1	CIGARETTE, TODACCO, AND NICOTINE AMENDMENTS
2	2013 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Paul Ray
5	Senate Sponsor:
6 7	LONG TITLE
8	General Description:
9	This bill makes changes related to cigarettes, tobacco, and nicotine products.
10	Highlighted Provisions:
11	This bill:
12	<ul><li>defines terms and amends definitions;</li></ul>
13	► amends the definition of tobacco product to include certain nicotine products and
14	provides for the taxation of those products;
15	<ul> <li>amends criminal provisions related to cigarettes and tobacco products; and</li> </ul>
16	<ul> <li>makes technical and conforming changes.</li> </ul>
17	Money Appropriated in this Bill:
18	None
19	Other Special Clauses:
20	This bill takes effect on July 1, 2013.
21	<b>Utah Code Sections Affected:</b>
22	AMENDS:
23	<b>59-14-102</b> , as last amended by Laws of Utah 2011, Chapter 229
24	<b>76-10-101</b> , as last amended by Laws of Utah 2010, Chapter 114
25	76-10-102, as last amended by Laws of Utah 1986, Chapter 66
26	<b>76-10-103</b> , as enacted by Laws of Utah 1973, Chapter 196
27	<b>76-10-104</b> , as last amended by Laws of Utah 2010, Chapter 114



H.B. 372 02-26-13 11:29 AM

	<b>76-10-105</b> , as last amended by Laws of Utah 2010, Chapter 114
	76-10-105.1, as last amended by Laws of Utah 2010, Chapter 114
)	<b>76-10-111</b> , as last amended by Laws of Utah 2010, Chapter 114
,	Be it enacted by the Legislature of the state of Utah:
	Section 1. Section <b>59-14-102</b> is amended to read:
	59-14-102. Definitions.
	As used in this chapter:
	(1) "Cigarette" means a roll for smoking made wholly or in part of tobacco:
	(a) regardless of:
	(i) the size of the roll;
	(ii) the shape of the roll; or
	(iii) whether the tobacco is:
	(A) flavored;
	(B) adulterated; or
	(C) mixed with any other ingredient; and
	(b) if the wrapper or cover of the roll is made of paper or any other substance or
	material except tobacco.
	(2) "Consumer" means a person that is not required:
	(a) under Section 59-14-201 to obtain a license under Section 59-14-202; or
	(b) under Section 59-14-301 to obtain a license under Section 59-14-202.
	(3) "Counterfeit cigarette" means:
	(a) a cigarette that has a false manufacturing label; or
	(b) a package of cigarettes bearing a counterfeit tax stamp.
	(4) "E-cigarette" means an electronic oral device that:
	(a) provides a vapor of nicotine;
	(b) simulates smoking through its use or through inhalation of the vapor generated by
	the device;
	(c) is not approved by the United States Food and Drug Administration as an aid in
	quitting the use of tobacco or a nicotine product;
	(d) is composed of a heating element, battery, or electronic circuit; and

39	(e) is marketed, manufactured, distributed, or sold as:
60	(i) an e-cigarette;
61	(ii) an e-cigar;
62	(iii) an e-pipe; or
63	(iv) another electronic oral device if the electronic oral device meets the requirements
64	of Subsections (4)(a) through (d).
65	(5) "E-cigarette cartridge" means a container that:
66	(a) has openings on each end;
67	(b) serves as a liquid reservoir and mouthpiece;
68	(c) allows the passage of:
69	(i) liquid to an atomizer; and
70	(ii) vapor from the atomizer to the user's mouth; and
71	(d) contains liquid for producing vapor in an electronic cigarette.
72	[(4)] (6) "Importer" means a person who imports into the United States, either directly
73	or indirectly, a finished cigarette for sale or distribution.
74	[(5)] (7) "Indian tribal entity" means a federally recognized Indian tribe, tribal entity, or
75	any other person doing business as a distributor or retailer of cigarettes on tribal lands located
76	in the state.
77	[(6)] (8) "Little cigar" means a roll for smoking:
78	(a) made wholly or in part of tobacco;
79	(b) that uses an integrated cellulose acetate filter or other similar filter; and
80	(c) that is wrapped in a substance:
81	(i) containing tobacco; and
82	(ii) that is not exclusively natural leaf tobacco.
83	[ <del>(7)</del> ] <u>(9)</u> "Manufacturer" means a person who manufactures, fabricates, assembles,
84	processes, or labels a finished cigarette.
85	[ <del>(8)</del> ] (10) "Moist snuff" means tobacco that:
86	(a) is finely:
87	(i) cut;
88	(ii) ground; or
89	(iii) powdered;

90	(b) has at least 45% moisture content, as determined by the commission by rule made
91	in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
92	(c) is not intended to be:
93	(i) smoked; or
94	(ii) placed in the nasal cavity; and
95	(d) except for single-use pouches of loose tobacco, is not packaged, produced, sold, or
96	distributed in single-use units, including:
97	(i) tablets;
98	(ii) lozenges;
99	(iii) strips;
100	(iv) sticks; or
101	(v) packages containing multiple single-use units.
102	(11) "Nicotine candy" means an item that:
103	(a) contains:
104	(i) nicotine; and
105	(ii) a natural or artificial sweetener;
106	(b) is ingested orally; and
107	(c) is not approved by the United States Food and Drug Administration as an aid in
108	quitting the use of tobacco or a nicotine product.
109	(12) "Nicotine product" means:
110	(a) an e-cigarette;
111	(b) an e-cigarette cartridge;
112	(c) nicotine candy; or
113	(d) a product containing nicotine that:
114	(i) dissolves in the mouth; and
115	(ii) is not approved by the United States Food and Drug Administration as an aid in
116	quitting the use of tobacco or nicotine.
117	[ <del>(9)</del> ] (13) "Retailer" means a person that:
118	(a) sells or distributes a cigarette to a consumer in the state; or
119	(b) intends to sell or distribute a cigarette to a consumer in the state.
120	[(10)] (14) "Stamp" means the indicia required to be placed on a cigarette package that

121	evidences payment of the tax on cigarettes required by Section 59-14-205.
122	[(11)] (15) (a) "Tobacco product" means:
123	(i) a product made of, or containing, tobacco[-]; or
124	(ii) a nicotine product.
125	(b) "Tobacco product" includes:
126	(i) a little cigar; or
127	(ii) moist snuff.
128	(c) "Tobacco product" does not include a cigarette.
129	[(12)] (16) "Tribal lands" means land held by the United States in trust for a federally
130	recognized Indian tribe.
131	Section 2. Section <b>76-10-101</b> is amended to read:
132	76-10-101. Definitions.
133	As used in this part:
134	(1) "Cigar" means a product that contains nicotine, is intended to be burned under
135	ordinary conditions of use, and consists of any roll of tobacco wrapped in leaf tobacco, or in
136	any substance containing tobacco, other than any roll of tobacco that is a cigarette as described
137	in Subsection (2).
138	(2) "Cigarette" [means a product that contains nicotine, is intended to be burned under
139	ordinary conditions of use, and consists of:] is as defined in Section 59-14-102.
140	[(a) any roll of tobacco wrapped in paper or in any substance not containing tobacco;
141	<del>or</del> ]
142	[(b) any roll of tobacco wrapped in any substance containing tobacco which, because of
143	its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to
144	be offered to, or purchased by, consumers as a cigarette described in Subsection (2)(a).]
145	(3) "Electronic cigarette" [means any device, other than a cigarette or cigar, intended to
146	deliver vapor containing nicotine into a person's respiratory system] has the same meaning as
147	e-cigarette, as defined in Section 59-14-102.
148	(4) "Place of business" includes:
149	(a) a shop;
150	(b) a store;
151	(c) a factory:

H.B. 372 02-26-13 11:29 AM

152	(d) a public garage;
153	(e) an office;
154	(f) a theater;
155	(g) a recreation hall;
156	(h) a dance hall;
157	(i) a poolroom;
158	(j) a café;
159	(k) a cafeteria;
160	(l) a cabaret;
161	(m) a restaurant;
162	(n) a hotel;
163	(o) a lodging house;
164	(p) a streetcar;
165	(q) a bus;
166	(r) an interurban or railway passenger coach;
167	(s) a waiting room; and
168	(t) any other place of business.
169	(5) "Retail tobacco specialty business" is as defined in Section 10-8-41.6.
170	[(5)] (6) "Smoking" [means the possession of any lighted cigar, cigarette, pipe, or other
171	lighted smoking equipment] is as defined in Section 26-38-2.
172	(7) "Tobacco product" is as defined in Section 59-14-102.
173	Section 3. Section <b>76-10-102</b> is amended to read:
174	76-10-102. Cigarettes and tobacco Advertising restrictions Warnings in
175	smokeless tobacco advertisements.
176	(1) It is a class B misdemeanor for any person to display on any billboard, streetcar
177	sign, streetcar, bus, placard, or on any other object or place of display, any advertisement of
178	cigarettes, cigarette papers, cigars, chewing tobacco, [or] smoking tobacco, or other tobacco
179	product, or any disguise or substitute of either, except that a dealer in cigarettes, cigarette
180	papers, $\underline{a}$ tobacco <u>product</u> , or cigars, or their substitutes, may have a sign on the front of $[\underline{his}]$
181	the dealer's place of business stating that [he] the dealer is a dealer in the articles[;], provided
182	that nothing herein shall be construed to prohibit the advertising of cigarettes, cigarette papers,

chewing tobacco [or], smoking tobacco, or other tobacco product, or any substitute of either, in any newspaper, magazine or periodical printed or circulating in this state.

- (2) Any advertisement for smokeless tobacco placed in a newspaper, magazine, or periodical published in this state must bear a warning which states: "Use of smokeless tobacco may cause oral cancer and other mouth disorders and is addictive." This warning must be in a conspicuous location and in conspicuous and legible type, in contrast with the typography, layout, and color of all other printed material in the advertisement. For purposes of this subsection, "smokeless tobacco" means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral cavity or nasal passage. In the event the United States Congress passes legislation which requires warnings in advertisements of smokeless tobacco, the specific language required to be placed in advertisements by that legislation shall take precedence over this subsection.
  - Section 4. Section **76-10-103** is amended to read:
- 76-10-103. Permitting minors to use tobacco in place of business -- Permitting minors to enter a retail tobacco specialty business.
- (1) It is a class C misdemeanor for the proprietor of any place of business to knowingly permit persons under age 19 to frequent a place of business while they are using a cigarette or a tobacco product.
- (2) It is a class C misdemeanor for the proprietor of a retail tobacco specialty business to knowingly permit a person under age 19 to enter the retail tobacco specialty business.
  - Section 5. Section **76-10-104** is amended to read:
- 76-10-104. Providing a cigar, cigarette, electronic cigarette, or tobacco to a minor -- Penalties.
- (1) Any person who knowingly, intentionally, recklessly, or with criminal negligence provides any cigar, cigarette, electronic cigarette, or <u>other</u> tobacco <u>product</u> in any form, to any person under 19 years of age, is guilty of a class C misdemeanor on the first offense, a class B misdemeanor on the second offense, and a class A misdemeanor on subsequent offenses.
  - (2) For purposes of this section "provides":
  - (a) includes selling, giving, furnishing, sending, or causing to be sent; and
- 212 (b) does not include the acts of the United States Postal Service or other common 213 carrier when engaged in the business of transporting and delivering packages for others or the

214	acts of a person, whether compensated or not, who transports or delivers a package for another
215	person without any reason to know of the package's content.
216	Section 6. Section <b>76-10-105</b> is amended to read:
217	76-10-105. Buying or possessing a cigar, cigarette, electronic cigarette, or tobacco
218	by a minor Penalty Compliance officer authority Juvenile court jurisdiction.
219	(1) Any 18 year old person who buys or attempts to buy, accepts, or has in the person's
220	possession any cigar, cigarette, electronic cigarette, or other tobacco product in any form is
221	guilty of a class C misdemeanor and subject to:
222	(a) a minimum fine or penalty of \$60; and
223	(b) participation in a court-approved tobacco education program, which may include a
224	participation fee.
225	(2) Any person under the age of 18 who buys or attempts to buy, accepts, or has in the
226	person's possession any cigar, cigarette, electronic cigarette, or tobacco in any form is subject
227	to the jurisdiction of the Juvenile Court and:
228	(a) a minimum fine or penalty of \$60; and
229	(b) participation in a court-approved tobacco education program, which may include a
230	participation fee.
231	(3) A compliance officer appointed by a board of education under Section 53A-3-402
232	may issue citations for violations of this section committed on school property. Cited
233	violations shall be reported to the appropriate juvenile court.
234	Section 7. Section <b>76-10-105.1</b> is amended to read:
235	76-10-105.1. Requirement of direct, face-to-face sale of cigarettes and tobacco
236	products Supremacy clause Penalties.
237	(1) As used in this section:
238	(a) "Cigarette tobacco" means a product that consists of loose tobacco that contains or
239	delivers nicotine and is intended for use by a consumer in a cigarette.
240	(b) "Pipe tobacco" means a product that consists of loose tobacco that contains or
241	delivers nicotine and is intended to be smoked by a consumer in a pipe.
242	(c) "Retailer" means a person who sells cigarettes, electronic cigarettes, cigars,
243	cigarette tobacco, pipe tobacco, or smokeless tobacco to individuals for personal consumption
244	or who operates a facility where a vending machine or a self-service display is permitted under

Subsection (3)(b).

- (d) "Self-service display" means a display of cigarettes, electronic cigarettes, cigars, cigarette tobacco, pipe tobacco, or smokeless tobacco products to which the public has access without the intervention of a retail employee.
- (e) "Smokeless tobacco" means a product that consists of cut, ground, powdered, or leaf tobacco that contains nicotine and that is intended to be placed in the oral cavity.
- (2) (a) Except as provided in Subsection (3), a retailer may sell cigarettes, electronic cigarettes, cigars, cigarette tobacco, pipe tobacco, [and] smokeless tobacco, and other tobacco products only in a direct, face-to-face exchange between:
  - (i) an employee of the retailer; and
  - (ii) the purchaser.
- (b) Examples of methods that are not permitted include vending machines and self-service displays.
- (c) Subsections (2)(a) and (b) do not prohibit the use or display of locked cabinets containing cigarettes, electronic cigarettes, cigars, cigarette tobacco, pipe tobacco, [or] smokeless tobacco, or other tobacco products if the locked cabinets are accessible only to the retailer or the retailer's employees.
  - (3) The following sales are permitted as exceptions to Subsection (2):
  - (a) mail-order sales, if the provisions of Section 59-14-509 are met;
- (b) sales from vending machines, including vending machines that sell packaged, single cigarettes or cigars, and self-service displays that are located in a separate and defined area within a facility where the retailer ensures that no person younger than 19 years of age is present, or permitted to enter, at any time[, unless accompanied by a parent or legal guardian]; and
- (c) sales [by a retailer from a retail store which derives at least 80% of its revenue from tobacco and tobacco related products and where the retailer ensures that no person younger than 19 years of age is present, or permitted to enter at any time, unless accompanied by a parent or legal guardian] from a vending machine or a self-service display, including a vending machine that sells packaged, single cigarettes or cigars, if the vending machine or self-service display is located in a retail tobacco specialty business.
  - (4) Any ordinance, regulation, or rule adopted by the governing body of a political

subdivision of the state or by a state agency that affects the sale, placement, or display of cigarettes, electronic cigarettes, cigars, cigarette tobacco, pipe tobacco, or smokeless tobacco that is not essentially identical to the provisions of this section and Section 76-10-102 is superseded.

- [(5) (a) A parent or legal guardian who accompanies a person younger than 19 years of age into an area described in Subsection (3)(b) or into a retail store as described in Subsection (3)(c) and permits the person younger than 19 years of age to purchase or otherwise take a eigar, eigarette, electronic eigarette, or tobacco in any form is guilty of providing tobacco as provided for in Section 76-10-104 and the penalties provided for in that section.]
- [(b)] (5) Nothing in this section may be construed as permitting a person to provide tobacco to a minor in violation of Section 76-10-104.
  - (6) Violation of Subsection (2) or (3) is a:

- (a) class C misdemeanor on the first offense;
- (b) class B misdemeanor on the second offense; and
- (c) class A misdemeanor on the third and all subsequent offenses.
- Section 8. Section **76-10-111** is amended to read:

## 76-10-111. Prohibition of gift or free distribution of smokeless tobacco or electronic cigarettes -- Exceptions.

- (1) The Legislature finds that:
- (a) smokeless tobacco, or chewing tobacco, is harmful to the health of individuals who use those products because research indicates that they may cause mouth or oral cancers;
  - (b) the use of smokeless tobacco among juveniles in this state is increasing rapidly;
- (c) the use of electronic cigarettes may lead to unhealthy behavior such as the use of tobacco products; and
- (d) it is necessary to restrict the gift of the products described in this Subsection (1) in the interest of the health of the citizens of this state.
- (2) Except as provided in Subsection (3), it is unlawful for a manufacturer, wholesaler, and retailer to give or distribute without charge any smokeless tobacco, chewing tobacco, [or] electronic cigarette, or other tobacco product in this state. Any person who violates this section is guilty of a class C misdemeanor for the first offense, and is guilty of a class B misdemeanor for any subsequent offense.

307	(3) (a) Smokeless tobacco, chewing tobacco, [or] an electronic cigarette, or other
308	tobacco product may be distributed to adults without charge at professional conventions where
309	the general public is excluded.
310	(b) Subsection (2) does not apply to a retailer, manufacturer, or distributor who gives
311	smokeless tobacco, chewing tobacco, [or] an electronic cigarette, or other tobacco product to a
312	person of legal age upon the person's purchase of another tobacco product or electronic
313	cigarette.
314	Section 9. Effective date.
315	This bill takes effect on July 1, 2013.

Legislative Review Note as of 2-21-13 4:09 PM

Office of Legislative Research and General Counsel