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ENACTS:

ELECTRONIC CIGARETTE AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Jen Plumb

House Sponsor: Brady Brammer

Tiouse Sponsor. Brady Branniner
LONG TITLE
General Description:
This bill modifies provisions related to electronic cigarettes.
Highlighted Provisions:
This bill:
 prohibits the sale of electronic eigarette products that have not received market
authorization or are pending market authorization from the federal Food and Drug
Administration;
 codifies a nicotine limit for electronic cigarette products;
 prohibits the sale of flavored electronic cigarette products; and
 creates a registry for electronic cigarette products.
Money Appropriated in this Bill:
None
Other Special Clauses:
This bill provides a special effective date.
Utah Code Sections Affected:
AMENDS:
10-8-41.6, as last amended by Laws of Utah 2023, Chapter 327
17-50-333, as last amended by Laws of Utah 2023, Chapter 327
26B-7-505, as renumbered and amended by Laws of Utah 2023, Chapter 308
59-14-807 , as last amended by Laws of Utah 2023, Chapters 98, 300, 329, and 531 and
last amended by Coordination Clause, Laws of Utah 2023, Chapter 531
76-10-101 , as last amended by Laws of Utah 2023, Chapter 330
76-10-113 , as enacted by Laws of Utah 2020, Chapter 302

	26A-1-131 , Utah Code Annotated 1953
	59-14-810 , Utah Code Annotated 1953
—	a it are noted by the Legislature of the atoms of High.
B_{i}	e it enacted by the Legislature of the state of Utah:
	Section 1. Section 10-8-41.6 is amended to read:
/1	10-8-41.6. Regulation of retail tobacco specialty business.
(1	As used in this section:
	(a) "Community location" means:
	(i) a public or private kindergarten, elementary, middle, junior high, or high school;
	(ii) a licensed child-care facility or preschool;
	(iii) a trade or technical school;
	(iv) a church;
	(v) a public library;
	(vi) a public playground;
	(vii) a public park;
	(viii) a youth center or other space used primarily for youth oriented activities;
	(ix) a public recreational facility;
	(x) a public arcade; or
	(xi) for a new license issued on or after July 1, 2018, a homeless shelter.
	(b) "Department" means the Department of Health and Human Services created in
	Section 26B-1-201.
	(c) "Electronic cigarette product" means the same as that term is defined in Section
	76-10-101.
	[(d) "Flavored electronic eigarette product" means the same as that term is defined in
	Section 76-10-101.]
	[(e)] (d) "Licensee" means a person licensed under this section to conduct business as a
	retail tobacco specialty business.
	[(f)] (e) "Local health department" means the same as that term is defined in Section
	26A-1-102.
	$[\frac{g}{g}]$ (f) "Nicotine product" means the same as that term is defined in Section 76-10-101.
	[(h)] (g) "Retail tobacco specialty business" means a commercial establishment in which:
	(i) sales of tobacco products, electronic cigarette products, and nicotine products
	account for more than 35% of the total quarterly gross receipts for the
	establishment;

62		(ii) 20% or more of the public retail floor space is allocated to the offer, display, or
63		storage of tobacco products, electronic cigarette products, or nicotine products;
64		(iii) 20% or more of the total shelf space is allocated to the offer, display, or storage
65		of tobacco products, electronic cigarette products, or nicotine products;
66		(iv) the commercial establishment:
67		(A) holds itself out as a retail tobacco specialty business; and
68		(B) causes a reasonable person to believe the commercial establishment is a retai
69		tobacco specialty business; or
70		[(v) any flavored electronic eigarette product is sold; or]
71		$[\underline{(vi)}]$ $\underline{(v)}$ the retail space features a self-service display for tobacco products,
72		electronic cigarette products, or nicotine products.
73		[(i)] (h) "Self-service display" means the same as that term is defined in Section
74		76-10-105.1.
75		[(j)] <u>(i)</u> "Tobacco product" means:
76		(i) a tobacco product as defined in Section 76-10-101; or
77		(ii) tobacco paraphernalia as defined in Section 76-10-101.
78	(2)	The regulation of a retail tobacco specialty business is an exercise of the police powers
79		of the state by the state or by delegation of the state's police powers to other
80		governmental entities.
81	(3)	(a) A person may not operate a retail tobacco specialty business in a municipality
82		unless the person obtains a license from the municipality in which the retail tobacco
83		specialty business is located.
84		(b) A municipality may only issue a retail tobacco specialty business license to a person
85		if the person complies with the provisions of Subsections (4) and (5).
86	(4)	(a) Except as provided in Subsection (7), a municipality may not issue a license for a
87		person to conduct business as a retail tobacco specialty business if the retail tobacco
88		specialty business is located within:
89		(i) 1,000 feet of a community location;
90		(ii) 600 feet of another retail tobacco specialty business; or
91		(iii) 600 feet from property used or zoned for:
92		(A) agriculture use; or
93		(B) residential use.
94		(b) For purposes of Subsection (4)(a), the proximity requirements shall be measured in a
95		straight line from the nearest entrance of the retail tobacco specialty business to the

96	nearest property boundary of a location described in Subsections (4)(a)(1) through
97	(iii), without regard to intervening structures or zoning districts.
98	(5) A municipality may not issue or renew a license for a person to conduct business as a
99	retail tobacco specialty business until the person provides the municipality with proof
100	that the retail tobacco specialty business has:
101	(a) a valid permit for a retail tobacco specialty business issued under Title 26B, Chapter
102	7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine Products, by the
103	local health department having jurisdiction over the area in which the retail tobacco
104	specialty business is located; and
105	(b) (i) for a retailer that sells a tobacco product, a valid license issued by the State
106	Tax Commission in accordance with Section 59-14-201 or 59-14-301 to sell a
107	tobacco product; and
108	(ii) for a retailer that sells an electronic cigarette product or a nicotine product, a valid
109	license issued by the State Tax Commission in accordance with Section 59-14-803
110	to sell an electronic cigarette product or a nicotine product.
111	(6) (a) Nothing in this section:
112	(i) requires a municipality to issue a retail tobacco specialty business license; or
113	(ii) prohibits a municipality from adopting more restrictive requirements on a person
114	seeking a license or renewal of a license to conduct business as a retail tobacco
115	specialty business.
116	(b) A municipality may suspend or revoke a retail tobacco specialty business license
117	issued under this section:
118	(i) if a licensee engages in a pattern of unlawful activity under Title 76, Chapter 10,
119	Part 16, Pattern of Unlawful Activity Act;
120	(ii) if a licensee violates federal law or federal regulations restricting the sale and
121	distribution of tobacco products or electronic cigarette products to protect children
122	and adolescents;
123	(iii) upon the recommendation of the department or a local health department under
124	Title 26B, Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and
125	Nicotine Products; or
126	(iv) under any other provision of state law or local ordinance.
127	(7) (a) A retail tobacco specialty business is exempt from Subsection (4) if:
128	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
129	license to conduct business as a retail tobacco specialty business;

130	(ii) the retail tobacco specialty business is operating in a municipality in accordance
131	with all applicable laws except for the requirement in Subsection (4); and
132	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
133	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or
134	high school.
135	(b) A retail tobacco specialty business may maintain an exemption under Subsection
136	(7)(a) if:
137	(i) the license described in Subsection (7)(a)(i) is renewed continuously without lapse
138	or permanent revocation;
139	(ii) the retail tobacco specialty business does not close for business or otherwise
140	suspend the sale of tobacco products, electronic cigarette products, or nicotine
141	products for more than 60 consecutive days;
142	(iii) the retail tobacco specialty business does not substantially change the business
143	premises or business operation; and
144	(iv) the retail tobacco specialty business maintains the right to operate under the
145	terms of other applicable laws, including:
146	(A) Section 26B-7-503;
147	(B) zoning ordinances;
148	(C) building codes; and
149	(D) the requirements of the license described in Subsection (7)(a)(i).
150	(c) A retail tobacco specialty business that does not qualify for an exemption under
151	Subsection (7)(a) is exempt from Subsection (4) if:
152	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
153	general tobacco retailer permit or a retail tobacco specialty business permit under
154	Title 26B, Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and
155	Nicotine Products, by the local health department having jurisdiction over the area
156	in which the retail tobacco specialty business is located;
157	(ii) the retail tobacco specialty business is operating in the municipality in accordance
158	with all applicable laws except for the requirement in Subsection (4); and
159	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
160	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or
161	high school.
162	(d) Except as provided in Subsection (7)(e), a retail tobacco specialty business may
163	maintain an exemption under Subsection (7)(c) if:

164	(i) on or before December 31, 2020, the retail tobacco specialty business receives a
165	retail tobacco specialty business permit from the local health department having
166	jurisdiction over the area in which the retail tobacco specialty business is located;
167	(ii) the permit described in Subsection (7)(d)(i) is renewed continuously without
168	lapse or permanent revocation;
169	(iii) the retail tobacco specialty business does not close for business or otherwise
170	suspend the sale of tobacco products, electronic cigarette products, or nicotine
171	products for more than 60 consecutive days;
172	(iv) the retail tobacco specialty business does not substantially change the business
173	premises or business operation as the business existed when the retail tobacco
174	specialty business received a permit under Subsection (7)(d)(i); and
175	(v) the retail tobacco specialty business maintains the right to operate under the terms
176	of other applicable laws, including:
177	(A) Section 26B-7-503;
178	(B) zoning ordinances;
179	(C) building codes; and
180	(D) the requirements of the retail tobacco permit described in Subsection (7)(d)(i).
181	(e) A retail tobacco specialty business described in Subsection (7)(a) or (b) that is
182	located within 1,000 feet of a public or private kindergarten, elementary, middle,
183	junior high, or high school before July 1, 2022, is exempt from Subsection
184	(4)(a)(iii)(B) if the retail tobacco specialty business:
185	(i) relocates, before July 1, 2022, to a property that is used or zoned for commercial
186	use and located within a group of architecturally unified commercial
187	establishments built on a site that is planned, developed, owned, and managed as
188	an operating unit; and
189	(ii) continues to meet the requirements described in Subsection (7)(b) that are not
190	directly related to the relocation described in this Subsection (7)(e).
191	Section 2. Section 17-50-333 is amended to read:
192	17-50-333. Regulation of retail tobacco specialty business.
193	(1) As used in this section:
194	(a) "Community location" means:
195	(i) a public or private kindergarten, elementary, middle, junior high, or high school;
196	(ii) a licensed child-care facility or preschool;
197	(iii) a trade or technical school:

198	(iv) a church;
199	(v) a public library;
200	(vi) a public playground;
201	(vii) a public park;
202	(viii) a youth center or other space used primarily for youth oriented activities;
203	(ix) a public recreational facility;
204	(x) a public arcade; or
205	(xi) for a new license issued on or after July 1, 2018, a homeless shelter.
206	(b) "Department" means the Department of Health and Human Services created in
207	Section 26B-1-201.
208	(c) "Electronic cigarette product" means the same as that term is defined in Section
209	76-10-101.
210	[(d) "Flavored electronic eigarette product" means the same as that term is defined in
211	Section 76-10-101.]
212	[(e)] (d) "Licensee" means a person licensed under this section to conduct business as a
213	retail tobacco specialty business.
214	[(f)] (e) "Local health department" means the same as that term is defined in Section
215	26A-1-102.
216	$[\underline{(g)}]$ (f) "Nicotine product" means the same as that term is defined in Section 76-10-101.
217	[(h)] (g) "Retail tobacco specialty business" means a commercial establishment in which:
218	(i) sales of tobacco products, electronic cigarette products, and nicotine products
219	account for more than 35% of the total quarterly gross receipts for the
220	establishment;
221	(ii) 20% or more of the public retail floor space is allocated to the offer, display, or
222	storage of tobacco products, electronic cigarette products, or nicotine products;
223	(iii) 20% or more of the total shelf space is allocated to the offer, display, or storage
224	of tobacco products, electronic cigarette products, or nicotine products;
225	(iv) the commercial establishment:
226	(A) holds itself out as a retail tobacco specialty business; and
227	(B) causes a reasonable person to believe the commercial establishment is a retail
228	tobacco specialty business; or
229	[(v) any flavored electronic eigarette product is sold; or]
230	[(vi)] (v) the retail space features a self-service display for tobacco products,
231	electronic cigarette products, or nicotine products.

232	[(i)] (h) "Self-service display" means the same as that term is defined in Section
233	76-10-105.1.
234	[(j)] <u>(i)</u> "Tobacco product" means:
235	(i) the same as that term is defined in Section 76-10-101; or
236	(ii) tobacco paraphernalia as defined in Section 76-10-101.
237	(2) The regulation of a retail tobacco specialty business is an exercise of the police powers
238	of the state by the state or by the delegation of the state's police power to other
239	governmental entities.
240	(3) (a) A person may not operate a retail tobacco specialty business in a county unless
241	the person obtains a license from the county in which the retail tobacco specialty
242	business is located.
243	(b) A county may only issue a retail tobacco specialty business license to a person if the
244	person complies with the provisions of Subsections (4) and (5).
245	(4) (a) Except as provided in Subsection (7), a county may not issue a license for a
246	person to conduct business as a retail tobacco specialty business if the retail tobacco
247	specialty business is located within:
248	(i) 1,000 feet of a community location;
249	(ii) 600 feet of another retail tobacco specialty business; or
250	(iii) 600 feet from property used or zoned for:
251	(A) agriculture use; or
252	(B) residential use.
253	(b) For purposes of Subsection (4)(a), the proximity requirements shall be measured in a
254	straight line from the nearest entrance of the retail tobacco specialty business to the
255	nearest property boundary of a location described in Subsections (4)(a)(i) through
256	(iii), without regard to intervening structures or zoning districts.
257	(5) A county may not issue or renew a license for a person to conduct business as a retail
258	tobacco specialty business until the person provides the county with proof that the retail
259	tobacco specialty business has:
260	(a) a valid permit for a retail tobacco specialty business issued under Title 26B, Chapter
261	7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine Products, by the
262	local health department having jurisdiction over the area in which the retail tobacco
263	specialty business is located; and
264	(b) (i) for a retailer that sells a tobacco product, a valid license issued by the State
265	Tax Commission in accordance with Section 59-14-201 or 59-14-301 to sell a

266	tobacco product; or
267	(ii) for a retailer that sells an electronic cigarette product or a nicotine product, a valid
268	license issued by the State Tax Commission in accordance with Section 59-14-803
269	to sell an electronic cigarette product or a nicotine product.
270	(6) (a) Nothing in this section:
271	(i) requires a county to issue a retail tobacco specialty business license; or
272	(ii) prohibits a county from adopting more restrictive requirements on a person
273	seeking a license or renewal of a license to conduct business as a retail tobacco
274	specialty business.
275	(b) A county may suspend or revoke a retail tobacco specialty business license issued
276	under this section:
277	(i) if a licensee engages in a pattern of unlawful activity under Title 76, Chapter 10,
278	Part 16, Pattern of Unlawful Activity Act;
279	(ii) if a licensee violates federal law or federal regulations restricting the sale and
280	distribution of tobacco products or electronic cigarette products to protect children
281	and adolescents;
282	(iii) upon the recommendation of the department or a local health department under
283	Title 26B, Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and
284	Nicotine Products; or
285	(iv) under any other provision of state law or local ordinance.
286	(7) (a) Except as provided in Subsection (7)(e), a retail tobacco specialty business is
287	exempt from Subsection (4) if:
288	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
289	license to conduct business as a retail tobacco specialty business;
290	(ii) the retail tobacco specialty business is operating in a county in accordance with
291	all applicable laws except for the requirement in Subsection (4); and
292	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
293	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or
294	high school.
295	(b) A retail tobacco specialty business may maintain an exemption under Subsection
296	(7)(a) if:
297	(i) the license described in Subsection (7)(a)(i) is renewed continuously without lapse
298	or permanent revocation;
299	(ii) the retail tobacco specialty business does not close for business or otherwise

300	suspend the sale of tobacco products, electronic cigarette products, or nicotine
301	products for more than 60 consecutive days;
302	(iii) the retail tobacco specialty business does not substantially change the business
303	premises or business operation; and
304	(iv) the retail tobacco specialty business maintains the right to operate under the
305	terms of other applicable laws, including:
306	(A) Title 26, Chapter 38, Utah Indoor Clean Air Act;
307	(B) zoning ordinances;
308	(C) building codes; and
309	(D) the requirements of the license described in Subsection (7)(a)(i).
310	(c) A retail tobacco specialty business that does not qualify for an exemption under
311	Subsection (7)(a) is exempt from Subsection (4) if:
312	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
313	general tobacco retailer permit or a retail tobacco specialty business permit under
314	Title 26, Chapter 62, Tobacco, Electronic Cigarette, and Nicotine Product Retail
315	Permit, by the local health department having jurisdiction over the area in which
316	the retail tobacco specialty business is located;
317	(ii) the retail tobacco specialty business is operating in the county in accordance with
318	all applicable laws except for the requirement in Subsection (4); and
319	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
320	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or
321	high school.
322	(d) A retail tobacco specialty business may maintain an exemption under Subsection
323	(7)(c) if:
324	(i) on or before December 31, 2020, the retail tobacco specialty business receives a
325	retail tobacco specialty business permit from the local health department having
326	jurisdiction over the area in which the retail tobacco specialty business is located;
327	(ii) the permit described in Subsection (7)(d)(i) is renewed continuously without
328	lapse or permanent revocation;
329	(iii) the retail tobacco specialty business does not close for business or otherwise
330	suspend the sale of tobacco products, electronic cigarette products, or nicotine
331	products for more than 60 consecutive days;
332	(iv) the retail tobacco specialty business does not substantially change the business
333	premises or business operation as the business existed when the retail tobacco

334	specialty business received a permit under Subsection (7)(d)(i); and
335	(v) the retail tobacco specialty business maintains the right to operate under the terms
336	of other applicable laws, including:
337	(A) Title 26, Chapter 38, Utah Indoor Clean Air Act;
338	(B) zoning ordinances;
339	(C) building codes; and
340	(D) the requirements of the retail tobacco permit described in Subsection (7)(d)(i)
341	(e) A retail tobacco specialty business described in Subsection (7)(a) or (b) that is
342	located within 1,000 feet of a public or private kindergarten, elementary, middle,
343	junior high, or high school before July 1, 2022, is exempt from Subsection
344	(4)(a)(iii)(B) if the retail tobacco specialty business:
345	(i) relocates, before July 1, 2022, to a property that is used or zoned for commercial
346	use and located within a group of architecturally unified commercial
347	establishments built on a site that is planned, developed, owned, and managed as
348	an operating unit; and
349	(ii) continues to meet the requirements described in Subsection (7)(b) that are not
350	directly related to the relocation described in this Subsection (7)(e).
351	Section 3. Section 26A-1-131 is enacted to read:
352	26A-1-131 . Electronic cigarette registry enforcement.
353	(1) (a) A local health department may examine the books, papers, and records of a
354	retailer in this state, for the purpose of determining compliance with Section
355	<u>59-14-810.</u>
356	(b) A local health department may make the inspections and examinations at any time
357	during ordinary business hours, and may inspect the premises and all desks, safes,
358	vaults, and other fixtures and furniture contained in or upon the premises for the
359	purpose of ascertaining whether an electronic cigarette product is held or possessed
360	in violation of Section 59-14-810.
361	(c) Unannounced follow-up examinations of all retailers are required within 30 days
362	after any violation of Section 59-14-810.
363	(d) A local health department shall publish the results of all examinations at least
364	annually and shall make the results available to the public on request.
365	(e) Any electronic cigarette product offered for sale in violation of Section 59-14-810 is
366	declared to be a contraband good and shall be immediately embargoed by a local
367	health department.

368	(f) An electronic cigarette product described in Subsection (1)(e) may be embargoed
369	without a warrant by:
370	(i) a local health department; or
371	(ii) a law enforcement agency of this state if directed by a local health department
372	with jurisdiction over where the product is found.
373	(g) The cost of embargoing shall be borne by the retailer.
374	(h) In an action brought under this section, a local health department may recover
375	reasonable expenses incurred in investigating and preparing the case and attorney
376	fees.
377	(i) A retailer shall remove any embargoed electronic cigarette product from the retailer's
378	active inventory and work with the wholesaler or distributor to return or dispose the
379	electronic cigarette product.
380	(2) (a) A local health department shall disclose to the attorney general any information
381	received under this section which is requested by the attorney general for purposes of
382	determining compliance with and enforcing the provisions of this section or Section
383	<u>59-14-810.</u>
384	(b) A local health department and the attorney general shall share with each other
385	information received under this section and Section 59-14-810 or corresponding laws
386	of other states.
387	(c) A local health department shall provide any necessary information to the State Tax
388	Commission regarding violations of Section 59-14-810.
389	(3) A monetary penalty assessed to a retailer by a local health department under this section
390	shall be doubled if the retailer fails to provide documentation establishing a clear chain
391	of custody back to the manufacturer.
392	Section 4. Section 26B-7-505 is amended to read:
393	26B-7-505 . Electronic cigarette products Labeling Requirements to sell
394	Advertising Labeling of nicotine products containing nicotine.
395	(1) The department shall, in consultation with a local health department and with input from
396	members of the public, establish by rule made in accordance with Title 63G, Chapter 3,
397	Utah Administrative Rulemaking Act, the requirements to sell an electronic cigarette
398	substance that is not a manufacturer sealed electronic cigarette substance regarding:
399	(a) labeling;
400	(b) nicotine content;
401	(c) packaging; and

402		(d) product quality.
403	(2)	On or before January 1, 2021, the department shall, in consultation with a local health
404		department and with input from members of the public, establish by rule made in
405		accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
406		requirements to sell a manufacturer sealed electronic cigarette product regarding:
407		(a) labeling;
408		(b) nicotine content;
409		(c) packaging; and
410		(d) product quality.
411	(3)	(a) A person may not sell an electronic cigarette substance unless the electronic
412		cigarette substance complies with the requirements established by the department
413		under Subsection (1).
414		(b) Beginning on July 1, 2021, a person may not sell a manufacturer sealed electronic
415		cigarette product unless the manufacturer sealed electronic cigarette product complies
416		with the requirements established by the department under Subsection (2).
417		(c) Notwithstanding Subsections (3)(a) and (3)(b), beginning on January 1, 2025, a
418		person may not sell an electronic cigarette product that is not a premarket authorized
419		or pending electronic cigarette product as that term is defined in Section 76-10-101.
420	(4)	(a) A local health department may not enact a rule or regulation regarding electronic
421		cigarette substance labeling, nicotine content, packaging, or product quality that is
422		not identical to the requirements established by the department under Subsections (1)
423		and (2).
424		(b) Except as provided in Subsection (4)(c), a local health department may enact a rule
425		or regulation regarding electronic cigarette substance manufacturing.
426		(c) A local health department may not enact a rule or regulation regarding a
427		manufacturer sealed electronic cigarette product.
428	(5)	A person may not advertise an electronic cigarette product as a tobacco cessation device.
429	(6)	(a) Any nicotine product shall contain the statement described in Subsection [(7)]
430		(6)(b) if the nicotine product:
431		[(a)] (i) [(i)] (A) is not a tobacco product as defined in 21 U.S.C. Sec. 321 and
432		related federal regulations; or
433		[(ii)] (B) is not otherwise required under federal or state law to contain a nicotine
434		warning; and
435		[(b)] <u>(ii)</u> contains nicotine.

436	[(7)] <u>(b)</u> A statement shall appear on the exterior packaging of a nicotine product described in
437	Subsection (6)(a) as follows:
438	"This product contains nicotine."
439	Section 5. Section 59-14-807 is amended to read:
440	59-14-807. Electronic Cigarette Substance and Nicotine Product Proceeds
441	Restricted Account.
442	(1) There is created within the General Fund a restricted account known as the "Electronic
443	Cigarette Substance and Nicotine Product Proceeds Restricted Account."
444	(2) The Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account
445	consists of:
446	(a) revenue collected from the tax imposed by Section 59-14-804;
447	(b) fees and penalties collected under Section 59-14-810;
448	[(b)] (c) all money received by the attorney general or the Department of Commerce as a
449	result of any judgment, settlement, or compromise of claims pertaining to alleged
450	violations of law related to the manufacture, marketing, distribution, or sale of
451	electronic cigarette products, as defined in Section 76-10-101:
452	(i) if the total amount of the judgment, settlement, or compromise received by the
453	state exceeds \$1,000,000; and
454	(ii) after reimbursement to the attorney general and the Department of Commerce for
455	expenses related to the matters described in Subsection $[\frac{(2)(b)}{(2)(c)}]$; and
456	[(e)] (d) amounts appropriated by the Legislature.
457	(3) (a) For each fiscal year and subject to appropriation by the Legislature, the Division
458	of Finance shall distribute from the Electronic Cigarette Substance and Nicotine
459	Product Proceeds Restricted Account:
460	(i) \$2,000,000, which shall be allocated to the local health departments by the
461	Department of Health and Human Services using the formula created in
462	accordance with Section 26A-1-116;
463	(ii) \$2,000,000 to the Department of Health and Human Services for statewide
464	cessation programs and prevention education;
465	(iii) \$1,180,000 to the Department of Public Safety for law enforcement officers
466	aimed at disrupting organizations and networks that provide tobacco products,
467	electronic cigarette products, nicotine products, and other illegal controlled
468	substances to minors;
469	(iv) \$3,000,000, which shall be allocated to the local health departments by the

470	Department of Health and Human Services using the formula created in
471	accordance with Section 26A-1-116;
472	(v) \$5,084,200 to the State Board of Education for school-based prevention
473	programs; [and]
474	(vi) \$2,000,000 to the Department of Health and Human Services for alcohol,
475	tobacco, and other drug prevention, reduction, cessation, and control programs
476	that promote unified messages and make use of media outlets, including radio,
477	newspaper, billboards, and television[-]; and
478	(vii) of the money deposited under Section 59-14-810:
479	(A) to the commission, in an amount equal to the amount necessary to create and
480	maintain the registry described in Section 59-14-810;
481	(B) to the Department of Health and Human Services, in an amount necessary for
482	completing duties described in Section 59-14-810; and
483	(C) to the Department of Health and Human Services, the remainder to be divided
484	among the local health departments for inspection and enforcement described
485	in Sections 26A-1-131 and 59-14-810.
486	(b) If the amount in the Electronic Cigarette Substance and Nicotine Product Proceeds
487	Restricted Account is insufficient to cover the distributions described in Subsection
488	(3)(a), the distribution amounts shall be adjusted proportionately.
489	(4) (a) The local health departments shall use the money received in accordance with
490	Subsection (3)(a) for enforcing:
491	(i) the regulation provisions described in Section 26B-7-505;
492	(ii) the labeling requirement described in Section 26B-7-505; and
493	(iii) the penalty provisions described in Section 26B-7-518.
494	(b) The Department of Health and Human Services shall use the money received in
495	accordance with Subsection (3)(a)(ii) for the Youth Electronic Cigarette, Marijuana,
496	and Other Drug Prevention Program created in Section 26B-1-428.
497	(c) The local health departments shall use the money received in accordance with
498	Subsection (3)(a)(iv) to issue grants under the Electronic Cigarette, Marijuana, and
499	Other Drug Prevention Grant Program created in Section 26A-1-129.
500	(d) The State Board of Education shall use the money received in accordance with
501	Subsection (3)(a)(v) to distribute to local education agencies to pay for:
502	(i) (A) stipends for positive behaviors specialists as described in Subsection
503	53G-10-407(4)(a)(i);

504	(B) the cost of administering the positive behaviors plan as described in
505	Subsection 53G-10-407(4)(a)(ii); and
506	(C) the cost of implementing an Underage Drinking and Substance Abuse
507	Prevention Program in grade 4 or 5, as described in Subsection 53G-10-406
508	(3)(b); or
509	(ii) a comprehensive prevention plan, as that term is defined in Section 53F-2-525.
510	(5) (a) The fund shall earn interest.
511	(b) All interest earned on fund money shall be deposited into the fund.
512	(6) Subject to legislative appropriations, funds remaining in the Electronic Cigarette
513	Substance and Nicotine Product Proceeds Restricted Account after the distribution
514	described in Subsection (3) may only be used for:
515	(a) funding commission personnel to enforce compliance with the tax collection
516	requirements of this part; and
517	(b) programs and activities related to the prevention and cessation of electronic cigarette
518	nicotine products, marijuana, and other drug use.
519	Section 6. Section 59-14-810 is enacted to read:
520	59-14-810 . Electronic cigarette product registry.
521	(1) Beginning on August 1, 2024, every manufacturer of an electronic cigarette product that
522	is sold in this state, whether directly or through a distributor, wholesaler, retailer, or
523	similar intermediary or intermediaries, shall certify under penalty of perjury on a form
524	and in the manner prescribed by the commission, that:
525	(a) the manufacturer agrees to comply with this section; and
526	(b) the electronic cigarette product is a premarket authorized or pending electronic
527	cigarette product as defined in Section 76-10-101 and will not be illegal to be sold in
528	the state as of January 1, 2025.
529	(2) When submitting the certification a manufacturer shall submit a form that separately
530	lists each electronic cigarette product that is sold in this state.
531	(3) (a) Each certification form shall include:
532	(i) the name of the electronic cigarette product, nicotine content level by percentage,
533	and any flavors contained in the product;
534	(ii) (A) a copy of the order granting a premarket tobacco product application of
535	the electronic cigarette product by the United States Food and Drug
536	Administration under 21 U.S.C. Sec. 387j(c)(1)(A)(i); or
537	(B) evidence that the premarket tobacco product application for the electronic

538	cigarette product or nicotine product was submitted to the United States Food
539	and Drug Administration before September 9, 2020, and a final authorization
540	or order has not yet taken effect;
541	(iii) a nonrefundable \$1,000 fee for an electronic cigarette product that is being added
542	to the registry in the first instance; and
543	(iv) information described in Subsection (10) if applicable.
544	(b) The commission shall make the materials submitted under Subsection (3)(a)
545	available to the Department of Health and Human Services for review and approval.
546	(c) A manufacturer required to submit a certification form under this section shall notify
547	the commission and the Department of Health and Human Services in a manner
548	prescribed by the commission within 30 days of any material change making the
549	certification form no longer accurate, including:
550	(i) the issuance or denial of a marketing authorization or other order by the United
551	States Food and Drug Administration under 21 U.S.C. Sec. 387j; or
552	(ii) any other order or action by the United States Food and Drug Administration or
553	any court that affects the ability of the electronic cigarette product to be
554	introduced or delivered into interstate commerce for commercial distribution in
555	the United States.
556	(d) On or before January 31 of each year and in a manner prescribed by the commission,
557	a manufacturer shall:
558	(i) recertify that the information contained in the certification is correct and accurate;
559	(ii) correct or amend information if necessary; and
560	(iii) pay a \$250 nonrefundable fee for each electronic cigarette product on the registry
561	that is manufactured by the manufacturer.
562	(e) A manufacturer may amend a certification, including to add additional electronic
563	cigarette products to the registry, if all requirements of this section are met.
564	(f) The commission shall:
565	(i) provide an electronic notification to a manufacturer that has not submitted a
566	recertification under Subsection (3)(d); and
567	(ii) remove a manufacturer or an electronic cigarette product that is not recertified
568	from the registry by March 15.
569	(4) (a) The Department of Health and Human Services shall review materials described
570	in Subsection (3)(a) and notify the commission regarding whether an electronic
571	cigarette product should be included in the registry.

572		<u>(b)</u>	On or before October 1, 2024, the commission shall make publicly available on the
573			commission's website a registry that lists each electronic cigarette product
574			manufacturer and each electronic cigarette product for which certification forms have
575			been approved by the Department of Health and Human Services.
576		<u>(c)</u>	An electronic cigarette product may not be listed on the registry unless the
577			Department of Health and Human Services determines the requirements of
578			Subsection (3)(a) are met.
579	<u>(5)</u>	<u>(a)</u>	If the Department of Health and Human Services obtains information that an
580		ele	ctronic cigarette product should not be listed in the registry, the Department of
581		He	alth and Human Services shall provide the manufacturer notice and an opportunity
582		to c	cure deficiencies before notifying the commission to remove the manufacturer or
583		pro	ducts from the registry.
584		<u>(b)</u>	Except as provided in Subsection (5)(c), the Department of Health and Human
585			Services shall comply with Title 63G, Chapter 4, Administrative Procedures Act,
586			before notifying the commission to remove an electronic cigarette product or
587			manufacturer from the registry.
588		<u>(c)</u>	Subsection (5)(b) does not apply to a manufacturer failing:
589			(i) to decertify an electronic cigarette product;
590			(ii) to provide fees and documentation described in Subsection (3)(a) or (3)(d); or
591			(iii) to comply with Subsection (10).
592	<u>(6)</u>	<u>(a)</u>	If a product is removed from the registry, each retailer, distributor, and
593		<u>wh</u>	olesaler shall have 30 days from the day on which the product is removed from the
594		<u>reg</u>	istry to remove the product from any inventory and return the product to the
595		<u>ma</u>	nufacturer for disposal.
596		<u>(b)</u>	After the period described in Subsection (6)(a), any electronic cigarette product of a
597			manufacturer identified in the notice of removal are contraband and are subject to
598			penalties under Subsection (8) and seizure, forfeiture, and destruction under Section
599			<u>26A-1-131.</u>
600	<u>(7)</u>	<u>(a)</u>	Beginning on January 1, 2025, a person may not sell or offer for retail sale an
601		ele	ctronic cigarette product in this state that is not included in the registry.
602		<u>(b)</u>	A manufacturer may not sell, either directly or through a distributor, wholesaler,
603			retailer, or similar intermediary or intermediaries, an electronic cigarette product in
604			this state that is not included in the registry.
605	<u>(8)</u>	<u>(a)</u>	A wholesaler, distributor, or retailer who sells or offers for retail sale an

606	electronic cigarette product in this state that is not included in the registry shall be
607	subject to a civil penalty of:
608	(i) \$1,000 for each product offered for sale in violation of this section; and
609	(ii) \$100 per day until the offending product is removed from the market or until the
610	offending product is properly listed on the registry.
611	(b) The commission shall suspend the person's license issued under Section 59-14-803
612	for a violation of Subsection (8)(a) as follows:
613	(i) for a second violation within a 12-month period, at least 14 days;
614	(ii) for a third violation within a 12-month period, at least 60 days; or
615	(iii) for a fourth violation within a 12-month period, at least one year.
616	(c) A manufacturer whose electronic cigarette products are not listed in the registry and
617	are sold in this state, whether directly or through a distributor, wholesaler, retailer, or
618	similar intermediary or intermediaries, is subject to a civil penalty of:
619	(i) \$1,000 for each product offered for retail sale in violation of this section; and
620	(ii) \$100 per day until the offending product is removed from the market or until the
621	offending product is properly listed on the registry.
622	(d) A manufacturer that falsely represents any information required by a certification
623	form described in this section shall be guilty of a class C misdemeanor for each false
624	representation.
625	(e) A repeated violation of this section shall constitute a deceptive act or practice as
626	provided in Sections 13-11-4 and 13-11a-3 and shall be subject to any remedies or
627	penalties available for a violation of those sections.
628	(9) (a) To assist in ensuring compliance and enforcement of this section and Section
629	26A-1-131, the commission shall disclose to the following entities, upon request, any
630	information obtained under this section:
631	(i) the Department of Health and Human Services;
632	(ii) a local health department; or
633	(iii) the attorney general.
634	(b) The commission and attorney general shall share with each other information
635	received under this section, or corresponding laws of other states.
636	(10) (a) (i) The commission may not list a nonresident manufacturer of an electronic
637	cigarette product in the registry unless:
638	(A) the nonresident manufacturer has registered to do business in the state as a
639	foreign corporation or business entity; or

640	(B) the nonresident manufacturer appoints and maintains without interruption the
641	services of an agent in this state to receive any service of process on behalf of
642	the manufacturer.
643	(b) The nonresident manufacturer shall provide the name, address, and telephone
644	number of the agent to the commission.
645	(c) (i) A nonresident manufacturer shall provide notice to the commission 30 days
646	before the termination of the authority of an agent and shall further provide proof
647	to the satisfaction of the commission of the appointment of a new agent no less
648	than five calendar days prior to the termination of an existing agent appointment.
649	(ii) In the event an agent terminates an agency appointment, the manufacturer shall
650	notify the commission of the termination within five calendar days and shall
651	include proof to the satisfaction of the commission of the appointment of a new
652	agent.
653	(11) Before May 31 of each year, the commission and the Department of Health and
654	Human Services shall provide a report to the Revenue and Taxation Interim Committee
655	and the Health and Human Services Interim Committee regarding:
656	(a) the status of the registry;
657	(b) manufacturers and products included in the registry;
658	(c) revenue and expenditures related to administration of this section; and
659	(d) enforcement activities undertaken under this section and Section 26A-1-131.
660	(12) All fees and penalties collected under this section shall be used for administration and
661	enforcement of this section and Section 26A-1-131.
662	(13) The commission, in consultation with the Department of Health and Human Services,
663	may make rules in accordance with Title 63G, Chapter 3, Utah Administrative
664	Rulemaking Act, to implement this section.
665	Section 7. Section 76-10-101 is amended to read:
666	76-10-101 . Definitions.
667	As used in this part:
668	(1) (a) "Alternative nicotine product" means a product, other than a cigarette, a
669	counterfeit cigarette, an electronic cigarette product, a nontherapeutic nicotine
670	product, or a tobacco product, that:
671	(i) contains nicotine;
672	(ii) is intended for human consumption;
673	(iii) is not purchased with a prescription from a licensed physician; and

674			(iv) is not approved by the United States Food and Drug Administration as nicotine
675			replacement therapy.
676		(b)	"Alternative nicotine product" includes:
677			(i) pure nicotine;
678			(ii) snortable nicotine;
679			(iii) dissolvable salts, orbs, pellets, sticks, or strips; and
680			(iv) nicotine-laced food and beverage.
681		(c)	"Alternative nicotine product" does not include a fruit, a vegetable, or a tea that
682			contains naturally occurring nicotine.
683	(2)	"Ci	gar" means a product that contains nicotine, is intended to be burned under ordinary
684		cor	nditions of use, and consists of any roll of tobacco wrapped in leaf tobacco, or in any
685		sub	stance containing tobacco, other than any roll of tobacco that is a cigarette.
686	(3)	"Ci	garette" means a product that contains nicotine, is intended to be heated or burned
687		uno	der ordinary conditions of use, and consists of:
688		(a)	any roll of tobacco wrapped in paper or in any substance not containing tobacco; or
689		(b)	any roll of tobacco wrapped in any substance containing tobacco which, because of
690			its appearance, the type of tobacco used in the filler, or its packaging and labeling, is
691			likely to be offered to, or purchased by, consumers as a cigarette described in
692			Subsection (3)(a).
693	(4)	(a)	"Electronic cigarette" means:
694			(i) any electronic oral device:
695			(A) that provides an aerosol or a vapor of nicotine or other substance; and
696			(B) which simulates smoking through the use or inhalation of the device;
697			(ii) a component of the device described in Subsection (4)(a)(i); or
698			(iii) an accessory sold in the same package as the device described in Subsection
699			(4)(a)(i).
700		(b)	"Electronic cigarette" includes an oral device that is:
701			(i) composed of a heating element, battery, or electronic circuit; and
702			(ii) marketed, manufactured, distributed, or sold as:
703			(A) an e-cigarette;
704			(B) an e-cigar;
705			(C) an e-pipe; or
706			(D) any other product name or descriptor, if the function of the product meets the
707			definition of Subsection (4)(a).

708 (c) "Electronic cigarette" does not mean a medical cannabis device, as that term is 709 defined in Section 26B-4-201. 710 (5) "Electronic cigarette product" means an electronic cigarette, an electronic cigarette 711 substance, or a prefilled electronic cigarette. 712 (6) "Electronic cigarette substance" means any substance, including liquid containing 713 nicotine, used or intended for use in an electronic cigarette. 714 (7) (a) "Flavored electronic cigarette product" means an electronic cigarette product that 715 has a taste or smell that is distinguishable by an ordinary consumer either before or 716 during use or consumption of the electronic cigarette product. 717 (b) "Flavored electronic cigarette product" includes an electronic cigarette product that is 718 <u>labeled as, or</u> has a taste or smell of any fruit, chocolate, vanilla, honey, candy, 719 cocoa, dessert, alcoholic beverage, herb, [-or] spice, or mint. 720 (c) "Flavored electronic cigarette product" does not include an electronic cigarette 721 product that[:] has a taste or smell of only tobacco or menthol. 722 [(i) has a taste or smell of only tobacco, mint, or menthol; or] 723 (ii) has been approved by an order granting a premarket tobacco product application 724 of the electronic eigarette product by the United States Food and Drug 725 Administration under 21 U.S.C. Sec. 387i(e)(1)(A)(i). 726 (8) "Nicotine" means a poisonous, nitrogen containing chemical that is made synthetically 727 or derived from tobacco or other plants. 728 (9) "Nicotine product" means an alternative nicotine product or a nontherapeutic nicotine 729 product. 730 (10) (a) "Nontherapeutic nicotine device" means a device that: 731 (i) has a pressurized canister that is used to administer nicotine to the user through 732 inhalation or intranasally: 733 (ii) is not purchased with a prescription from a licensed physician; and 734 (iii) is not approved by the United States Food and Drug Administration as nicotine 735 replacement therapy. 736 (b) "Nontherapeutic nicotine device" includes a nontherapeutic nicotine inhaler or a 737 nontherapeutic nicotine nasal spray. 738 (11) "Nontherapeutic nicotine device substance" means a substance that:

(c) is not purchased with a prescription from a licensed physician; and

(b) is sold in a cartridge for use in a nontherapeutic nicotine device;

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(a) contains nicotine;

742 (d) is not approved by the United States Food and Drug Administration as nicotine 743 replacement therapy.

- 744 (12) "Nontherapeutic nicotine product" means a nontherapeutic nicotine device, a
- nontherapeutic nicotine device substance, or a prefilled nontherapeutic nicotine device.
- 746 (13) "Place of business" includes:
- 747 (a) a shop;
- 748 (b) a store;
- 749 (c) a factory;
- 750 (d) a public garage;
- 751 (e) an office;
- 752 (f) a theater;
- 753 (g) a recreation hall;
- (h) a dance hall;
- 755 (i) a poolroom;
- 756 (j) a cafe;
- 757 (k) a cafeteria;
- 758 (1) a cabaret;
- 759 (m) a restaurant;
- 760 (n) a hotel;
- 761 (o) a lodging house;
- 762 (p) a streetcar;
- 763 (q) a bus;
- (r) an interurban or railway passenger coach;
- 765 (s) a waiting room; and
- 766 (t) any other place of business.
- 767 (14) "Prefilled electronic cigarette" means an electronic cigarette that is sold prefilled with 768 an electronic cigarette substance.
- 769 (15) "Prefilled nontherapeutic nicotine device" means a nontherapeutic nicotine device that is sold prefilled with a nontherapeutic nicotine device substance.
- 771 (16) "Premarket authorized or pending electronic cigarette product" means an electronic cigarette product that:
- (a) (i) has been approved by an order granting a premarket tobacco product
- application of the electronic cigarette product by the United States Food and Drug
- Administration under 21 U.S.C. Sec. 387j(c)(1)(A)(i); or

//6	(11) (A) was marketed in the United States on or before August 8, 2016;
777	(B) the manufacturer submitted a premarket tobacco product application for the
778	electronic cigarette product to the United States Food and Drug Administration
779	under 21 U.S.C. Sec. 387j on or before September 9, 2020; and
780	(C) has an application described in Subsection (16)(b)(ii) that either remains under
781	review by the United States Food and Drug Administration or a final decision
782	on the application has not taken effect; and
783	(b) does not exceed:
784	(i) 4.0% nicotine by weight per container; or
785	(ii) a nicotine concentration of 40 milligrams per milliliter.
786	[(16)] (17) "Retail tobacco specialty business" means the same as that term is defined in
787	Section 26B-7-501.
788	[(17)] (18) "Smoking" means the possession of any lighted cigar, cigarette, pipe, or other
789	lighted smoking equipment.
790	[(18)] (19) (a) "Tobacco paraphernalia" means equipment, product, or material of any
791	kind that is used, intended for use, or designed for use to package, repackage, store,
792	contain, conceal, ingest, inhale, or otherwise introduce a tobacco product, an
793	electronic cigarette substance, or a nontherapeutic nicotine device substance into the
794	human body.
795	(b) "Tobacco paraphernalia" includes:
796	(i) metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without
797	screens, permanent screens, hashish heads, or punctured metal bowls;
798	(ii) water pipes;
799	(iii) carburetion tubes and devices;
800	(iv) smoking and carburetion masks;
801	(v) roach clips, meaning objects used to hold burning material, such as a cigarette,
802	that has become too small or too short to be held in the hand;
803	(vi) chamber pipes;
804	(vii) carburetor pipes;
805	(viii) electric pipes;
806	(ix) air-driven pipes;
807	(x) chillums;
808	(xi) bongs; and
809	(xii) ice pipes or chillers.

810	(c) "Tobacco paraphernalia" does not include matches or lighters.
811	[(19)] (20) "Tobacco product" means:
812	(a) a cigar;
813	(b) a cigarette; or
814	(c) tobacco in any form, including:
815	(i) chewing tobacco; and
816	(ii) any substitute for tobacco, including flavoring or additives to tobacco.
817	[(20)] <u>(21)</u> "Tobacco retailer" means:
818	(a) a general tobacco retailer, as that term is defined in Section 26B-7-501; or
819	(b) a retail tobacco specialty business.
820	Section 8. Section 76-10-113 is amended to read:
821	76-10-113. Prohibition on distribution of flavored electronic cigarette products
822	Prohibition of electronic cigarette products without federal authorization.
823	(1) [H] Subject to Subsection (2), it is unlawful for a tobacco retailer that is not a retail
824	tobacco specialty business to give, distribute, sell, offer for sale, or furnish a flavored
825	electronic eigarette product to any person.
826	(2) Notwithstanding Subsection (1), and beginning on January 1, 2025, it is unlawful for a
827	person to give, distribute, sell, offer for sale, or furnish to any person a flavored
828	electronic cigarette product.
829	(3) Beginning on January 1, 2025, it is unlawful for a person to give, distribute, sell, offer
830	for sale, or furnish to any person an electronic cigarette product that is not a premarket
831	authorized or pending electronic cigarette product.
832	[(2)] (4) An individual who violates this section is guilty of:
833	(a) a class C misdemeanor for the first offense; and
834	(b) a class B misdemeanor for any subsequent offense.
835	Section 9. Effective date.
836	This bill takes effect on July 1, 2024.