspection, twenty-five centavos for each one hundred kilograms of leaf tobacco or fraction thereof in the lot offered for inspection, and one centavo for each kilogram or fraction thereof of other manufactured tobacco in the lot offered for inspection.

SEC. 9. The Collector of Internal Revenue may appoint inspectors of tobacco for the purpose of making the inspections herein required, or may detail any officer or employee of the Bureau to perform such duty. Said inspectors or employees shall likewise be charged with the duty1 of grading leaf tobacco and shall perform such other duties as may be required of them in the promotion of the Philippine tobacco industry. The Collector of Internal Revenue shall likewise appoint, with the approval of the Secretary of Finance and Justice, not exceeding two agents in the United States for the purpose of promoting the export trade in tobacco with the United States, whose duty it shall be to inspect shipments of tobacco upon or after their arrival in that country when so required, to assist manufacturers of, exporters of, and dealers in tobacco in disseminating information regarding Philippine tobacco and, at the request of the parties, to act as arbitrators between the exporter in the Philippine Islands and the importer in the United States whenever a dispute arises between them as to the quality, sizes, classes, or shapes shipped or received. When acting as arbitrator as aforesaid, the agent shall proceed in accordance with the law governing arbitration and award in the locality where the dispute arises. All agents,