

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

As Engrossed: S4/5/21 S4/19/21

A Bill

SENATE BILL 551

5 By: Senator M. Johnson
6 By: Representative Dalby
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE UNFAIR CIGARETTE SALES ACT; AND
10 FOR OTHER PURPOSES.

Subtitle

14 TO AMEND THE UNFAIR CIGARETTE SALES ACT.
15
16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
18

19 *SECTION 1. Arkansas Code § 4-75-702, concerning definitions in the*
20 *Unfair Cigarette Sales Act, is amended to add an additional subdivision to*
21 *read as follows:*

22 *(15) "Rebate" means a payment made by a seller of cigarettes to*
23 *a purchaser of cigarettes after the sale that serves as a discount or return*
24 *of part of an amount previously given in payment by the purchaser of*
25 *cigarettes.*
26

27 *SECTION 2. Arkansas Code § 4-75-708(b) and (c), concerning the use of*
28 *rebates in the sale of cigarettes to impact competition under the Unfair*
29 *Cigarette Sales Act, are amended to read as follows:*

30 *(b)(1) It shall be is* unlawful for any wholesaler, retailer, or
31 salesperson to offer a rebate in price, to give a rebate in price, to offer a
32 concession of any kind, or to give a concession of any kind or nature
33 whatsoever in connection with the sale of cigarettes with intent to injure
34 competitors or destroy or substantially lessen competition.

35 *(2) However, it is not unlawful under this section for a*
36 *wholesaler to give a rebate if the rebate is paid by check or electronic*



1 direct deposit and does not result in a sale at less than the cost to the
2 wholesaler according to § 4-75-702(5)(A), less discounts that are received by
3 the wholesaler from the manufacturer.

4 (c) It shall be unlawful for any retail dealer to induce or attempt to
5 induce or to procure or attempt to procure+

6 ~~(1) The~~ the purchase of cigarettes at a price less than cost to
7 the wholesaler; ~~or~~

8 ~~(2) Any rebate or concession of any kind in connection with the~~
9 ~~purchase of cigarettes.~~

10
11 /s/M. Johnson
12
13

14 **APPROVED: 4/27/21**
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36