- 1 HB273
- 2 211573-4
- 3 By Representatives Drummond, Howard, Bracy, Coleman, Wood (D)
- 4 and Faulkner
- 5 RFD: Judiciary
- 6 First Read: 02-FEB-21

1	ENGROSSED
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4 A BILL

5 TO BE ENTITLED

6 AN ACT

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Relating to tobacco products and electronic nicotine delivery systems and products; to amend Sections 13A-12-3, 13A-12-3.1, 28-11-2, 28-11-4, 28-11-11, and 28-11-13, as last amended by Act 2019-233, 2019 Regular Session, and Sections 28-11-1, 28-11-3, 28-11-5, 28-11-6.1, 28-11-6.2, 28-11-14, 28-11-15, 28-11-16, and 28-11-18, Code of Alabama 1975; and to add Sections 28-11-17.1 and 28-11-20 to the Code of Alabama 1975; to raise the minimum age for legal possession, transportation, and purchase of tobacco products, electronic nicotine delivery systems, and alternative nicotine products; to prohibit the advertisement of tobacco products, electronic nicotine delivery systems, or alternative nicotine products in certain print or electronic media; to prohibit manufacturers or retailers of tobacco products, electronic nicotine delivery systems, or alternative nicotine products from sponsoring, financing, or advertising under certain conditions and at certain locations; to require retailers offering electronic nicotine delivery systems for sale to place signs in a prominent area near the point of sale containing certain statements; to prohibit the sale of alternative nicotine

products or electronic nicotine delivery systems in vending machines unless entry to the facility is restricted to certain individuals; require manufacturers of e-liquids and alternative nicotine products to make certain representations to the Commissioner of the Department of Revenue regarding those products; to require the Commissioner of the Department of Revenue to maintain a directory listing manufacturers of e-liquids and alternative nicotine products that have sufficiently made certain representations; to provide authority to the Commissioner of the Department of Revenue to take additional actions in conformity with its provisions; to require the Department of Mental Health to ensure compliance with certain federal laws; and to authorize civil penalties for violations.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 13A-12-3 and 13A-12-3.1, Code of Alabama 1975, as last amended by Act 2019-233, 2019 Regular Session, are amended to read as follows:

"\$13A-12-3.

"Any person who sells, barters, exchanges, or gives to any minor individual under the age of 21 years any tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product, on conviction, shall be fined not less than one hundred dollars (\$100) nor more than three hundred dollars (\$300) and may also be imprisoned in the county jail for not more than 30 days.

"\$13A-12-3.1.

- "For purposes of this article, the following terms shall have the following meanings:
- 3 "(1) ALTERNATIVE NICOTINE PRODUCT. The same meaning 4 as in Section 28-11-2.
- 5 "(2) BOARD. The same meaning as in Section 28-11-2.
- "(3) BRAND STYLE. A variety of cigarettes
 distinguished by the tobacco used, tar and nicotine content,
 flavoring used, size of cigarette, filtration on the
 cigarette, or packaging.
- "(4) CLEAR AND CONSPICUOUS STATEMENT. A statement
 that is of sufficient type size to be clearly readable by the
 recipient of the communication.
 - "(5) COMMISSIONER. The Commissioner of the Alabama Department of Revenue.

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- "(6) CONSUMER. An individual who acquires or seeks to acquire cigarettes, or any one or more articles taxed herein, for personal use.
 - "(7) DELIVERY SALE. Any sale of cigarettes to a consumer within this state, regardless of whether the seller is located in this state, where either of the following is true:
 - "a. The purchaser submits the order for such sale by means of a telephonic or other method of voice transmission, the mails or any other delivery service, facsimile transmission, or the Internet or other online service.
- 26 "b. The cigarettes are delivered by use of the mails 27 or other delivery service.

"(8) DELIVERY SALE OF ELECTRONIC NICOTINE DELIVERY

SYSTEMS OR ALTERNATIVE NICOTINE PRODUCTS. Any sale of

electronic nicotine delivery systems or alternative nicotine

products to a consumer in this state, regardless of whether

the seller is located in this state, where either of the

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following is true:

- "a. The purchaser submits the order for the sale by means of a telephonic or other method of voice transmission, the mails or any other delivery service, facsimile transmission, or the Internet or other online service.
 - "b. The electronic nicotine delivery systems or alternative nicotine products are delivered by use of the mails or other delivery service.
 - "(9) DELIVERY SALES STATUTES. Those provisions contained within Sections 13A-12-3.2, 13A-12-3.3, 13A-12-3.4, 13A-12-3.5, 13A-12-3.6, and 13A-12-3.7.
 - "(10) DELIVERY SERVICE. Any person, other than a person who makes a delivery sale, who delivers to the consumer the cigarettes sold in a delivery sale.
 - "(11) DEPARTMENT. The Alabama Department of Revenue.
- "(12) ELECTRONIC NICOTINE DELIVERY SYSTEM. The same
 meaning as in Section 28-11-2.
 - "(13) GOVERNMENT-ISSUED IDENTIFICATION. A state driver's license, state identification card, passport, a military identification, or an official naturalization or immigration document, including an alien registration recipient card or green card, or an immigrant visa.

1 "(14) LEGAL MINIMUM AGE. 19 21 years of age.

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- 2 "(15) LIQUID NICOTINE CONTAINER. The same meaning as 3 in Section 28-11-2.
 - "(16) MAILS or MAILING. The shipment of cigarettes through the United States Postal Service.
 - "(17) OUT-OF-STATE SALE. A sale of cigarettes to a consumer located outside of this state where the consumer submits the order for such sale by means of a telephonic or other method of voice transmission, the mails or any other delivery service, facsimile transmission, or the Internet or other online service, and where the cigarettes are delivered by use of the mails or other delivery service.
 - "(18) PERSON. Any individual, corporation, partnership, limited liability company, association, or other organization that engages in any for-profit or not-for-profit activities.
 - "(19) SHIPPING DOCUMENTS. Bills of lading, air bills, or any other documents used to evidence the undertaking by a delivery service to deliver letters, packages, or other containers.
 - "(20) SHIPPING PACKAGE. A container in which packs or cartons of cigarettes are shipped in connection with a delivery sale.
 - "(21) STAMP or STAMPS. The stamp or stamps by the use of which the tax levied under this article is paid and shall be designated Alabama Revenue Stamps.

"(22) WITHIN THIS STATE. Within the exterior limits 1 2 of the State of Alabama. Section 2. Section 28-11-1 Code of Alabama 1975, 3 Section 28-11-2, Code of Alabama 1975, as last amended by Act 4 5 2019-233, and Section 28-11-3, Code of Alabama 1975, are amended to read as follows: 6 7 "\$28-11-1. 8 "It is the intent of the Legislature to prohibit 9 access to tobacco and, tobacco products by minors, alternative 10 nicotine products, and electronic nicotine delivery systems to individuals under the age of 21 years and thereby prevent all 11 12 of the following: 13 "(1) The possibility of addiction to tobacco or, 14 tobacco products by minors, alternative nicotine products, and 15 electronic nicotine delivery systems by individuals under the 16 age of 21 years. 17 "(2) Potential health problems associated with the 18 use of tobacco or, tobacco products, alternative nicotine products, and electronic nicotine delivery systems. 19 20 "(3) The failure by this state to comply with 21 federal guidelines or grant funding requirements, when 22 applicable, which relate to the establishment by the state of 23 programs and policies dealing with the sale of tobacco or,

26 "\$28-11-2.

electronic nicotine delivery systems.

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tobacco products to minors, alternative nicotine products, and

1	"For purposes of this chapter, the following terms
2	have the following meanings unless the context clearly
3	indicates otherwise:
4	"(1) ALTERNATIVE NICOTINE PRODUCT. The term
5	alternative nicotine product includes any product that
6	consists of or contains nicotine that can be ingested into the
7	body by chewing, smoking, absorbing, dissolving, inhaling,
8	snorting, sniffing, or by any other means. The term does not
9	include a tobacco product, electronic nicotine delivery
10	system, or any product that has been approved by the United
11	States Food and Drug Administration for sale as a tobacco
12	cessation product or for other medical purposes and that is
13	being marketed and sold solely for that purpose.
14	"(2) BOARD. The Alabama Alcoholic Beverage Control
15	Board.
16	"(3) CHILD-RESISTANT PACKAGING. Liquid nicotine
17	container packaging meeting the requirements of 15 U.S.C.
18	§1472a.
19	"(4) COMMISSIONER. The Commissioner of the
20	Department of Revenue.
21	" $\frac{(4)}{(5)}$ DISTRIBUTION. To sell, barter, exchange, or
22	give tobacco or tobacco products for promotional purposes or
23	for gratis.

"(5)(6) ELECTRONIC NICOTINE DELIVERY SYSTEM. Any vaporizing electronic device that produces uses a battery and heating element in combination with an e-liquid or tobacco to produce a vapor that delivers nicotine or other substance to

the person individual inhaling from the device to simulate smoking, and includes, but is not limited to, products that may be offered to, purchased by, or marketed to consumers as an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, electronic hookah, vape pen, vape tool, vaping device, or any variation of these terms. The term also includes any liquid e-liquid intended to be vaporized in any device included in this subdivision, regardless of whether or not the liquid contains nicotine.

"(6)(7) ELECTRONIC NICOTINE DELIVERY SYSTEM

RETAILER. Any retail business which offers for sale electronic nicotine delivery systems.

"(8) E-LIQUID. A liquid that contains nicotine and may include flavorings or other ingredients that are intended for use in an electronic nicotine delivery system.

"(9) E-LIQUID MANUFACTURER. Any person who manufactures, fabricates, assembles, processes, mixes, prepares, labels, repacks, or relabels an e-liquid to be sealed in final packaging intended for consumer use. This term includes an owner of a brand or formula for an e-liquid who contracts with another person to complete the fabrication and assembly of the product to the brand or formula owner's standards.

" $\overline{(7)}$ (10) FDA. The United States Food and Drug Administration.

"(8) (11) LIQUID NICOTINE CONTAINER. A bottle or other container of a liquid product that is intended to be

vaporized and inhaled using an electronic nicotine delivery 1 2 system. The term does not include a container holding liquid that is intended for use in a vapor product if the container 3 is pre-filled and sealed by the manufacturer and is not 4 intended to be opened by the consumer.

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" $\frac{(9)}{(12)}$ (12) MINOR. Any person individual under the age of 19 years.

"(10)(13) PERSON. Any natural person, firm, partnership, association, company, corporation, or other entity. Person does not include a manufacturer or wholesaler of tobacco or tobacco products nor does it include employees of the permit holder.

"(11)(14) PROOF OF IDENTIFICATION. Any one or more of the following documents used for purposes of determining the age of a person an individual purchasing, attempting to purchase, or receiving tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products:

"a. A valid driver's license issued by any state and bearing the photograph of the presenting person individual.

"b. United States Uniform Service Identification.

"c. A valid passport.

"d. A valid identification card issued by any state agency for the purpose of identification and bearing the photograph and date of birth of the presenting individual.

"e. For legal mail order purposes only, a valid signed certification that will verify the individual is $\frac{19}{2}$ 21 years of age or older.

1	" (12) (15) RESPONSIBLE VENDOR PROGRAM. A program
2	administered by the board to encourage and support vendors in
3	training employees in legal and responsible sales practices.
4	" $\frac{(13)}{(16)}$ SAMPLER. Any business or person who
5	distributes tobacco or tobacco products for promotional
6	purposes.
7	" $\frac{(14)}{(17)}$ SELF-SERVICE DISPLAY. A display that
8	contains tobacco or tobacco products and is located in an area
9	openly accessible to purchasers at retail and from which such
10	the purchasers can readily access tobacco or tobacco products
11	without the assistance of the tobacco permit holder or an
12	employee of the permit holder. A display case that holds
13	tobacco or tobacco products behind locked doors does not
14	constitute a self-service display.
15	"(15)(18) SPECIALTY RETAILER OF ELECTRONIC NICOTINE
16	DELIVERY SYSTEMS. A business establishment at which any of the
17	following are true:
18	"a. The sale of electronic nicotine delivery systems
19	accounts for more than 35 percent of the total quarterly gross
20	receipts for the establishment.
21	"b. Twenty percent or more of the public retail
22	floor space is allocated for the offering, displaying, or
23	storage of electronic nicotine delivery systems.
24	"c. Twenty percent or more of the total shelf space,
25	including retail floor shelf space and shelf space in areas

accessible only to employees, is allocated for the offering,

1	displaying, or storage of electronic nicotine delivery
2	systems.
3	"d. The retail space features a self-service display
4	for electronic nicotine delivery systems.
5	"e. Samples of electronic nicotine delivery systems
6	are offered to customers.
7	"f. Liquids intended to be vaporized through the use
8	of an electronic nicotine delivery system are produced at the
9	facility or are produced by the owner of the establishment or
10	any of its agents or employees for sale at the establishment.
11	"(16) TOBACCO or TOBACCO PRODUCTS. Tobacco or any
12	product containing tobacco, including, but not limited to, the
13	following:
14	" a. Cigarettes.
15	" b. Cigars.
16	" c. Chewing tobacco.
17	"d. Snuff.
18	" e. Pipe tobacco.
19	"f. Smokeless tobacco.
20	"(19) TOBACCO or TOBACCO PRODUCT. Any product made
21	or derived from tobacco that is intended for human
22	consumption, including any component, part, or accessory of a
23	tobacco product, except for raw materials other than tobacco
24	used in manufacturing a component, part, or accessory of a
25	tobacco product, but does not include an article that is a
26	drug under Section 201(g)(1) of the Federal Food, Drug, and

Cosmetic Act, a device under Section 201(h) of the Federal

Food, Drug, and Cosmetic Act, or a combination product

described in Section 503(g) of the Federal Food, Drug, and

Cosmetic Act.

"(17)(20) TOBACCO PERMIT. A permit issued by the board to allow the permit holder to engage in the distribution of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products at the location identified in the permit.

"(18)(21) TOBACCO SPECIALTY STORE. A business that derives at least 75 percent of its revenue from tobacco or tobacco products.

"\$28-11-3.

"The board, in conjunction with federal, state, and local law enforcement agencies, shall enforce state and federal laws that prohibit the distribution of tobacco, or tobacco products, alternative nicotine products, and electronic nicotine delivery systems to minors individuals under the age of 21 years. Notwithstanding the foregoing, for purposes of inspections and enforcement actions undertaken pursuant to this section, minors individuals under the age of 21 years may be enlisted to attempt to purchase or purchase tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems, provided that such persons individuals under the age of 18 years shall have the prior written consent of a parent or legal guardian, and provided further that such the persons individuals shall be directly supervised during the conduct of each inspection or

enforcement action by an enforcement agent of the board, or by 2 a sheriff or head of police of any county, city, town or other political subdivision, or by a deputy or officer thereof. No 3 minor individual under the age of 21 years may misrepresent 4 5 his or her age for the purpose of purchasing or attempting to purchase tobacco, tobacco products, alternative nicotine 6 7 products, or electronic nicotine delivery systems. If questioned about his or her age during an attempt to purchase 8 9 or receive tobacco, tobacco products, alternative nicotine 10 products, or electronic nicotine delivery systems, a minor an individual under the age of 21 years shall state his or her 11 12 true age. A photograph or video recording of any minor 13 individual under the age of 21 years assisting in an inspection or enforcement action shall be taken prior to the 14 15 investigation. The appearance of a minor an individual under the age of 21 years participating in an inspection or 16 enforcement action shall not be altered at the time of the 17 18 inspection. The minor shall be under the age of 18. Section 3. Section 28-11-4, Code of Alabama 1975, as 19 20 last amended by Act 2019-233, 2019 Regular Session, is amended 21 to read as follows:

22 "\$28-11-4.

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"Pursuant to its rulemaking authority, the board shall adopt rules that have the full force and effect of law, for purposes of the following:

- "(1) Establishing permits for the distribution of tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products.
 - "(2) Preventing the distribution of tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products to minors individuals under the age of 21 years.
 - "(3) Conducting annual random compliance tests to assure compliance with applicable state and federal laws and guidelines regarding the distribution of tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products. The tests involving any person or location engaged in the distribution of tobacco may utilize minors individuals under the age of 21 years.

Section 4. Sections 28-11-5, 28-11-6.1, and 28-11-6.2, Code of Alabama 1975, are amended to read as follows:

18 "\$28-11-5.

"The board may use funding, if available, from the Department of Mental Health, other state or federal agencies, grants, and private or public organizations to enforce this chapter and to provide and distribute tobacco and nicotine prevention materials to retail tobacco merchants and specialty retailers of electronic nicotine delivery systems. The materials shall provide information regarding state and federal laws that prohibit access to tobacco, or tobacco products, alternative nicotine products, and electronic

1 nicotine delivery systems by minors individuals under the age 2 of 21 years and other appropriate information. The board may also provide consultation services for establishing programs 3 to minimize or eliminate sales of $tobacco_L$ or tobacco4 products, alternative nicotine products, and electronic nicotine delivery systems to minors individuals under the age 7 of 21 years pursuant to the responsible vendor program.

"\$28-11-6.1.

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- "(a) No tobacco, or tobacco product, alternative nicotine product, or electronic nicotine delivery system shall be distributed by use of a vending machine unless such the machine:
- "(1) Is located in an area in which minors individuals under the age of 21 years are not permitted access; or
- "(2) Dispenses tobacco, or tobacco products, alternative nicotine products, or electronic nicotine delivery systems through the operation of a device that requires the tobacco permit holder or an employee of the permit holder to control the distribution of the product.
- "(b) No tobacco, or tobacco product, alternative nicotine product, or electronic nicotine delivery system shall be distributed at retail by use of a vending machine if the tobacco or tobacco product is placed together with any non-tobacco product or non-nicotine product, other than matches, in the machine.

"\$28-11-6.2. 27

"No tobacco, or tobacco product, alternative

nicotine product, or electronic nicotine delivery system shall

be distributed at retail through a self-service display unless

the display is a vending machine as permitted under

Section 28-11-6.1 or is located in a tobacco specialty store

or at a specialty retailer of electronic nicotine delivery

systems.

Section 5. Sections 28-11-11 and 28-11-13, Code of Alabama 1975, as last amended by Act 2019-233, 2019 Regular Session, are amended to read as follows:

"\$28-11-11.

"The board shall issue an annual report to the Governor, the Legislature, and the Attorney General concerning compliance by state retail merchants with this chapter. The report shall contain all of the following:

- "(1) The total number of retail distributors of tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products categorized by type of retail outlet.
- "(2) The number of citations reported to the board, categorized by type of retail outlet.
- "(3) The total number of successful compliance checks, categorized by type of retail outlet.
- "(4) The extent and nature of organized educational and government activities intended to promote, encourage, or otherwise secure compliance with state and federal laws prohibiting the sale or distribution of tobacco, tobacco

products, alternative nicotine products, and electronic

nicotine delivery systems to minors individuals under the age

of 21 years.

- "(5) Information as to the level of access and availability of tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems to minors individuals under the age of 21 years.
- "(6) Noted impediments to implementation of this chapter, as well as recommendations for alleviating the same. \$28-11-13.
- "(a) It is unlawful for any minor individual under the age of 21 years to purchase, use, possess, or transport tobacco, a tobacco product, an electronic nicotine delivery system, or an alternative nicotine product within this state. It shall not be unlawful for a minor an individual under the age of 21 years who is an employee of a tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product permit holder to handle, transport, or sell tobacco, a tobacco product, an electronic nicotine delivery system, or an alternative tobacco product if the minor employee is acting within the line and scope of employment and the permit holder, or an employee of the permit holder who is 21 years of age or older, is present.
- "(b) It is unlawful for any minor individual under the age of 21 years to present or offer to another person proof of identification which is false, fraudulent, or not actually his or her own proof of identification in order to

buy, receive, or otherwise obtain, or attempt to buy, receive, or otherwise obtain, any tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product.

"(c) If a minor is cited for any violation under this section, the citing agency shall notify a parent, legal guardian, or legal custodian of the minor unless the minor has been emancipated by court order or operation of law.

Section 6. Sections 28-11-14, 28-11-15, 28-11-16, and 28-11-18, Code of Alabama 1975, are amended to read as follows:

"§28-11-14.

"(a) Any tobacco, or tobacco product, alternative nicotine product, electronic nicotine delivery system, or false proof of identification found in the possession of a minor an individual under the age of 21 years is contraband and subject to seizure by law enforcement. Any minor individual under the age of 21 years violating Section 28-11-13 shall be issued a citation similar to a uniform nontraffic citation and shall be fined not less than ten dollars (\$10) nor more than fifty dollars (\$50) for each violation, and shall be assessed no other court costs or fees.

"(b) The minor shall not be required to pay any other court costs or fees. Any statute or law to the contrary notwithstanding, Notwithstanding any other provision of law, the disposition of any violation shall be within the jurisdiction of the district or municipal court and not the juvenile court. Violations shall not be considered criminal

1	offenses and shall be administratively adjudicated by the
2	district or municipal court.
3	"§28-11-15.
4	"Any person who distributes tobacco or tobacco
5	products within this state shall post conspicuously and keep
6	so posted at each location of distribution and vending
7	machines a sign that is placed in such a manner a way that it
8	is likely to be read by those seeking to purchase or obtain
9	tobacco or tobacco products. Each sign shall state that:
10	"(1) Alabama law strictly prohibits the purchase of
11	tobacco products by persons under the age of $\frac{19}{21}$ years.
12	"(2) Proof of age is required for the purchase of
13	tobacco products.
14	" §28-11-16.
15	"(a)(1) A retailer or manufacturer of electronic
16	nicotine delivery systems or alternative nicotine products may
17	not advertise an electronic nicotine delivery system or an
18	alternative nicotine product in any of the following ways:
19	"a. As a tobacco cessation product.
20	"b. As a healthier alternative to smoking.
21	"c. As available for purchase in any variety of
22	flavors other than tobacco, mint, or menthol on any outdoor
23	billboard.
24	"d. On any outdoor billboard located within 1,000
25	feet of any public or private K-12 school or public

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playground.

"(2) Paragraphs a. and b. of subdivision (1) are not applicable to products that have received an order from the FDA permitting the product to be marketed as a modified risk tobacco product, and are marketed in accordance with that order.

"(b) (1) A specialty retailer of electronic nicotine delivery systems or manufacturer of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products may not in any way sponsor, finance, or advertise a scholarship of any kind using the brand name of any tobacco product, alternative nicotine product, or electronic nicotine delivery system.

- "(2) A specialty retailer of electronic nicotine delivery systems or manufacturer of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products may not use the brand name of any tobacco product, alternative nicotine product, or electronic nicotine delivery system to advertise at or sponsor any stadium, concert, sporting event, or other public performance event for which individuals aged 21 years or older make up less than 85 percent of the total age demographic of performing participants.
- (3) A specialty retailer of electronic nicotine delivery systems or manufacturer of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products may not advertise a tobacco product, electronic nicotine delivery system, or alternative nicotine product in a

- newspaper, magazine, periodical, or other print or digital

 publication distributed in this state for which less than 85

 percent of the viewership or readership of the publication is

 made up of individuals 21 years of age or older as measured by

 competent and reliable survey evidence.
 - "(b) (c) (1) A violation of subsection (a) or subsection (b) shall result in a one hundred dollar (\$100) fine for the first occurrence.

- "(2) A second or subsequent violation of subsection

 (a) or subsection (b) shall result in a five hundred dollar

 (\$500) fine per occurrence.
 - "(3) Each day a violation of subsection (a) or subsection (b) persists shall constitute a separate and subsequent violation.
 - "(d) A retailer or manufacturer of tobacco, tobacco
 products, electronic nicotine delivery systems, or alternative
 nicotine products may not advertise, market, or offer for sale
 tobacco, a tobacco product, an electronic nicotine delivery
 system, or an alternative nicotine product in any of the
 following ways:
 - "(1) By using, in the labeling or design of the product, its packaging, or in its advertising or marketing materials, the terms "candy" or "candies," any variant of these words, or any other term referencing a type or brand of candy, including types or brands of candy that do not include the words "candy" or "candies" in their names or slogans.

1	"(2) By using, in the labeling or design of the
2	product, its packaging, or in its advertising or marketing
3	materials, the terms "cake" or "cakes" or "cupcake" or
4	"cupcakes" or "pie" or "pies," any variant of these words, or
5	any other term referencing a type or brand of cake, pastry, or
6	pie, including types or brands of cakes, pastries, or pies
7	that do not include the words "cake" or "cakes" or "cupcake"
8	or "cupcakes" or "pie" or "pies" in their names or slogans.
9	"(3) By using, in the labeling or design of the
10	product, its packaging, or in its advertising or marketing
11	materials, trade dress, trademarks, branding, or other related
12	imagery that imitates or replicates those of food brands or
13	other related products that are marketed to minors, including,
14	but not limited to, breakfast cereal, cookies, juice drinks,
15	soft drinks, frozen drinks, ice creams, sorbets, sherbets, and
16	frozen pops.
17	"(4) By using, in the labeling or design of the
18	product, its packaging, or in its advertising or marketing
19	materials, trade dress, trademarks, branding, or other related
20	imagery that depicts or signifies characters or symbols that
21	are known to appeal primarily to minors, including, but not
22	limited to, superheroes, comic book characters, video game
23	characters, television show characters, movie characters,
24	mythical creatures, unicorns, or that otherwise incorporates
25	related imagery or scenery.

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"§28-11-18.

1	"(a) All liquid nicotine containers offered for sale
2	that are intended to be vaporized in an electronic nicotine
3	delivery system shall be contained in child-resistant
4	packaging.
5	"(b) A specialty retailer of electronic nicotine
6	delivery systems shall display in a prominent area of the
7	retail store near the point of sale a sign which contains the
8	following statements:
9	"(1) "ALABAMA LAW STRICTLY PROHIBITS THE PURCHASE OF
10	ALTERNATIVE NICOTINE PRODUCTS AND ELECTRONIC NICOTINE DELIVERY
11	SYSTEMS BY PERSONS UNDER THE AGE OF 21 YEARS."
12	"(1)(2) "THE USE OF SOME VAPING DEVICES MAY INCREASE
13	YOUR RISK OF EXPOSURE TO POTENTIALLY TOXIC LEVELS OF HEAVY
14	METALS SUCH AS LEAD, CHROMIUM, AND NICKEL."
15	" (2) (3) "WARNING: <u>VAPING</u> PRODUCTS OFFERED FOR SALE
16	IN THIS STORE CONTAIN NICOTINE UNLESS OTHERWISE MARKED.
17	NICOTINE IS A HIGHLY ADDICTIVE CHEMICAL WHICH CAN HARM BRAIN
18	DEVELOPMENT IN CHILDREN AND ADOLESCENTS AND WHICH POSES
19	SERIOUS HEALTH RISKS TO PREGNANT WOMEN AND THEIR BABIES."
20	Section 7. Section 28-11-17.1 is added to the Code
21	of Alabama 1975, to read as follows:
22	§28-11-17.1.
23	(a)(1) Beginning March 1, 2022, or other date not
24	more than 30 days following a premarket tobacco application

more than 30 days following a premarket tobacco application submission deadline issued by the FDA, whichever is later, every e-liquid manufacturer and manufacturer of alternative nicotine products whose products are sold in this state,

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whether directly or through a distributor, retailer, or
similar intermediary or intermediaries, shall execute and
deliver on a form prescribed by the commissioner, a
certification to the commissioner certifying, under penalty of
perjury, either of the following:

- a. The product was on the market in the United States as of August 8, 2016, and the manufacturer has applied for a marketing order pursuant to 21 U.S.C. §387j for the e-liquid, e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is applicable, by submitting a premarket tobacco product application on or before September 9, 2020, to the FDA; and either of the following is true:
- 1. The premarket tobacco product application for the product remains under review by the FDA.
- 2. The FDA has issued a no marketing order for the e-liquid, e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is applicable, from the FDA; however, the agency or a federal court has issued a stay order or injunction during the pendency of the manufacturer's appeal of the no marketing order.
- b. The manufacturer has received a marketing order or other authorization under 21 U.S.C. §387j for the e-liquid, e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is applicable, from the FDA.

(2) In addition to the requirements in subdivision

(1), each manufacturer shall provide a copy of the cover page

of the premarket tobacco application with evidence of receipt

of the application by the FDA or a copy of the cover page of

the marketing order or other authorization issued pursuant to

21 U.S.C. §387j, whichever is applicable.

- (b) Any manufacturer submitting a certification pursuant to subsection (a) shall notify the commissioner within 30 days of any material change to the certification, including issuance by the FDA of any of the following:
- (1) A market order or other authorization pursuant to 21 U.S.C. §387j.
- (2) An order requiring a manufacturer to remove a product from the market either temporarily or permanently.
- (3) Any notice of action taken by the FDA affecting the ability of the new product to be introduced or delivered into interstate commerce for commercial distribution.
- (4) Any change in policy that results in a product no longer being exempt from federal enforcement oversight.
- (c) The commissioner shall develop and maintain a directory listing all e-liquid manufacturers and manufacturers of alternative nicotine products that have provided certifications that comply with subsection (a) and all products that are listed in those certifications.
 - (d) The commissioner shall do all of the following:
- (1) Make the directory available for public inspection on its website by October 1, 2021 May 1, 2022.

(2) Update the directory as necessary in order to correct mistakes and to add or remove e-liquid manufacturers, manufacturers of alternative nicotine products, or products manufactured by those manufacturers consistent with the requirements of subsections (a) and (b) on a monthly basis.

- (3) Send monthly notifications to each wholesaler, jobber, semijobber, retailer, importer, or distributor of tobacco products that have qualified or registered with the Department of Revenue, by electronic communication, containing a list of all changes that have been made to the directory in the previous month. In lieu of sending monthly notifications, the commissioner may make the information available in a prominent place on the Department of Revenue's public website.
- (4) Information required to be listed in the directory shall not be subject to the confidentiality and disclosure provisions in Section 40-2A-10, Code of Alabama 1975.
- (e) Notwithstanding subsection (a), if an e-liquid manufacturer or manufacturer of alternative nicotine products can demonstrate to the commissioner that the FDA has issued a rule, guidance, or any other formal statement that temporarily exempts a product from the federal premarket tobacco application requirements, the product may be added to the directory upon request by the manufacturer if the manufacturer provides sufficient evidence that the product is compliant with the federal rule, guidance, or other formal statement, as applicable.

(f) Each certifying e-liquid manufacturer and 1 2 manufacturer of alternative nicotine products shall pay an initial fee of two thousand dollars (\$2,000) to offset the 3 costs incurred by the department for processing the 4 5 certifications and operating the directory. The commissioner shall collect an annual renewal fee of five hundred dollars 7 (\$500) to offset the costs associated with maintaining the directory and satisfying the requirements of this section. The 8 9 fees received under this section by the department shall be 10 used by the department exclusively for processing the certifications and operating and maintaining the directory. 11 12 After the payment of these expenses, two-thirds of the 13 remaining funds shall be deposited into the General Fund, and the remaining one-third shall be distributed evenly to the 14 15 Alabama State Law Enforcement Agency and to the board.

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- (g) (1) Beginning October 1, 2021, May 1, 2022, or on the date that the Department of Revenue first makes the directory available for public inspection on its website as provided in subsection (d), whichever is later, an e-liquid manufacturer or manufacturer of alternative nicotine products who offers for sale a product not listed on the directory is subject to a one thousand dollars (\$1,000) daily fine for each product offered for sale in violation of this section until the offending product is removed from the market or until the offending product is properly listed on the directory.
- (2) Any other violation of this section shall result in a fine of five hundred dollars (\$500) per offense.

- (3) All fines collected pursuant to this subsection
- 2 (h) The commissioner shall adopt rules for the 3 implementation and enforcement of this section.

Section 8. Section 28-11-20 is added to the Code of Alabama 1975, to read as follows:

\$28-11-20.

- (a) The Department of Mental Health shall be responsible for ensuring that the state is in compliance with and satisfies all reporting and enforcement obligations of the United States Department of Health and Human Services (HHS) pursuant to 42 U.S.C. §300x-26, as amended, including, but not limited to, annually preparing and submitting to the Secretary of Health and Human Services a report, as required by federal law, describing all of the following:
- (1) The activities carried out by the Department of Mental Health in coordination with the Alabama State Law Enforcement Agency to ensure that tobacco retailers or specialty retailers of electronic nicotine delivery systems do not sell alternative nicotine products, tobacco products, or electronic nicotine delivery systems to individuals under the age of 21 years.
- (2) The extent of success the Department of Mental Health, in coordination with the Alabama State Law Enforcement Agency, has achieved in ensuring that retailers do not sell alternative nicotine products, tobacco products, or electronic nicotine delivery systems to individuals under the age of 21 years.

(3) The strategies utilized by the Department of Mental Health, in coordination with the Alabama State Law Enforcement Agency, to ensure that retailers do not sell alternative nicotine products, tobacco products, or electronic nicotine delivery systems to individuals under the age of 21.

- (b) In addition to the requirements listed in subsection (a), the Department of Mental Health shall adopt rules and act as necessary to satisfy the requirements of 42 U.S.C. §300x-26, as amended, and any rules adopted thereunder by the Secretary of Health and Human Services. Rules adopted pursuant to the authority delegated to the Department of Mental Health in this section shall be narrowly tailored to bring this state into compliance with federal law and shall comply with the requirements of the Administrative Procedure Act, Title 41, Chapter 22.
- (c) The Department of Mental Health is responsible for applying for transitional grant monies provided pursuant to 42 U.S.C. §300x-26, as amended, through the term of the transitional grants. Any transitional grant monies awarded to the state shall be used for the following purposes:
 - (1) To ensure compliance with subsection (a).
- (2) To further tobacco product, alternative nicotine product, or electronic nicotine delivery system cessation programs.
- (3) To further tobacco product, alternative nicotine product, or electronic nicotine delivery system education programs.

Section 9. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.

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3	House of Representatives
4 5 6 7	Read for the first time and referred to the House of Representatives committee on Judiciary 02-FEB-21
8 9 10	Read for the second time and placed on the calendar with 1 substitute and 11-MAR-21
12 13 14	Read for the third time and passed as amended
15 16 17 18	Jeff Woodard Clerk