

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE ENROLLED ACT No. 1432

AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 7.1-1-3-5.5, AS ADDED BY P.L.94-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.5. (a) "Applicant", for purposes of IC 7.1-3-18.5, means a person who applies for a tobacco sales certificate.

(b) "Applicant", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-2.

SECTION 2. IC 7.1-1-3-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13. ~~Container.~~ The term (a) "Container", **except as provided in subsection (b)**, means a receptacle in which an alcoholic beverage is immediately contained and with which the alcoholic beverage contained in it is in immediate contact.

(b) "Container", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-5.

SECTION 3. IC 7.1-1-3-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14.5. ~~Department.~~ The term (a) "Department", **except as provided in subsection (b)**, means the Indiana Department of State Revenue.

(b) "Department", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-7.



SECTION 4. IC 7.1-1-3-15.5, AS ADDED BY P.L.20-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15.5. **(a)** "Electronic cigarette", **except as provided in subsection (b)**, has the meaning set forth in IC 35-46-1-1.5.

(b) "Electronic cigarette", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-9.

SECTION 5. IC 7.1-1-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. ~~Minor. The term (a)~~ "Minor", **except as provided in subsection (b)**, means a person less than twenty-one (21) years of age.

(b) "Minor", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-17.

SECTION 6. IC 7.1-1-3-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 29. ~~Permit. The term (a)~~ "Permit", **except as provided in subsection (b)**, means a written authorization issued by the commission entitling its holder to manufacture, rectify, distribute, transport, sell, or otherwise deal in alcoholic beverages, all as provided in this title.

(b) "Permit", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-18.

SECTION 7. IC 7.1-1-3-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 30. ~~Permittee. The term (a)~~ "Permittee", **except as provided in subsection (b)**, means

~~(a) a person who is the holder of a valid permit under this title, and;~~
~~(b) Also includes including~~ an agent, servant, or employee of, or other person acting on behalf of, a permittee, whenever a permittee is prohibited from doing a certain act under this title.

(b) "Permittee", for purposes of IC 7.1-7, has the meaning set forth in IC 7.1-7-2-19.

SECTION 8. IC 7.1-1-3-47.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 47.5. **(a)** "Tobacco product", **except as provided in subsection (b)**, has the meaning set forth in IC 7.1-6-1-3.

(b) "Tobacco product", for purposes of IC 7.1-3-18.5, means a product that:

(1) contains tobacco, including e-liquid (as defined by IC 7.1-7-2-10) that contains tobacco; and

(2) is intended for human consumption.

SECTION 9. IC 7.1-7 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:



ARTICLE 7. VAPOR PENS AND E-LIQUID

Chapter 1. Applicability and Purpose

Sec. 1. This article applies to the following:

- (1) The commercial manufacturing, bottling, selling, bartering, or importing of e-liquid in Indiana.**
- (2) The sale, possession, and use of e-liquid products in Indiana.**

Sec. 2. The purpose of this article is, in the absence of federal regulations, to protect public health and safety by:

- (1) ensuring the safety and security of e-liquid manufactured for sale in Indiana;**
- (2) ensuring that e-liquid manufactured or sold in Indiana conforms to appropriate standards of identity, strength, quality, and purity; and**
- (3) ensuring that e-liquid is not contaminated or adulterated by the inclusion of ingredients or other substances that might pose unreasonable threats to public health and safety.**

Sec. 3. This article does not limit the powers or duties of the commission under IC 7.1-2.

Sec. 4. This article may not be construed to restrict or limit any law under IC 35-48.

Chapter 2. Definitions

Sec. 1. The definitions contained in this chapter apply throughout this article unless the context clearly requires otherwise.

Sec. 2. "Applicant" means a person who applies for a permit under this article.

Sec. 3. "Audit" means a procedure performed by the commission, including inspection of manufacturing facilities and preparation areas, review of required records, compliance checks, and auditing of samples of e-liquid.

Sec. 4. "Clean room" refers to the part of an e-liquid manufacturing facility where:

- (1) the mixing, bottling, and packaging activities are conducted in secure and sanitary conditions in a space that is kept in repair sufficient to prevent e-liquid from becoming contaminated;**
- (2) equipment used in the manufacturing process is easily cleanable, as defined in 410 IAC 7-24-27(a), in such a way that it protects against contamination of e-liquid, e-liquid containers, or e-liquid packaging materials; and**
- (3) the cleaning and sanitizing of equipment is consistent with**



the Indiana standards for public health and cleanliness that apply to commercial kitchens in the state.

Sec. 5. "Container" means any receptacle that contains e-liquid.

Sec. 6. "Cooperative" means any group of people who join together to manufacture e-liquids.

Sec. 7. "Department" means the Indiana state department of health.

Sec. 8. "Distributor" means a person who is licensed under IC 6-7-2-8 that:

- (1) distributes, sells, barter, or exchanges e-liquid in Indiana to retail dealers for the purpose of resale; or
- (2) purchases e-liquid directly from a manufacturer for the purpose of resale.

Sec. 9. "Electronic cigarette" means a powered vaporizer that:

- (1) is the size and shape of a traditional cigarette;
- (2) uses a sealed nonrefillable cartridge containing not more than four (4) milliliters of a liquid; and
- (3) is intended to be vaporized and inhaled.

The term does not include a vapor pen.

Sec. 10. "E-liquid" means a substance that:

- (1) is intended to be vaporized and inhaled using a vapor pen; and
- (2) specifically excludes substances contained in nonrefillable sealed cartridges of four (4) milliliters or less used in electronic cigarettes.

Sec. 11. "Employee" means a person who works directly in the service of another person under an express or implied contract of hire, and the employer has the direct right to control the details of work performance. The term does not include a person who works for any independent subcontractor, temporary service provider, or an entity or person not under the direct full control of the employer.

Sec. 12. "Flavorings" means a food grade additive or synthetic flavoring substance that is used to add flavor, that is approved by the federal Food and Drug Administration as a permissible flavoring, and that is not prohibited by law.

Sec. 13. "Key system" means a licensed or patented key design used to prevent unauthorized duplication of keys for use in high security installations, and that is prospectively exclusive to the security firm for a period of at least ten (10) years.

Sec. 14. "Locksmith" means a person who, or a firm that employs at least one (1) employee who, for the previous one (1)



year period has been certified as a certified professional locksmith by the Associated Locksmiths of America.

Sec. 15. "Manufacturer" means a person or cooperative, located inside or outside Indiana, that is engaged in manufacturing e-liquid.

Sec. 16. "Manufacturing" means the process by which an e-liquid is mixed, bottled, packaged, and stored.

Sec. 17. "Minor" means an individual who is less than eighteen (18) years of age.

Sec. 18. "Permit" means a written authorization issued by the commission entitling the holder to manufacture, sell, or otherwise deal in e-liquid, as provided in this article.

Sec. 19. "Permittee" means a person who holds a valid permit under this article, including an agent of, employee of, or other person acting on behalf of, a permittee.

Sec. 20. "Quick response code" means a two (2) dimensional bar code that is used to provide easy access to information through a smartphone or other electronic mobile device.

Sec. 21. "Retailer" means a person, other than a manufacturer, who in the ordinary course of the person's regular trade or business:

- (1) acquires any form of e-liquid for the purpose of resale; and
- (2) transfers the e-liquid to another person for money or other consideration.

Sec. 22. "Security firm" means an entity that:

- (1) is independent from an applicant and manufacturer;
- (2) has experience in the security business; and
- (3) as of July 1, 2015:
 - (A) meets the qualifications under IC 7.1-7-4-1(d)(3);
 - (B) is a locksmith; and
 - (C) provides services necessary to ensure the safety and security of e-liquid manufactured for sale in Indiana.

Sec. 23. "Vapor pen" means a powered vaporizer, other than an electronic cigarette, that converts e-liquid to a vapor intended for inhalation.

Chapter 3. Duties and Responsibilities of the Alcohol and Tobacco Commission

Sec. 1. The commission is responsible for the enforcement and administration of this article.

Sec. 2. (a) The commission has the following duties and responsibilities:



(1) To require the submission of information reports, plans, and specifications that are necessary to implement this article.

(2) To issue permits.

(3) To charge fees as set forth in this article. The fees charged under this subdivision may not exceed the actual costs incurred by the commission.

(4) To audit facilities that manufacture or sell e-liquid.

(5) To audit random samples maintained by the manufacturer to ensure the safety and quality of the e-liquid and that the e-liquid meets the requirements in this article.

(6) To ensure, in coordination with the department, that the e-liquid manufactured or sold in Indiana conforms to appropriate standards of identity, strength, quality, and purity.

(7) To approve not less than three (3) different independent testing laboratories to which a manufacturer may choose to send any e-liquid sample for testing, at the manufacturer's expense, as part of any audit, as directed by the commission.

(b) All records subject to audit by the commission under subsection (a) are declared confidential for the purposes of IC 5-14-3-4(a)(1) and are not subject to inspection or copying by the public.

Sec. 3. (a) Not later than December 31, 2015, the commission shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article.

(b) The commission shall adopt rules as described in subsection (a) to establish minimum eligibility requirements for testing e-liquids under this article.

Chapter 4. Permit Requirements

Sec. 1. (a) A manufacturer of e-liquid shall obtain a permit from the commission before mixing, bottling, packaging, or selling e-liquid to retailers or distributors in Indiana.

(b) The commission shall accept initial applications and issue manufacturing permits until June 30, 2016.

(c) A manufacturing permit issued by the commission is valid for five (5) years.

(d) An initial application for a manufacturing permit must include the following:

(1) Plans for the construction and operation of the manufacturing facility that demonstrate that the facility design is:

(A) designed to include a clean room space where all



mixing, bottling, and packaging activities will occur; and
 (B) capable of meeting all of the security requirements contained in this article.

(2) A service agreement that:

- (A) the applicant has entered into with a security firm;**
- (B) is valid for a period of five (5) years after the date of the permit application;**
- (C) provides for the security firm to provide service and support to meet the security requirements established by this article;**
- (D) requires the security firm to certify that the manufacturer meets all requirements set forth in IC 7.1-7-4-6(10) through IC 7.1-7-4-6(15);**
- (E) prohibits the security firm from withholding its certification as described in clause (D) because the security equipment of the applicant is not sold by or proprietary to the security firm; and**
- (F) is renewable for the entire length of time that the applicant holds a permit issued by the commission.**

(3) Verified documents satisfactory to the commission from the security firm demonstrating that the security firm meets the following requirements:

(A) The security firm has continuously employed not less than one (1) employee for not less than the previous one (1) year period who is accredited or certified by both:

- (i) the Door and Hardware Institute as an Architectural Hardware Consultant; and**
- (ii) the International Door Association as a certified Rolling Steel Fire Door Technician.**

(B) The security firm has at least one (1) year of commercial experience, in the preceding year, with the following:

- (i) Video surveillance system design and installation with remote viewing capability from a secure facility.**
- (ii) Owning and operating a security monitoring station with ownership control and use of a redundant offsite backup security monitoring station.**
- (iii) Operating a facility that modifies commercial hollow metal doors, frames, and borrowed lights with authorization to apply the Underwriters Laboratories label.**

(4) The name, telephone number, and address of the



applicant.

(5) The name, telephone number, and address of the manufacturing facility.

(6) The projected output in liters per year of e-liquid of the manufacturing facility.

(7) The name, telephone number, title, and address of the person responsible for the manufacturing facility.

(8) Verification that the facility will comply with proper manufacturing processes.

(9) Written consent allowing the state police department to conduct a state or national criminal history background check on any person listed on the application.

(10) Written consent allowing the commission, after a permit is issued to the applicant, to enter during normal business hours the premises where the e-liquid is manufactured to conduct physical inspections, sample the product to ensure the e-liquid meets the requirements for e-liquid set forth in this article, and perform an audit.

(11) A nonrefundable initial application fee of one thousand dollars (\$1,000).

(12) Any other information required by the commission for purposes of administering this article.

Sec. 2. (a) A manufacturing permit that is renewed by the commission is valid for five (5) years.

(b) A renewal application for a manufacturing permit must include the following:

(1) The name, telephone number, and address of the applicant.

(2) The name, telephone number, and address of the manufacturing facility.

(3) The annual output in liters of e-liquid of the manufacturing facility for the five (5) years preceding the year of the application.

(4) The name, telephone number, title, and address of the person responsible for the manufacturing facility.

(5) Certification by the applicant that the applicant will continue to use the security protocol approved by the commission with the applicant's initial application. However, if the applicant desires to change the previously approved security protocol, the applicant shall submit the suggested changes to the commission for approval.

(6) Certification by the security firm with which the



manufacturer has a security agreement that the manufacturer meets all security requirements set forth in section 6(10) through 6(15) of this chapter and that the security firm will not withhold its certification because the security equipment of the manufacturer is not sold by or proprietary to the security firm.

(7) Verification that the facility uses proper manufacturing processes.

(8) Written consent allowing the state police department to conduct a state or national criminal history background check on any person listed on the application.

(9) Written consent allowing the commission, if a permit is renewed to the applicant, to enter the premises where the e-liquid is manufactured to conduct physical inspections, sample the product to ensure the e-liquid meets the requirements of e-liquid set forth in this article, and perform an audit.

(10) A nonrefundable renewal application fee of five hundred dollars (\$500).

(11) Any other information required by the commission for purposes of administering this article.

Sec. 3. The security protocol that is employed at the applicant's facility is confidential under IC 5-14-3-4.

Sec. 4. (a) A permit may not be transferred:

- (1) from the permit holder to another person; or
- (2) from the location where the permit was approved or renewed to another location;

unless approved by the commission.

(b) The commission shall allow a permit to be transferred under subsection (a) if the permit has not been suspended or revoked and the new permit holder or location meets the requirements under this article.

Sec. 5. If the information required for the initial or renewal permit changes, the permit holder shall notify the commission within ten (10) business days of the change. If any change in the information required for an application results in a violation of this article, the commission may impose a penalty as provided in this article.

Sec. 6. A manufacturing facility shall comply with the following requirements:

- (1) An e-liquid container must use a child proof cap that has the child resistant effectiveness set forth in 16 CFR



1700.15(b)(1).

- (2) An e-liquid container must be secured using either ring seals or plastic wrap.**
- (3) The label on an e-liquid container must identify the active ingredients.**
- (4) The label must include a separate designation if the product contains nicotine.**
- (5) The label or container must include a:**
 - (A) batch number; and**
 - (B) means for the commission to obtain the manufacturing date.**
- (6) The label must include a scannable code, including a quick response code, tied to the batch number as prescribed by the commission.**
- (7) An e-liquid container must be distributed and sold within two (2) years of the date of manufacture.**
- (8) The manufacturing facility must conduct all mixing, bottling, and packaging activities in a clean room.**
- (9) The manufacturer must take reasonable steps to ensure that an unauthorized ingredient is not included in any e-liquid produced for sale in Indiana.**
- (10) The manufacturer must take reasonable steps to ensure that all ingredients used in the production of e-liquid are stored in a secure area accessible only by authorized personnel.**
- (11) The manufacturer shall have a remotely monitored security system at the facility in areas where e-liquid is mixed, bottled, packaged, and stored.**
- (12) The manufacturer shall have an exclusive high security key system that limits access to areas where e-liquid is mixed, bottled, packaged, and stored to authorized personnel only.**
- (13) The manufacturer's facility must be subject to twenty-four (24) hour video recording where e-liquid is mixed, bottled, packaged, and stored. The video recordings must be retained for at least thirty (30) days.**
- (14) The manufacturer must take reasonable steps to ensure that only authorized personnel have access to secured areas of the facility where e-liquid is mixed, bottled, and packaged.**
- (15) The manufacturer must store and maintain three (3) ten (10) milliliter sample bottles from each production batch of more than two (2) liters for a period of not less than three (3) years in a secure, limited access area with recorded video**



surveillance.

(16) The manufacturer must submit to random audits of the facility and the manufacturer's samples and records by the commission.

(17) The manufacturer must submit to random site visits by the commission.

(18) The manufacturer may:

(A) own and control both the e-liquid manufacturing process and the bottling process; or

(B) subcontract with another manufacturer for the performance of the e-liquid manufacturing service, the bottling services, or both services.

However, both the manufacturer performing a service under clause (B) and the manufacturer for which the service is performed must meet the requirements of this article.

(19) The manufacturer or any person listed on the permit application may not have been convicted of a felony or an offense involving a controlled substance.

Sec. 7. (a) On receipt of a completed permit application, the commission shall forward a copy of the application to the state police department. The state police department shall perform a state or national criminal history background check of the applicant and return the application to the commission along with the state police department's findings from the state or national background check. The applicant is responsible for the cost of a state or national criminal history background check conducted under this article.

(b) The commission shall review the permit application after it is returned from the state police department under subsection (a). The commission shall grant or deny a completed application for a permit within sixty (60) days of receipt of the application. If the commission determines that:

(1) all the requirements under this article have been met; and

(2) the applicant has not been convicted of a felony involving a controlled substance;

the commission shall approve the application for issuance of the permit.

(c) If the completed application for a permit is denied, the commission must state the reasons for the denial. If a completed application is denied under this section, the applicant may reapply within thirty (30) days after the date of the denial. There is no application fee for a reapplication under this subsection.



Chapter 5. Manufacturing and Safety Requirements

Sec. 1. (a) E-liquid distributed and sold within Indiana may be comprised of any of the following ingredients:

- (1) Vegetable glycerol or vegetable glycerin.**
- (2) Propylene glycol.**
- (3) Nicotine.**
- (4) Flavorings.**
- (5) Water.**
- (6) Other ingredients approved by the department under section 2 of this chapter or any ingredient specifically approved for inclusion in e-liquid by the federal Food and Drug Administration.**

(b) A person may not purchase, sell, use, or possess any substance intended to be vaporized and inhaled in a vapor pen that contains any ingredient other than an ingredient allowed under subsection (a).

(c) All e-liquid retailers, distributors, and manufacturers who mix, bottle, or sell e-liquid in Indiana before July 1, 2015, shall, before July 1, 2016:

- (1) sell or remove from retail all inventory of e-liquid manufactured before July 1, 2015, that was not manufactured, mixed, bottled, packaged, stored, or sold in compliance with this article; or**
- (2) acquire:**
 - (A) a valid tobacco sales certificate issued by the commission in accordance with IC 7.1-3-18.5-1 that contains a separate box to check for identifying a retailer that sells e-liquids;**
 - (B) an e-liquid manufacturing permit issued under IC 7.1-7-4; or**
 - (C) a distributor's license issued under IC 6-7-2-8.**

Sec. 2. (a) A manufacturer of e-liquid may file a request with the department for approval of an ingredient to be allowed in the composition of e-liquid.

(b) The department may approve the request filed under subsection (a) if the department determines that the ingredient will not pose an unreasonable threat to public health and safety.

Chapter 6. Violations and Penalties

Sec. 1. (a) If a manufacturer violates this article, the manufacturer may be reprimanded, assessed a civil penalty, or have the manufacturer's permit suspended. In the case of gross or willful misconduct, the permit holder may have the manufacturer's



permit suspended for a period of up to one (1) year. At the end of the suspension period, the manufacturer may apply to the commission for reinstatement of the permit.

(b) The commission may assess a civil penalty against a manufacturer for a violation of this article in an amount that does not exceed ten thousand dollars (\$10,000). A civil penalty may be assessed in addition to other penalties allowed under this article.

Sec. 2. (a) If a retailer knowingly sells e-liquid:

(1) to a minor;

(2) purchased from a manufacturer that does not have a permit; or

(3) that has been altered or tampered with;

the retailer commits a Class C infraction. For a sale to take place under this section, the buyer must pay the retail establishment for the e-liquid.

(b) Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

(1) If the retail establishment at that specific business location has not been issued a citation or summons for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to two hundred dollars (\$200).

(2) If the retail establishment at that specific business location has had one (1) citation or summons issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to four hundred dollars (\$400).

(3) If the retail establishment at that specific business location has had two (2) citations or summonses issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to seven hundred dollars (\$700).

(4) If the retail establishment at that specific business location has had three (3) or more citations or summonses issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to one thousand dollars (\$1,000).

A retail establishment may not be issued a citation or summons for a violation of this section more than once every twenty-four (24) hours for each specific business location.

(c) It is not a defense that the person to whom e-liquid was sold or distributed did not inhale or otherwise consume e-liquid.

(d) The following defenses are available to a retail establishment accused of selling or distributing e-liquid to a person who is less



than eighteen (18) years of age:

(1) The buyer or recipient produced a driver's license bearing the purchaser's or recipient's photograph showing that the purchaser or recipient was of legal age to make the purchase.

(2) The buyer or recipient produced a photographic identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government showing that the purchaser or recipient was of legal age to make the purchase.

(3) The appearance of the purchaser or recipient was such that an ordinary prudent person would believe that the purchaser or recipient was not less than the age that complies with regulations promulgated by the federal Food and Drug Administration.

(e) It is a defense that the accused retail establishment sold or delivered e-liquid to a person who acted in the ordinary course of employment or a business concerning e-liquid:

- (1) agriculture;
- (2) processing;
- (3) transporting;
- (4) wholesaling; or
- (5) retailing.

(f) As used in this section, "distribute" means to give e-liquid to another person as a means of promoting, advertising, or marketing e-liquid to the general public.

(g) Unless a person buys or receives e-liquid under the direction of a law enforcement officer as part of an enforcement action, a retail establishment that sells or distributes e-liquid is not liable for a violation of this section unless the person less than eighteen (18) years of age who bought or received the e-liquid is issued a citation or summons in violation of this article.

(h) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7.1-6-2-6).

(i) A person who violates subsection (a) at least six (6) times in any one hundred eighty (180) day period commits habitual illegal sale of e-liquid, a Class B infraction.

Sec. 3. (a) Except as otherwise permitted by this article, a person may not purchase, receive, manufacture, import, or transport, or cause to be imported or transported from another state, territory, or country into Indiana, or transport, ship, barter, give away, exchange, furnish, or otherwise handle or dispose of e-liquid, or to



possess e-liquid for purpose of sale.

(b) A person may not knowingly receive or acquire e-liquid from a person or authorized distributor who does not hold a valid permit under this article to sell, deliver, furnish, or give the e-liquid.

(c) A person who violates this section commits a Class A infraction.

Sec. 4. (a) A permittee may bring a civil action against any:

- (1) producer of e-liquid; or
- (2) other person or entity;

that distributes an e-liquid not approved for sale in Indiana to a retailer for the purposes of resale.

(b) A permittee may bring the civil action described in subsection (a) in a court with jurisdiction in Indiana:

- (1) based on a violation of this article or the rules adopted by the commission to enjoin the violation; and
- (2) to recover for actual monetary loss from the violation.

The court shall award attorney's fees to the prevailing party.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

HEA 1432 — Concur

