After section 263, insert the following new section:

SEC. 264. BLOCK, REPORT, AND SUSPEND SUSPICIOUS SHIPMENTS.

(a) Clarification of Process for Registrants to Exercise Due Diligence Upon Discovering a Suspicious Order.—Paragraph (3) of section 312(a) of the Controlled Substances Act (21 U.S.C. 832(a)) is amended to read as follows:

“(3) upon discovering a suspicious order or series of orders, and in a manner consistent with the other requirements of this section—

“(A) exercise due diligence as appropriate;

“(B) establish and maintain (for not less than a period to be determined by the Administrator of the Drug Enforcement Administration) a record of the due diligence that was performed;

“(C) decline to fill the order or series of orders if the due diligence fails to dispel all of the indicators that give rise to the suspicion
that, if the order or series of orders is filled, the
drugs that are the subject of the order or series
of orders are likely to be diverted; and

“(D) notify the Administrator of the Drug
Enforcement Administration and the Special
Agent in Charge of the Division Office of the
Drug Enforcement Administration for the area
in which the registrant is located or conducts
business of—

“(i) each suspicious order or series of
orders discovered by the registrant; and

“(ii) the indicators giving rise to the
suspicion that, if the order or series of or-
ders is filled, the drugs that are the sub-
ject of the order or series of orders are
likely to be diverted.”.

(b) RESOLUTION OF SUSPICIOUS INDICATORS.—Sec-
section 312 of the Controlled Substances Act (21 U.S.C. 832)
is amended—

(1) by redesignating subsection (b) and (e) as
subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the fol-
lowing:

“(b) RESOLUTION OF SUSPICIOUS INDICATORS.—If
a registrant resolves all of the indicators giving rise to sus-
picion about an order or series of orders under subsection
(a)(3)—

“(1) notwithstanding subsection (a)(3)(C), the
registrant may choose to fill the order or series of
orders; and

“(2) notwithstanding subsection (a)(3)(D), the
registrant may choose not to make the notification
otherwise required by such subsection.”.

(e) REGULATIONS.—Not later than 1 year after the
date of enactment of this Act, for purposes of subsections
(a)(3) and (b) of section 312 of the Controlled Substances
Act, as amended or inserted by subsection (a), the Attor-
ney General of the United States shall promulgate a final
regulation specifying the indicators that give rise to a sus-
picion that, if an order or series of orders is filled, the
drugs that are the subject of the order or series of orders
are likely to be diverted.

(d) APPLICABILITY.—Subsections (a)(3) and (b) of
section 312 of the Controlled Substances Act, as amended
or inserted by subsection (a), shall apply beginning on the
day that is 1 year after the date of enactment of this Act.
Until such day, section 312(a)(3) of the Controlled Sub-
stances Act shall apply as such section 312(a)(3) was in
effect on the day before the date of enactment of this Act.