THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 765

Session of 2019

INTRODUCED BY BARTOLOTTA, BREWSTER, K. WARD AND KILLION, JUNE 27, 2019

REFERRED TO JUDICIARY, JUNE 27, 2019

AN ACT

| 1 2 3 4 5 6 7 | Amending Titles 18 (Crimes and Offenses) and 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, in minors, providing for sale of e-liquids and vapor products to minors prohibited; in trade and commerce, providing for the offense of illegal sales of e-liquids and vapor products; and providing for vapor products regulation and licensing and establishing the Vapor Products Compliance Fund. |
|---------------------------------|--|
| 8 | The General Assembly of the Commonwealth of Pennsylvania |
| 9 | hereby enacts as follows: |
| 10 | Section 1. Title 18 of the Pennsylvania Consolidated |
| 11 | Statutes is amended by adding sections to read: |
| 12 | § 6306.2. Sale of e-liquids and vapor products to minors |
| 13 | prohibited. |
| 14 | (a) Verification of age |
| 15 | (1) Before a retailer sells an e-liquid or vapor product |
| 16 | to another individual, the individual selling, offering for |
| 17 | sale, giving or furnishing the e-liquid or vapor product |
| 18 | shall verify that the individual is of legal age by: |
| 19 | (i) examining from an individual that appears to be |
| 20 | under 27 years of age a government-issued photographic |

| 1 | identification that establishes that the individual is of |
|----|--|
| 2 | <pre>legal age; or</pre> |
| 3 | (ii) for sales made through a delivery sales method, |
| 4 | performing an age verification through an independent, |
| 5 | third-party age verification service that compares |
| 6 | information available from public records to the personal |
| 7 | information entered by the individual during the ordering |
| 8 | process that establishes that the individual is of legal |
| 9 | age. |
| 10 | (2) A minor may not possess an e-liquid or vapor |
| 11 | product. |
| 12 | (3) A minor who violates this section commits a summary |
| 13 | offense and shall, upon conviction, be sentenced: |
| 14 | (i) To pay a fine of \$50 and 25 hours of community |
| 15 | service for a first violation. |
| 16 | (ii) To pay a fine of \$75 and 50 hours of community |
| 17 | service for a second violation by a minor that occurs |
| 18 | within 12 months after the first violation. |
| 19 | (iii) To pay a fine of \$200, 50 hours of community |
| 20 | service and a suspension of the minor's driver's license |
| 21 | for a period not to exceed six months, if applicable, for |
| 22 | a third or subsequent violation by a minor that occurs |
| 23 | within 12 months after the first violation. |
| 24 | (b) RetailerA retailer who knowingly and intentionally |
| 25 | sells e-liquid or vapor products to a minor or knowingly, |
| 26 | intentionally or negligently fails to verify the age of an |
| 27 | individual who appears to be less than 27 years of age by |
| 28 | checking a government-issued photographic identification and |
| 29 | sells the individual an e-liquid or a vapor product violates |
| 30 | this section and shall, upon conviction, be sentenced to: |
| | |

- 1 (1) pay a fine of \$250 for the first violation in 24-
- 2 month period;
- 3 (2) pay a fine of \$2,500 for a second violation in a 24-
- 4 month period;
- 5 (3) pay a fine of \$5,000 for a third violation in a 24-
- 6 month period; and
- 7 (4) have the retailer's license permanently revoked for
- 8 <u>a fourth violation in a 24-month period.</u>
- 9 (c) Employee. -- An employee who knowingly and intentionally
- 10 sells e-liquid or vapor products to a minor or knowingly,
- 11 <u>intentionally or negligently fails to verify the age of an</u>
- 12 <u>individual who appears to be less than 27 years of age by</u>
- 13 <u>checking a government-issued photographic identification and</u>
- 14 sells the individual an e-liquid or a vapor product violates
- 15 this section and shall, upon conviction, be sentenced to:
- 16 (1) pay a fine of \$150 for the first violation in a 24-
- 17 month period;
- 18 (2) pay a fine of \$300 for a second violation in a 24-
- 19 month period; or
- 20 (3) pay a fine of \$1,000 for a third violation in a 24-
- 21 month period.
- 22 (d) Invalid defense. -- It is not a defense that the
- 23 individual to whom e-liquid or a vapor product was sold or
- 24 distributed did not inhale or otherwise consume the e-liquid or
- 25 use the vapor product.
- 26 (e) Defense. -- The following defenses are available to a
- 27 <u>retail license holder accused of selling or distributing e-</u>
- 28 liquids or vapor products to a minor:
- 29 (1) The buyer or recipient produced a driver's license
- 30 bearing the purchaser's or recipient's photograph showing

- 1 <u>that the purchaser or recipient was of legal age to make the</u>
- 2 <u>purchase</u>.
- 3 (2) The buyer or recipient produced a photographic
- 4 <u>identification card issued or a similar card issued under the</u>
- 5 <u>laws of the Federal Government or another state or showing</u>
- 6 that the purchaser or recipient was of legal age to make the
- 7 <u>purchase</u>.
- 8 (3) The appearance of the purchaser or recipient was
- 9 such that an ordinary prudent individual would believe that
- the purchaser does not appear to be under 27 years of age.
- 11 (f) Fund.--Fines collected under this section shall be
- 12 <u>deposited into the Vapor Products Compliance Fund.</u>
- 13 (g) Definitions.--As used in this section, the following
- 14 words and phrases shall have the meanings given to them in this
- 15 <u>subsection unless the context clearly indicates otherwise:</u>
- 16 <u>"E-liquid." As defined in 35 Pa.C.S. § 5602 (relating to</u>
- 17 definitions).
- 18 "Minor." An individual who is under 18 years of age.
- 19 "Vapor product." As defined in 35 Pa.C.S. § 5602.
- 20 § 7332. Illegal sales of e-liquids and vapor products.
- 21 (a) Offense defined. -- The sale of an e-liquid or a vapor
- 22 product by an individual without a proper license constitutes a:
- 23 <u>(1) Misdemeanor of the third degree if the offense is a</u>
- first offense. A fine of not less than \$1,000 and not more
- 25 than \$5,000 shall be imposed for a violation under this
- 26 paragraph.
- 27 (2) Misdemeanor of the second degree if the offense is a
- second offense. A fine of not less than \$5,000 and not more
- 29 than \$10,000 shall be imposed for a violation under this
- 30 paragraph.

1 (3) Misdemeanor of the third degree if the offense is a

2 third or subsequent offense. A fine of not less than \$10,000

3 <u>and not more than \$15,000 shall be imposed for a violation</u>

- 4 <u>under this paragraph.</u>
- 5 (b) Aggravating circumstance. --
- 6 (1) A person 18 years of age or older who is convicted
- 7 <u>in any court of this Commonwealth of a violation of this</u>
- 8 <u>section shall, if the sale of the e-liquid or vapor product</u>
- 9 <u>occurred within 1,000 feet of the real property on which is</u>
- 10 located a public, private or parochial school or a college or
- 11 <u>university or within 250 feet of the real property on which</u>
- is located a recreation center or playground or on a school
- bus, be sentenced to a minimum sentence of at least two years
- of total confinement, notwithstanding any other provision of
- this title or other statute to the contrary. The maximum term
- of imprisonment shall be four years for any offense subject
- 17 to this section.
- 18 (2) If the sentencing court finds that the delivery or
- 19 possession with intent to deliver or the sale of the e-liquid
- or vapor product was to an individual under 18 years of age,
- 21 this section shall not apply and the offense shall be subject
- 22 to section 6306.2 (relating to sale of e-liquids and vapor
- 23 <u>products to minors prohibited</u>).
- 24 (c) Deposit. -- Fines collected under this section shall be
- 25 deposited into the Vapor Products Compliance Fund.
- 26 (d) Definitions. -- As used in this section, the following
- 27 words and phrases shall have the meanings given to them in this
- 28 subsection unless the context clearly indicates otherwise:
- 29 "E-liquid." As defined in 35 Pa.C.S. § 5602 (relating to
- 30 definitions).

- 1 <u>"Vapor product."</u> As defined in 35 Pa.C.S. § 5602.
- 2 Section 2. Title 35 is amended by adding a chapter to read:
- 3 CHAPTER 56
- 4 <u>VAPOR PRODUCTS REGULATION AND LICENSING</u>
- 5 Sec.
- 6 <u>5601</u>. Scope of chapter.
- 7 5602. Definitions.
- 8 <u>5603</u>. Duties.
- 9 <u>5604. License requirements and application.</u>
- 10 5605. License transfer and notice of changes.
- 11 5606. Issuance and denial of licenses.
- 12 <u>5607</u>. Manufacturing, labeling, marketing and safety
- 13 <u>requirements.</u>
- 14 <u>5608. Record requirements and prohibitions.</u>
- 15 <u>5609</u>. Delivery sales.
- 16 5610. Vapor Products Compliance Fund.
- 17 5611. Penalties, suspension and compliance with Federal law.
- 18 § 5601. Scope of chapter.
- 19 This chapter relates to vapor products regulation and
- 20 licensing.
- 21 § 5602. Definitions.
- The following words and phrases when used in this chapter
- 23 shall have the meanings given to them in this section unless the
- 24 <u>context clearly indicates otherwise:</u>
- 25 "Applicant." A person who applies for a license under this
- 26 chapter.
- 27 <u>"Delivery sale."</u> As follows:
- 28 (1) A sale of e-liquids or vapor products to a consumer
- 29 <u>in this Commonwealth in which the consumer submits the order</u>
- for the sale in one of the following methods and the e-

1 liquids or vapor products are shipped through a delivery 2 service: 3 (i) by telephone; (ii) over the Internet; or 4 5 (iii) through the mail or another delivery system. (2) The term does not include a sale of e-liquids or 6 7 vapor products not for personal consumption to a person who is a manufacturer, distributor or retailer. 8 9 "Delivery service." A person, including the United States 10 Postal Service, that is engaged in the delivery of letters, 11 packages or containers. 12 "Department." The Department of Health of the Commonwealth. "Distributor." A person who has a license that: 13 14 (1) distributes, sells, barters or exchanges e-liquid or vapor products in this Commonwealth for the purpose of 15 16 resale; or (2) purchases e-liquid or vapor products directly from a 17 18 manufacturer or distributor for the purpose of resale in this 19 Commonwealth. 20 "E-liquid." As follows: 21 (1) A substance that meets all of the following: 22 (i) May or may not contain nicotine. 23 (ii) Is intended to be vaporized and inhaled using a 24 vapor product. 25 (iii) Is a legal substance under Federal and State 26 law. 27 (2) The term does not include cannabis or cannabidiol 28 (CBD). 29 "Employee." An individual who works directly in the service of another person under an express or implied contract of hire, 30

- 1 and the employer has the direct right to control the details of
- 2 work performance. The term does not include an individual who
- 3 works for an independent subcontractor, temporary service
- 4 provider or a person not under the direct full control of the
- 5 <u>employer</u>.
- 6 <u>"Fund." The Vapor Products Compliance Fund established under</u>
- 7 <u>section 5610 (relating to Vapor Products Compliance Fund).</u>
- 8 "License." A written authorization issued by the department
- 9 <u>entitling the holder to manufacture, distribute, sell or</u>
- 10 otherwise deal in e-liquid or vapor products under this chapter.
- "License holder." A person who holds a valid license under
- 12 this chapter, including an agent, employee or other person
- 13 <u>acting on behalf of a license holder.</u>
- 14 <u>"Manufacturer." A person located within this Commonwealth</u>
- 15 that is engaged in manufacturing e-liquid or vapor products.
- 16 "Manufacturing." The process by which an e-liquid is mixed,
- 17 bottled and packaged or the process by which a vapor product is
- 18 packaged.
- 19 "Minor." An individual who is under 18 years of age.
- 20 "Retailer." A person, other than a manufacturer or
- 21 distributor, who in the ordinary course of the person's regular
- 22 trade or business does all of the following:
- 23 (1) Acquires any form of e-liquid or vapor products for
- the purpose of resale to a final end consumer.
- 25 (2) Transfers an e-liquid or a vapor product to another
- 26 person for money or other consideration.
- 27 <u>"Sale" or "sell." To give away, barter, exchange or furnish</u>
- 28 an e-liquid or vapor product to an individual of legal age.
- 29 "Tamper evident package." A package having at least one
- 30 indicator or barrier to entry that, if breached or missing, can

- 1 reasonably be expected to provide visible evidence to consumers
- 2 that tampering has occurred.
- 3 "Vapor product." A powered vaporizer that converts e-liquid
- 4 to a vapor intended for inhalation.
- 5 <u>§ 5603. Duties.</u>
- 6 The department shall have the following powers and duties:
- 7 (1) To require the submission of information necessary
- 8 <u>to implement this chapter.</u>
- 9 <u>(2) To issue licenses.</u>
- 10 (3) To charge fees under this chapter. Fees charged
- 11 <u>under this chapter may not exceed the actual costs incurred</u>
- by the department.
- 13 <u>(4) To approve or deny a license application.</u>
- 14 § 5604. License requirements and application.
- 15 <u>(a) License required.--A manufacturer, distributor or</u>
- 16 <u>retailer may not sell e-liquid or vapor products in this</u>
- 17 Commonwealth without a license issued by the department under
- 18 this chapter.
- 19 (b) Manufacturer license.--
- 20 (1) A manufacturing license issued by the department
- 21 <u>shall be valid for five years from the date of issuance.</u>
- 22 (2) An application for a manufacturing license shall
- 23 include the following:
- (i) The name, telephone number and address of the
- applicant.
- 26 (ii) The name, telephone number and address of the
- 27 <u>manufacturing facility.</u>
- 28 (iii) The name, telephone number, title and address
- of the individual responsible for the manufacturing
- 30 facility.

| 1 | <u>(iv) Verification that the facility will comply with</u> |
|----|---|
| 2 | tobacco products good manufacturing practices promulgated |
| 3 | under section 906(e) of the Federal Food, Drug, and |
| 4 | Cosmetic Act (52 Stat. 1040, 21 U.S.C. § 387f(e)). |
| 5 | (v) Verification that the manufacturer will comply |
| 6 | with the ingredient listing required under section 904(a) |
| 7 | (1) of the Federal Food, Drug, and Cosmetic Act (52 Stat. |
| 8 | 1040, 21 U.S.C. § 387d(a)(1)). |
| 9 | (vi) A nonrefundable initial application fee of |
| 10 | <u>\$1,000.</u> |
| 11 | (3) The fees collected under this subsection shall be |
| 12 | deposited into the fund. |
| 13 | (c) Distributor license |
| 14 | (1) A distributor license issued by the department shall |
| 15 | be valid for one year from the date of issuance. |
| 16 | (2) An application for a distributor license shall |
| 17 | <pre>include the following:</pre> |
| 18 | (i) The name, telephone number and address of the |
| 19 | applicant. |
| 20 | (ii) The name, telephone number and address of the |
| 21 | distribution facility. |
| 22 | (iii) The name, telephone number, title and address |
| 23 | of the individual responsible for the distribution |
| 24 | <u>facility.</u> |
| 25 | (iv) A nonrefundable initial application fee of |
| 26 | <u>\$500.</u> |
| 27 | (3) The fees collected under this subsection shall be |
| 28 | deposited into the fund. |
| 29 | (d) Retailer license |
| 30 | (1) A retailer license issued by the department shall be |
| | |

- 1 valid for one year from the date of issuance.
- 2 (2) An application for a retailer license shall include
- 3 the following:
- 4 <u>(i) The name, telephone number and address of the</u>
- 5 <u>applicant.</u>
- 6 <u>(ii) The name, telephone number and address of the</u>
- 7 retail facility.
- 8 <u>(iii) The name, telephone number, title and address</u>
- 9 of the individual responsible for the retail location.
- 10 (iv) A nonrefundable initial application fee of
- 11 \$150.
- 12 (3) The fees collected under this subsection shall be
- deposited into the fund.
- 14 § 5605. License transfer and notice of changes.
- 15 (a) Prohibition. -- Unless approved by the department, a
- 16 <u>manufacturer</u>, <u>distributor</u> or <u>retailer license</u> <u>may not be</u>
- 17 transferred:
- 18 (1) from the license holder to another person; or
- 19 (2) from the location where the license was approved or
- 20 renewed to another location.
- 21 (b) Transfer of license. -- The department shall allow a
- 22 license to be transferred under subsection (a) if the license
- 23 has not been suspended or revoked and the new license holder or
- 24 location meets the requirements under this chapter.
- 25 (c) Change in information. -- If the information required for
- 26 the initial license or renewal license changes, the license
- 27 <u>holder shall notify the department within 10 business days of</u>
- 28 the change. If a change in the information required for an
- 29 <u>application results in a violation of this chapter, the</u>
- 30 <u>department may impose a penalty as provided under this chapter.</u>

- 1 § 5606. Issuance and denial of licenses.
- 2 (a) Approval or denial. -- The department shall grant or deny
- 3 a completed application for a license within 60 days of receipt
- 4 of the application. The department shall approve the application
- 5 for issuance of a license if the department determines that the
- 6 requirements under this chapter have been met.
- 7 (b) Reason for denial. -- If the completed application for a
- 8 <u>license is denied</u>, the department shall state the reasons for
- 9 the denial. If a completed application is denied under
- 10 subsection (a), the applicant may reapply within 30 days after
- 11 the date of the denial. An application fee for a reapplication
- 12 <u>under this subsection may not be imposed.</u>
- 13 § 5607. Manufacturing, labeling, marketing and safety
- 14 <u>requirements.</u>
- 15 (a) Compliance. -- Manufacturers shall comply with the
- 16 <u>following:</u>
- 17 (1) An e-liquid container shall use a child-proof cap
- 18 that has the child-resistant effectiveness specified under 16
- 19 CFR 1700.15(b)(1) (relating to poison prevention packaging
- 20 standards).
- 21 (2) An e-liquid container shall use a tamper evident
- 22 package. The tamper evident package feature shall be designed
- 23 <u>to remain intact when handled in a reasonable manner during</u>
- 24 the manufacture, distribution and retail display of the e-
- 25 liquid container.
- 26 (3) The label on an e-liquid container shall meet the
- 27 <u>nicotine addictiveness warning statement requirements under</u>
- 28 <u>21 CFR 1143.3 (relating to required warning statement</u>
- 29 regarding addictiveness of nicotine).
- 30 (4) Retailers in this Commonwealth shall display signage

- 1 that states "Unaccompanied Minors are not Allowed on the
- 2 Premises," "Products are not for Sale to Minors" or "Underage
- 3 Sales Prohibited."
- 4 (5) Each retailer selling vapor products shall display
- 5 <u>vapor products behind a counter or in an enclosed display</u>
- 6 that is not accessible without the assistance of a sales
- 7 representative.
- 8 (b) (Reserved).
- 9 § 5608. Record requirements and prohibitions.
- 10 (a) License required. -- A person selling e-liquids or vapor
- 11 products to a consumer in this Commonwealth shall have a valid
- 12 <u>retailer license under this chapter.</u>
- 13 <u>(b) Invoices.--A license holder under this chapter shall</u>
- 14 retain each invoice for at least two years.
- 15 § 5609. Delivery sales.
- 16 (a) Retailer license required. -- A retailer may not make a
- 17 delivery sale of e-liquid or vapor products without a retail
- 18 license under this chapter.
- 19 (b) Age verification before sale. -- A retailer may not ship
- 20 e-liquids or vapor products without first making a good faith
- 21 <u>effort to verify the age of the purchaser of the e-liquids or</u>
- 22 vapor products.
- 23 (c) Payment. -- Before e-liquids or vapor products are shipped
- 24 in a delivery sale, a retailer must be fully paid for the
- 25 purchase and shall accept payment from the purchaser:
- 26 (1) by a check drawn on an account in the purchaser's
- 27 <u>name</u>;
- 28 (2) by a credit card issued in the purchaser's name; or
- 29 (3) by a debit card issued in the purchaser's name.
- 30 (d) Shipment to purchase. -- A retailer may ship e-liquids or

- 1 vapor products only to a purchaser.
- 2 (e) E-mail address.--A retailer taking a delivery sale order
- 3 may request the electronic mail address of the purchaser.
- 4 § 5610. Vapor Products Compliance Fund.
- 5 (a) Establishment. -- The Vapor Products Compliance Fund is
- 6 <u>established as a special fund in the State Treasury.</u>
- 7 (b) Utilization. -- The fund shall be utilized by the
- 8 <u>department for enforcement of this chapter.</u>
- 9 § 5611. Penalties, suspension and compliance with Federal law.
- 10 (a) Penalties. -- If a manufacturer, distributor or retailer
- 11 violates this chapter, the manufacturer, distributor or retailer
- 12 may be reprimanded, assessed a civil penalty or have the
- 13 <u>manufacturer's license</u>, <u>distributor's license or retailer's</u>
- 14 <u>license revoked</u>.
- 15 (b) Compliance with Federal law. -- A provision in this
- 16 chapter that requires a manufacturer to comply with the Federal
- 17 Food, Drug, and Cosmetic Act (52 Stat. 1040, 21 U.S.C. § 301 et
- 18 seq.) or a Federal rule promulgated under the Federal Food,
- 19 Drug, and Cosmetic Act is under the sole jurisdiction of the
- 20 United States Food and Drug Administration. If the United States
- 21 Food and Drug Administration seeks court enforcement of a
- 22 section of the Federal Food, Drug, and Cosmetic Act cited in
- 23 this chapter and a civil monetary penalty is assessed against
- 24 the manufacturer, the act or omission for which the penalty was
- 25 assessed constitutes a violation of this chapter.
- 26 (c) Civil penalty.--The department may assess a civil
- 27 <u>penalty against a manufacturer, distributor or retailer for a</u>
- 28 violation of this chapter in an amount not to exceed \$10,000. A
- 29 civil penalty may be assessed in addition to other penalties or
- 30 fines allowed under this chapter.

1 Section 3. This act shall take effect in 60 days.