The Senate Committee on Regulated Industries and Utilities offered the following substitute to SB 298:

A BILL TO BE ENTITLED AN ACT

1 To amend various titles of the Official Code of Georgia Annotated so as to provide 2 protections for and education to minors and other members of the public regarding smoking 3 and vaping; to amend Title 16 of the Official Code of Georgia Annotated, relating to crimes and offenses, so as to revise certain provisions relative to the sale to, or possession by, 4 5 minors of cigarettes, tobacco, tobacco related objects, alternative nicotine products, and 6 vapor products to include consumable vapor products that do not contain nicotine; to provide 7 for penalties; to amend Title 17 of the Official Code of Georgia Annotated, relating to 8 criminal procedure, so as to provide for arrest by the issuance of citations for certain 9 violations; to amend Title 20 of the Official Code of Georgia Annotated, relating to education, so as to require local boards of education to prescribe mandatory instruction and 10 11 a minimum course of study concerning the dangers of smoking and vaping; to provide for 12 the implementation of such course of study; to amend Title 10 of the Official Code of 13 Georgia Annotated, relating to commerce and trade, so as to revise a definition related to the 14 Master Settlement Agreement enhancements and to revise a cross-reference; to amend Title 15 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, so as to provide authority for the licenses currently issued by the state revenue commissioner to be 16 17 expanded in order to permit a license holder to manufacture, distribute, import, or sell 18 alternative nicotine products and consumable vapor products under certain conditions; to 19 provide for definitions; to require the state revenue commissioner to maintain certain 20 information; to revise certain provisions regarding licensing, fees, suspension, revocation, 21 and renewal; to revise certain provisions regarding penalties, procedures for hearings and 22 appeals, bonds, registration and inspection of vending machines, reports, appearances before 23 the commissioner, and inspections of certain records; to provide for powers and duties of special agents and enforcement officers; to provide for related matters; to provide for 24 25 effective dates; to repeal conflicting laws; and for other purposes.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

20 LC 36 4220S 27 PART I 28 **SECTION 1-1.** 29 Title 16 of the Official Code of Georgia Annotated, relating to crimes and offenses, is amended by revising Article 7 of Chapter 12, relating to sale or distribution to, or possession 30 31 by, minors of cigarettes and tobacco related objects, as follows: "ARTICLE 7 32 33 16-12-170. As used in this article, the term: 34 35 (1) 'Alternative nicotine product' means any noncombustible product containing nicotine 36 that is intended for human consumption, whether chewed, absorbed, dissolved, or 37 ingested by any other means. The term 'alternative nicotine product' Such term shall 38 include, but shall not be limited to, nicotine gel, pouches, and gum and dissolvable 39 nicotine strips, sticks, lozenges, and pellets. Such term shall not include any tobacco product, <u>consumable</u> vapor product, or any product regulated as a drug or device by the 40 41 United States Food and Drug Administration under Chapter V of the Food, Drug, and 42 Cosmetic Act. (2) 'Cigar wraps' means individual cigar wrappers, known as wraps, blunt wraps, or roll 43 44 your own cigar wraps, that consist in whole or in part of reconstituted tobacco leaf or 45 flavored tobacco leaf. 46 (3) 'Cigarette' means roll for smoking made wholly or in part of tobacco when the cover 47 of the roll is paper or any substance other than tobacco. 48 (4) 'Community service' means a public service which a minor might appropriately be 49 required to perform, as determined by the court, as punishment for certain offenses provided for in this article. 50 51 (5) 'Minor' means any person who is under the age of 18 years. 52 (4) 'Consumable vapor product' means any vapor liquid or vapor delivery system. 53 (6)(5) 'Person' means any natural person or any firm, partnership, company, corporation, 54 or other entity. (7)(6) 'Proper identification' means any document issued by a governmental agency 55 containing a description of the person, such person's photograph, or both, and giving such 56 person's date of birth and includes, without being limited to, a passport, military 57 58 identification card, driver's license, or an identification card authorized under Code 59 Sections 40-5-100 through 40-5-104. Proper identification Such term shall not include a birth certificate. 60

61 (8)(7) 'Tobacco product' means any cigars, little cigars, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff or snuff powder; cavendish; plug and 62 twist tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, 63 64 cuttings, and sweepings of tobacco; and other kinds and forms of tobacco, prepared in 65 such a manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking. Such term The term 'tobacco product' shall not include any 66 67 alternative nicotine product, <u>consumable</u> vapor product, or product regulated as a drug 68 or device by the United States Food and Drug Administration under Chapter V of the 69 Food, Drug, and Cosmetic Act.

(8) 'Tobacco product sample' means a cigarette, tobacco product, alternative nicotine
 product, or consumable vapor product distributed to members of the general public at no
 cost for purposes of promoting the product.

(9) 'Tobacco related objects' means any papers, wrappers, or other products, devices, or
substances, including cigar wraps, which are used for the purpose of making cigarettes
or tobacco products in any form whatsoever.

- 76 (10) 'Vapor product' means any noncombustible product containing nicotine that 77 employs a heating element, power source, electronic circuit, or other electronic, chemical, 78 or mechanical means, regardless of shape or size, that can be used to produce vapor from 79 nicotine in a solution or other form. The term 'vapor product' shall include any electronic 80 cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or 81 device and any vapor cartridge or other container of nicotine in a solution or other form 82 that is intended to be used with or in an electronic cigarette, electronic cigar, electronic 83 cigarillo, electronic pipe, or similar product or device. The term 'vapor product' shall not 84 include any product regulated as a drug or device by the United States Food and Drug 85 Administration under Chapter V of the Food, Drug, and Cosmetic Act.
- (10) 'Vapor delivery system' means any device developed or intended to deliver vapor
 liquid to an individual who inhales from the device. Such term shall include, but shall
 not be limited to, an electronic cigarette, electronic cigar, electronic pipe, vape pen, vape
 tool, hookah, or electronic hookah. Such term shall not include any fragrance or essential
 oil diffuser, air freshener, tobacco product, alternative nicotine product, or product
 regulated as a drug or device by the United States Food and Drug Administration under
 Chapter V of the Food, Drug, and Cosmetic Act.
- 93 (11) 'Vapor liquid' means any solution or other substance intended to be aerosolized or
 94 vaporized and inhaled by an individual, regardless of whether or not the substance
 95 contains nicotine. Such term shall include, but shall not be limited to, e-liquid, e-juice,
 96 vape juice, and cartridges that are prefilled with such a solution. Such term shall not
 97 include any perfume, potpourri, essential oil, tobacco product, alternative nicotine

LC 36 4220S

- product, or product regulated as a drug or device by the United States Food and Drug 98 99 Administration under Chapter V of the Food, Drug, and Cosmetic Act. 100 16-12-171. 101 (a)(1) It shall be unlawful for any person knowingly to: 102 (A) Sell or barter, directly or indirectly, any cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or vapor products to a minor; 103 104 (B) Purchase any cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or vapor products for any minor unless the minor for whom the 105 purchase is made is the child of the purchaser; or 106 107 (C) Advise, counsel, or compel any minor to smoke, inhale, chew, or use cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or vapor 108 109 products. 110 (2)(A) The prohibition contained in paragraph (1) of this subsection shall not apply with respect to sale of cigarettes, tobacco products, tobacco related objects, alternative 111 112 nicotine products, or vapor products by a person when such person has been furnished 113 with proper identification showing that the person to whom the cigarettes, tobacco 114 products, tobacco related objects, alternative nicotine products, or vapor products are 115 sold is 18 years of age or older. 116 (B) In any case where a reasonable or prudent person could reasonably be in doubt as 117 to whether or not the person to whom cigarettes, tobacco products, tobacco related 118 objects, alternative nicotine products, or vapor products are to be sold or otherwise furnished is actually 18 years of age or older, it shall be the duty of the person selling 119 120 or otherwise furnishing such cigarettes, tobacco products, tobacco related objects,
- 121 alternative nicotine products, or vapor products to request to see and to be furnished 122 with proper identification as provided for in subsection (b) of this Code section in order 123 to verify the age of such person. The failure to make such request and verification in any case where the person to whom the cigarettes, tobacco products, tobacco related 124 objects, alternative nicotine products, or vapor products are sold or otherwise furnished 125 126 is less than 18 years of age may be considered by the trier of fact in determining 127 whether the person selling or otherwise furnishing such cigarettes, tobacco products, 128 tobacco related objects, alternative nicotine products, or vapor products did so 129 knowingly.
- 130 (3) Any person who violates this subsection shall be guilty of a misdemeanor.
- 131 (b)(1) It shall be unlawful for any minor to:
- (A) Purchase, attempt to purchase, or possess for personal use any cigarettes, tobacco
 products, tobacco related objects, alternative nicotine products, or vapor products. This

- 4 -

- subparagraph shall not apply to possession of cigarettes, tobacco products, tobacco
 related objects, alternative nicotine products, or vapor products by a minor when a
 parent or guardian of such minor gives the cigarettes, tobacco products, tobacco related
 objects, alternative nicotine products, or vapor products to the minor and possession is
 in the home of the parent or guardian and such parent or guardian is present; or
- (B) Misrepresent such minor's identity or age or use any false identification for the
 purpose of purchasing or procuring any cigarettes, tobacco products, tobacco related
 objects, alternative nicotine products, or vapor products.
- 142 (2) A minor who commits an offense provided for in paragraph (1) of this subsection
 143 may be punished as follows:
- 144 (A) By requiring the performance of community service not exceeding 20 hours;
- (B) By requiring attendance at a publicly or privately sponsored lecture or discussion
 on the health hazards of smoking or tobacco use, provided such lecture or discussion
 is offered without charge to the minor; or
- 148 (C) By a combination of the punishments described in subparagraphs (A) and (B) of
 149 this paragraph.
- 150 (a) Except as otherwise authorized by law:
- (1) No person knowingly, directly or through another person, shall furnish, cause to be
 furnished, or permit any person in such person's employ to furnish any cigarettes, tobacco
 products, tobacco related objects, alternative nicotine products, consumable vapor
 products, or tobacco product samples to an individual under 21 years of age;
- 155 (2) No person shall knowingly allow an individual under 21 years of age to operate a
 156 vending machine that dispenses cigarettes, tobacco products, tobacco related objects,
 157 alternative nicotine products, or consumable vapor products;
- 158 (3) No person knowingly or intentionally shall act as an agent to purchase or acquire any
 159 cigarettes, tobacco products, tobacco related objects, alternative nicotine products,
 160 consumable vapor products, or tobacco product samples for or on behalf of an individual
 161 under 21 years of age;
- (4) No person shall distribute any tobacco product sample on any public street, sidewalk,
 or park within 500 feet of any school or playground when those facilities are being used
 primarily by individuals under 21 years of age;
- 165 (5) No individual under 21 years of age shall purchase, attempt to purchase, or
 166 knowingly possess any cigarettes, tobacco products, tobacco related objects, alternative
 167 nicotine products, or consumable vapor products;
- 168 (6) No individual under 21 years of age shall knowingly operate or make a purchase
 169 from, or attempt to operate or make a purchase from, a vending machine that dispenses

cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or
cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or
consumable vapor products; and
(7) No individual under 21 years of age shall misrepresent such individual's identity or
use false identification for the purpose of purchasing or obtaining any cigarettes, tobacco
products, tobacco related objects, alternative nicotine products, consumable vapor
products, or tobacco product samples.
(b) It shall be unlawful for any person to sell or otherwise furnish, or permit anyone in
such person's employ to sell or otherwise furnish, any cigarettes, tobacco products, tobacco
related objects, alternative nicotine products, consumable vapor products, or tobacco
product samples to an individual without requesting to see and being furnished with proper
identification in order to verify that the age of such individual is 21 years of age or older.
Failure to make such request and verification shall be a violation of this Code section and
may be punished as provided in Code Section 16-12-172 and additionally may be
considered by the trier of fact in determining whether the person selling or otherwise
furnishing such cigarettes, tobacco products, tobacco related objects, alternative nicotine
products, consumable vapor products, or tobacco product samples to an individual under
21 years of age did so knowingly.
(c) Any person licensed under Chapter 11 of Title 48, or any person acting on behalf of
a person licensed under Chapter 11 of Title 48, that upon requesting proper identification
pursuant to subsection (b) of this Code section from an individual attempting to purchase
or obtain cigarettes, tobacco products, tobacco related objects, alternative nicotine
products, consumable vapor products, or tobacco product samples is tendered as proper
identification a driver's license which indicates that such driver's license is falsified or is
not the driver's license of the individual presenting it or that such individual is under 21
years of age, the person to whom said license is tendered shall be authorized to either write

- 195down the name, address, and driver's license number or to seize and retain such driver's196license. In either event, such person shall immediately thereafter summon a law197enforcement officer who shall be authorized to seize the driver's license either at the scene198or at such time as the driver's license can be located. The procedures and rules connected199with the retention of such license by the law enforcement officer shall be the same as those200provided for the acceptance of a driver's license as bail on arrest for traffic offenses201pursuant to Code Section 17-6-11.
- 202 (d) Nothing contained in this Code section shall be construed to prohibit any individual
 203 under 21 years of age from:
- 204 (1) Dispensing, serving, selling, or handling cigarettes, tobacco products, tobacco related
 205 objects, alternative nicotine products, consumable vapor products, or tobacco product

206	samples as a part of employment in any location or place of business licensed under
207	Chapter 11 of Title 48:
208	(2) Being employed in any location or place of business licensed under Chapter 11 of
209	Title 48 for the manufacture of cigarettes, tobacco products, tobacco related objects,
210	alternative nicotine products, consumable vapor products, or tobacco related samples; or
211	(3) Taking orders for and having possession of cigarettes, tobacco products, tobacco
212	related objects, alternative nicotine products, consumable vapor products, or tobacco
213	product samples as a part of employment in any location or place of business licensed
214	under Chapter 11 of Title 48.
215	<u>16-12-172.</u>
216	(a) It is unlawful for any person to knowingly violate any prohibition contained in Code
217	Section 16-12-171, relating to the furnishing of cigarettes, tobacco products, tobacco
218	related objects, alternative nicotine products, consumable vapor products, or tobacco
219	product samples to an individual under 21 years of age.
220	(b) Any person convicted of violating any prohibition contained in paragraph (1), (2), (3),
221	or (4) of subsection (a) or in subsection (b) of Code Section 16-12-171 shall upon:
222	(1) The first conviction, be guilty of a misdemeanor; or
223	(2) The second or subsequent conviction, be guilty of a misdemeanor of a high and
224	aggravated nature.
225	(c) Any individual convicted of violating paragraph (5), (6), or (7) of subsection (a) of
226	Code Section 16-12-171 shall upon:
227	(1) The first conviction, be guilty of a misdemeanor and shall be punished by
228	imprisonment for not more than six months or a fine of not more than \$300.00, or both;
229	<u>or</u>
230	(2) The second or subsequent conviction, be guilty of a misdemeanor and shall be
231	punished by imprisonment for not more than 12 months or a fine of not more than
232	<u>\$1,000.00, or both.</u>
233	(d) When any individual who has not been previously convicted of any offense under this
234	Code section or any other law of the United States, this state, or any other state relating to
235	cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or
236	consumable vapor products pleads guilty to or is found guilty of a violation of
237	paragraph (5), (6), or (7) of subsection (a) of Code Section 16-12-171, the court, without
238	entering a judgment of guilt and with the consent of such individual, may defer further
239	proceedings and place such individual on probation upon such reasonable terms and
240	conditions as the court may require. The terms of probation shall require the individual to
241	undergo a comprehensive rehabilitation program, including, if necessary, medical

LC 36 4220S

242 treatment, not to exceed one year and designed to acquaint such individual with the ill effects of the use or abuse of cigarettes, tobacco products, tobacco related objects, 243 244 alternative nicotine products, and consumable vapor products and with knowledge of the 245 gains and benefits which can be achieved by being a good member of society. Upon violation of a term or condition of probation, the court may enter an adjudication of guilt 246 247 and proceed accordingly. Upon fulfillment of the terms and conditions of probation, the 248 court shall discharge the individual and dismiss the proceedings against such individual. 249 Discharge and dismissal under this subsection shall be without court adjudication of guilt 250 and shall not be deemed a conviction for purposes of this subsection or for purposes of 251 disqualifications or disabilities imposed by law upon conviction of a crime. Discharge and 252 dismissal under this subsection may occur only once with respect to any individual.

253 (e)(1) A law enforcement officer shall arrest by issuance of a citation pursuant to Code 254 Section 17-4-23 any person accused of violating paragraph (5), (6), or (7) of subsection (a) of Code Section 16-12-171. The citation shall enumerate the specific 255 256 charges against the individual and either the date upon which the individual is to appear 257 and answer the charges or a notation that the individual will be later notified of the date 258 upon which the individual is to appear and answer the charges. If the individual charged 259 shall fail to appear as required, the judge having jurisdiction of the offense may issue a 260 warrant or other order directing the apprehension of such individual and commanding that 261 such individual be brought before the court to answer the charges contained within the 262 citation and the charge of the individual's failure to appear as required. Nothing in this 263 paragraph shall be construed to restrict the discretion of the prosecuting attorney to use 264 a uniform traffic citation as the formal charging document.

(2) A law enforcement officer arresting a person by the issuance of a citation under
paragraph (1) of this subsection may require any such individual having a driver's license
or instruction permit to provide such license or permit to the arresting officer in order to
ensure the appearance of such person to answer the charges against the individual. The
procedures and rules connected with the acceptance of such license or permit and
subsequent disposition of the case shall be the same as provided for the acceptance of a
driver's license as bail on arrest for traffic offenses pursuant to Code Section 17-6-11.

- (f) Testimony by any individual under 21 years of age, when given in an administrative
 or judicial proceeding against another person for a violation of any provision of Code
 Section 16-12-171, shall not be used in any administrative or judicial proceedings brought
 against such testifying individual under 21 years of age.
- (g) Nothing in this Code section shall be construed to modify, amend, or supersede
 Chapter 11 of Title 15.

16-12-172 16-12-173.

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- (a) Any person owning or operating a place of business in which cigarettes, tobacco
 products, or tobacco related objects, alternative nicotine products, or consumable vapor
 products are sold or offered for sale shall post in a conspicuous place a sign which shall
 contain the following statement:
- 283 'SALE OF CIGARETTES, TOBACCO, TOBACCO PRODUCTS, TOBACCO
 284 RELATED OBJECTS, ALTERNATIVE NICOTINE PRODUCTS, OR <u>CONSUMABLE</u>
 285 VAPOR PRODUCTS TO PERSONS UNDER 18 <u>21</u> YEARS OF AGE IS PROHIBITED
 286 BY LAW.'
- 287 Such sign shall be printed in letters of at least one-half inch in height.
- (b) Any person who fails to comply with the requirements of subsection (a) convicted of
- 289 <u>a violation</u> of this Code section shall be guilty of a misdemeanor.
- $\frac{16-12-173}{16-12-174}.$

291 (a)(1) Any person who maintains in such person's place of business a vending machine 292 which dispenses cigarettes, tobacco products, tobacco related objects, alternative nicotine 293 products, or consumable vapor products shall place or cause to be placed in a 294 conspicuous place on such vending machine a sign containing the following statement: 295 'THE PURCHASE OF CIGARETTES, TOBACCO PRODUCTS, TOBACCO RELATED OBJECTS, ALTERNATIVE NICOTINE PRODUCTS, 296 OR 297 CONSUMABLE VAPOR PRODUCTS FROM THIS VENDING MACHINE BY 298 ANY PERSON UNDER 18 21 YEARS OF AGE IS PROHIBITED BY LAW.'

- (2) Any person who maintains in such person's place of business a vending machine
 which dispenses cigarettes, tobacco products, tobacco related objects, alternative nicotine
 products, or <u>consumable</u> vapor products shall not dispense any other type of product,
 other than matches, in such vending machine.
- 303 (b) Any person who fails to comply with the requirements of subsection (a) of this Code
 304 section shall be guilty of a misdemeanor; provided, however, for a first offense, the
 305 sentence shall be a fine not to exceed \$300.00.
- 306 (c) It shall be a violation of subsection (a) of Code Section 16-12-171 for any person
 307 knowingly to allow a minor to operate a vending machine which dispenses cigarettes,
 308 tobacco products, tobacco related objects, alternative nicotine products, or vapor products.
 309 (d) The offenses provided for by paragraph (1) of subsection (b) of Code Section
 310 16-12-171 shall apply to the operation by a minor of a vending machine which dispenses
 311 cigarettes, tobacco products, tobacco related objects, alternative nicotine products, or vapor
 312 products.

313 (e)(1)(b) The sale or offering for sale of cigarettes, tobacco products, tobacco related 314 objects, alternative nicotine products, or <u>consumable</u> vapor products from vending 315 machines shall not be permitted except:

- 316 (A)(1) In locations which are not readily accessible to minors, including, but not limited
 317 to:
- 318 (i)(A) Factories, businesses, offices, and other places which are not open to the general
 319 public;
- 320 (ii)(B) Places open to the general public which do not admit minors; and
- 321 (iii)(C) Places where alcoholic beverages are offered for sale;
- 322 (B)(2) In areas which are in the immediate vicinity, plain view, and under the continuous 323 supervision of the proprietor of the establishment or an employee who will observe the 324 purchase of cigarettes, tobacco products, tobacco related objects, alternative nicotine 325 products, and <u>consumable</u> vapor products from the vending machine; and
- (C)(3) In rest areas adjacent to roads and highways of the state.
- 327 (2) Violation of this subsection shall be punished as provided in subsection (b) of this
 328 Code section for violation of subsection (a) of this Code section.
- 329 (c) Any person convicted of a violation of this Code section shall be guilty of a
 330 misdemeanor; provided, however, that for a first offense, the punishment shall be a fine not
 331 to exceed \$300.00.

332 16-12-174.

- 333 (a) As used in this Code section, the term 'tobacco product sample' means a cigarette,
- tobacco product, alternative nicotine product, or vapor product distributed to members of
 the general public at no cost for purposes of promoting the product.
- (b) It shall be unlawful for any person to distribute any tobacco product sample to any
 person under the age of 18 years.
- 338 (c) A person distributing tobacco product samples shall require proof of age from a
 339 prospective recipient if an ordinary person would conclude on the basis of appearance that
 340 such prospective recipient may be under the age of 18 years.
- 341 (d) It shall be unlawful for any person who has not attained the age of 18 years to receive
 342 or attempt to receive any tobacco product sample.
- 343 (e) No person shall distribute tobacco product samples on any public street, sidewalk, or
- 344 park within 500 feet of any school or playground when those facilities are being used
- 345 primarily by persons under the age of 18 years.
- 346 (f) Violation of this Code section shall be punished as a misdemeanor.

LC 36 4220S

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16-12-175.

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(a) The provisions of this article, inclusive, shall be enforced through actions brought in
any court of competent jurisdiction by the prosecuting attorney for the county in which the
alleged violation occurred as well as through administrative citations issued by special
agents or enforcement officers of the state revenue commissioner. Any fine collected for
a violation of said provision shall be paid to the clerk of the court of the jurisdiction in
which the violation occurred. Upon receipt of a fine for any violation of said provision, the
clerk shall promptly notify the state revenue commissioner of the violation.

355 (b) The state revenue commissioner, acting through special agents or enforcement officers, 356 shall annually conduct random, unannounced inspections at locations where cigarettes, 357 tobacco products, alternative nicotine products, or consumable vapor products are sold or 358 distributed to ensure compliance with this article. <u>Individuals</u> Persons under the age of 18 359 <u>21</u> years of age may be enlisted to test compliance with this article; provided, however, that such persons individuals may be used to test compliance with this article only if the testing 360 361 is conducted under the direct supervision of such special agents or enforcement officers and 362 written parental consent for any individual under 18 years of age has been provided. Any 363 other use of persons individuals under the age of 18 21 years of age to test compliance with 364 this article or any other prohibition of like or similar import shall be unlawful and the 365 person or persons responsible for such use shall be subject to the penalties prescribed in 366 this article. The state revenue commissioner shall prepare annually for submission by the 367 Governor to the secretary of the United States Department of Health and Human Services 368 the report required by section 1926 of subpart I of part B of Title XIX of the federal Public 369 Health Service Act, 42 U.S.C. 300x-26.

370 16-12-176.

The state revenue commissioner shall administer and enforce this article and may make reasonable rules and regulations for its administration and enforcement. The state revenue commissioner may designate employees of the Department of Revenue for the purpose of administering and enforcing this article and may delegate to employees of such department any of the duties required of the state revenue commissioner pursuant to this article."

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SECTION 1-2.

Title 17 of the Official Code of Georgia Annotated, relating to criminal procedure, is amended by revising Code Section 17-4-23, relating to procedure for arrests by citation for motor vehicle violations, issuance of warrants for arrest for failure of persons charged to appear in court, and bond, as follows: 381 "17-4-23.

382 (a)(1) A law enforcement officer may arrest a person accused of violating any law or 383 ordinance enacted by local law governing the operation, licensing, registration, 384 maintenance, or inspection of motor vehicles, or violating paragraph (2), (3), or (5) of 385 subsection (a) of Code Section 3-3-23 or paragraph (5), (6), or (7) of subsection (a) of 386 <u>Code Section 16-12-171</u>, by the issuance of a citation, provided that such offense is 387 committed in his or her presence or information constituting a basis for such arrest was 388 received by the arresting officer from a law enforcement officer observing such offense 389 being committed, except that, when such offense results in an accident, an investigating 390 officer may issue citations regardless of whether the offense occurred in the presence of 391 a law enforcement officer.

392 (2) A law enforcement officer may arrest a person accused of any misdemeanor violation 393 of Code Section 16-7-21, 16-8-14, 16-8-14.1, or 16-13-30 by the issuance of a citation, 394 provided that such offense is committed in his or her presence or information constituting 395 a basis for such arrest was received by the arresting officer or an investigating officer 396 from another law enforcement officer or other individual observing or aware of such 397 offense being committed. When an arrest is made for such offense, prior to releasing the 398 accused on citation, the arresting law enforcement officer shall review the accused's 399 criminal record as such is on file with the Federal Bureau of Investigation and the 400 Georgia Crime Information Center within the Georgia Bureau of Investigation and ensure 401 that the accused's fingerprints are obtained.

- 402 (3) The arresting officer shall issue a citation to the accused which shall enumerate the 403 specific charges and the date upon which he or she is to appear and answer the charges 404 or a notation that he or she will be later notified of the date upon which he or she is to 405 appear and answer the charges. When an arresting officer makes an arrest concerning the 406 operation of a motor vehicle based on information received from another law 407 enforcement officer who observed the offense being committed, the citation shall list the 408 name of each officer and each officer must be present when the charges against the 409 accused are heard.
- 410 (b) If the accused fails to appear as specified in the citation, the judicial officer having 411 jurisdiction of the offense may issue a warrant ordering the apprehension of the accused 412 and commanding that he or she be brought before the court to answer the charge contained within the citation and the charge of his or her failure to appear as required. The accused 413 shall then be allowed to make a reasonable bond to appear on a given date before the court. 414 415 (c) Notwithstanding subsection (b) of this Code section, when an accused was issued a citation for a violation of Code Section 16-7-21, 16-8-14, 16-8-14.1, or 16-13-30, and the 416 accused fails to appear as specified in the citation, the judicial officer having jurisdiction 417

418 of the offense, absent a finding of sufficient excuse to appear at the time and place 419 specified in the citation, shall issue a warrant ordering the apprehension of the accused and 420 commanding that he or she be brought before the court to answer the charge contained 421 within the citation and the charge of his or her failure to appear as required. The accused 422 shall then be allowed to make a reasonable bond to appear on a given date before the 423 court."

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PART II SECTION 2-1.

Title 20 of the Official Code of Georgia Annotated, relating to education, is amended by revising Code Section 20-2-144, relating to mandatory instruction concerning alcohol and drug use, as follows:

429 "20-2-144.

430 (a) Each local board of education shall prescribe mandatory instruction concerning vaping, smoking, and alcohol and other drug use in every year in every grade from kindergarten 431 432 through grade 12 as shall be determined by the State Board of Education. Such course of 433 study shall implement the minimum course of study provided for in subsection (b) of this 434 Code section or its equivalent, as approved by the State Board of Education. Each local 435 board of education may supplement the exact approach of content areas of such minimum 436 course of study with such curriculum standards as it may deem appropriate. Such standards 437 shall include instruction which discourages vaping and the use of alcohol, tobacco, and 438 controlled substances and communicates that the use of illicit drugs and improper use of 439 legally obtained drugs and other substances is wrong and dangerous.

- (b) The State Board of Education shall prescribe a minimum course of study of <u>vaping</u>,
 <u>smoking</u>, and alcohol and other drug use which may be included as a part of a course of
 study in comprehensive health education where offered and where appropriate. Instruction
 also shall be integrated into other curriculum requirements as determined by the State
 Board of Education. The course shall be age appropriate, shall be sequential in method of
 study, and shall include the following elements where appropriate in the instruction:
- 446 (1) Detailed, factual information regarding physiological, psychological, sociological,447 and legal aspects of substance abuse;
- 448 (2) Detailed information concerning the availability of help and assistance for persons449 with chemical dependency problems;
- 450 (3) Skills needed to evaluate advertisements for, and media portrayals of, alcohol,
 451 tobacco, <u>consumable vapor products</u>, and controlled substances; and

20 LC 36 4220S 452 (4) Detailed information and warnings from the Surgeon General and the Department of 453 Human Services concerning the dangers of vaping and smoking; and 454 (4)(5) Detailed instruction on the need for, and role of, lawful authority and law-abiding 455 behavior, which instruction may include interacting and working with members of the 456 legal and justice professions. 457 (c) A manual setting out the details of such course of study shall be prepared by or 458 approved by the State School Superintendent in cooperation with the Department of Public Health, the State Board of Education, the Department of Public Safety, and such expert 459 460 advisers as they may choose. 461 (d) The minimum course of study to be prescribed by the State Board of Education 462 pursuant to subsection (b) of this Code section shall be ready for implementation not later 463 than July 1, 1990 July 1, 2020. Each local board shall implement either such minimum 464 course of study or its equivalent not later than December 31, 1990 2020. Any local board 465 of education which fails to comply with this subsection shall not be eligible to receive any 466 state funding under this article until such minimum course of study or its equivalent has 467 been implemented. 468 (e) The State Board of Education and the local boards of education shall supplement the 469 instruction required under this Code section by making resource information and materials 470 available to student clubs, organizations, and peer-to-peer programs." 471 PART III 472 SECTION 3-1. 473 Title 10 of the Official Code of Georgia Annotated, relating to commerce and trade, is 474 amended in Code Section 10-13A-2, relating to definitions regarding the Master Settlement 475 Agreement enhancements, by revising paragraph (4) as follows: 476 "(4) 'Dealer' means <u>a</u> cigarette <u>dealer</u> and <u>or</u> loose and <u>or</u> smokeless dealers tobacco</u> dealer as defined in paragraphs (7) and (17) of Code Section 48-11-1." 477 478 **SECTION 3-2.** 479 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is 480 amended by revising Code Section 48-11-1, relating to definitions regarding taxes on tobacco 481 products, as follows: 482 ″48-11-1. 483 As used in this chapter, the term: 484 (1) 'Alternative nicotine product' means any product that consists of or contains nicotine 485 that can be ingested into the body by chewing, smoking, heating, absorbing, dissolving,

486	inhaling, snorting, sniffing, or any other means. Such term shall include, but shall not be
487	limited to, nicotine gel, pouches, and gum and dissolvable nicotine strips, sticks,
488	lozenges, and pellets. Such term shall not include any cigars, cigarettes, loose or
489	smokeless tobacco, consumable vapor products, or products regulated as a drug or device
490	by the United States Food and Drug Administration under Chapter V of the Food, Drug,
491	and Cosmetic Act.
492	(2) 'Alternative nicotine product dealer' means any person located within the borders of
493	this state who sells or distributes alternative nicotine products to a consumer in this state.
494	(3) 'Alternative nicotine product distributor' means any person who:
495	(A) Maintains a warehouse, warehouse personnel, and salespersons who regularly
496	contact and call on alternative nicotine product dealers; and
497	(B) Is engaged in the business of:
498	(i) Importing alternative nicotine products into this state or purchasing alternative
499	nicotine products from other alternative nicotine product manufacturers or alternative
500	nicotine product distributors; and
501	(ii) Selling the alternative nicotine products to alternative nicotine product dealers in
502	this state for resale but is not in the business of selling the alternative nicotine
503	products directly to the ultimate consumer of the alternative nicotine products.
504	(4) 'Alternative nicotine product importer' means any person who imports into or who
505	brokers within the United States, either directly or indirectly, finished alternative nicotine
506	products for sale or distribution.
507	(5) 'Alternative nicotine product manufacturer' means any person who manufactures,
508	fabricates, assembles, processes, or labels finished alternative nicotine products.
509	(1)(6) 'Cigar' means any roll for smoking made wholly or in part of tobacco when the
510	cover of the roll is also tobacco. Such term shall include a little cigar.
511	(2)(7) 'Cigar dealer' means any person located within the borders of this state who sells
512	or distributes cigars to a consumer in this state.
513	(3)(8) 'Cigar distributor' means any person, whether located within or outside the borders
514	of this state, other than a cigar dealer, who sells or distributes cigars within or into the
515	boundaries of this state and who:
516	(A) Maintains a warehouse, warehouse personnel, and salespersons who regularly
517	contact and call on cigar dealers; and
518	(B) Is engaged in the business of:
519	(i) Importing cigars into this state or purchasing cigars from other cigar
520	manufacturers or cigar distributors; and
521	(ii) Selling the cigars to cigar dealers in this state for resale but is not in the business
522	of selling the cigars directly to the ultimate consumer of the cigars.

- 523 (4)(9) 'Cigar importer' means any person who imports into or who brokers within the
 524 United States, either directly or indirectly, a finished cigar for sale or distribution.
 525 (5)(10) 'Cigar manufacturer' means any person who manufactures, fabricates, assembles,
 526 processes, or labels a finished cigar.
- 527 (6)(11) 'Cigarette' means any roll for smoking made wholly or in part of tobacco when
 528 the cover of the roll is paper or any substance other than tobacco.
- 529 (7)(12) 'Cigarette dealer' means any person located within the borders of this state who
 530 sells or distributes cigarettes to a consumer in this state.
- 531 (8)(13) 'Cigarette distributor' means any person, whether located within or outside the
 532 borders of this state, other than a cigarette dealer, who sells or distributes cigarettes
 533 within or into the boundaries of this state and who:
- (A) Maintains a warehouse, warehouse personnel, and salespersons who regularlycontact and call on cigarette dealers; and
- 536 (B) Is engaged in the business of:
- 537 (i) Importing cigarettes into this state or purchasing cigarettes from other cigarette538 manufacturers or cigarette distributors; and

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(ii) Selling the cigarettes to cigarette dealers in this state for resale but is not in the

- 540 business of selling the cigarettes directly to the ultimate consumer of the cigarettes. 541 Such term shall not include any cigarette manufacturer, export warehouse proprietor, or 542 cigarette importer with a valid permit under 26 U.S.C. Section 5712, if such person sells 543 or distributes cigarettes in this state only to cigarette distributors who hold valid and 544 current licenses under Code Section 48-11-4 or to an export warehouse proprietor or 545 another cigarette manufacturer with a valid permit under 26 U.S.C. Section 5712.
- 546 (9)(14) 'Cigarette importer' means any person who imports into or who brokers within
- the United States, either directly or indirectly, a finished cigarette for sale or distribution.
 (10)(15) 'Cigarette manufacturer' means any person who manufactures, fabricates,
 assembles, processes, or labels a finished cigarette.
- 550 (16) 'Consumable vapor product' means any vapor liquid or vapor delivery system.
- 551 (17) 'Consumable vapor product dealer' means any person located within the borders of
- 552 this state who sells or distributes consumable vapor products to a consumer in this state.
- 553 (18) 'Consumable vapor product distributor' means any person who:
- (A) Maintains a warehouse, warehouse personnel, and salespersons who regularly
 contact and call on consumable vapor product dealers; and
- 556 (B) Is engaged in the business of:
- 557(i) Importing consumable vapor products into this state or purchasing consumable558vapor products from other consumable vapor product manufacturers or consumable559vapor product distributors; and

- 560(ii) Selling the consumable vapor products to consumable vapor product dealers in561this state for resale but is not in the business of selling the consumable vapor products562directly to the ultimate consumer of the consumable vapor products.
- 563 (19) 'Consumable vapor product importer' means any person who imports into or who
 564 brokers within the United States, either directly or indirectly, finished consumable vapor
 565 products for sale or distribution.
- 566 (20) 'Consumable vapor product manufacturer' means any person who manufactures,
 567 fabricates, assembles, processes, or labels finished consumable vapor products.
- 568 (11)(21) 'Counterfeit cigarette' means cigarettes that are manufactured, fabricated,
 569 assembled, processed, packaged, or labeled by any person other than the trademark owner
 570 of a cigarette brand or the owner's designated agent.
- 571 (12)(22) 'Dealer' means any person who is a cigar dealer, a cigarette dealer, or a loose
 572 or smokeless tobacco dealer, an alternative nicotine product dealer, or a consumable
 573 vapor product dealer.
- 574 (13)(23) 'Distributor' means any person who is a cigar distributor, a cigarette distributor,
 575 or a loose or smokeless tobacco distributor, an alternative nicotine product distributor, or
 576 a consumable vapor product distributor.
- 577 (14)(24) 'First transaction' means the first sale, receipt, purchase, possession,
 578 consumption, handling, distribution, or use of cigars, cigarettes, or loose or smokeless
 579 tobacco, alternative nicotine products, or consumable vapor products within this state.
- 580 (15)(25) 'Little cigar' means any cigar weighing not more than three pounds per
 581 thousand.
- 582 (16)(26) 'Loose or smokeless tobacco' means granulated, plug cut, crimp cut, ready 583 rubbed, and other smoking tobacco; snuff or snuff flour; cavendish; plug and twist 584 tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings, 585 and sweepings of tobacco; and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for 586 587 chewing and smoking, but does not include cigarettes or cigars or tobacco purchased for 588 the manufacture of cigarettes or cigars by cigarette manufacturers or cigar manufacturers. 589 (17)(27) 'Loose or smokeless tobacco dealer' means any person located within the 590 borders of this state who sells or distributes loose or smokeless tobacco to a consumer in 591 this state.
- 592 (18)(28) 'Loose or smokeless tobacco distributor' means any person who:
- (A) Maintains a warehouse, warehouse personnel, and salespersons who regularlycontact and call on loose or smokeless tobacco dealers; and
- 595 (B) Is engaged in the business of:

- (i) Importing loose or smokeless tobacco into this state or purchasing loose or
 smokeless tobacco from other loose or smokeless tobacco manufacturers or loose or
 smokeless tobacco distributors; and
- (ii) Selling the loose or smokeless tobacco to loose or smokeless tobacco dealers in
 this state for resale but is not in the business of selling the loose or smokeless tobacco
 directly to the ultimate consumer of the loose or smokeless tobacco.
- 602 (19)(29) 'Loose or smokeless tobacco importer' means any person who imports into or
 603 who brokers within the United States, either directly or indirectly, finished loose or
 604 smokeless tobacco for sale or distribution.
- 605 (20)(30) 'Loose or smokeless tobacco manufacturer' means any person who
 606 manufactures, fabricates, assembles, processes, or labels finished loose or smokeless
 607 tobacco.
- 608 (21)(31) 'Related machinery' means any item, device, conveyance, or vessel of any kind
 609 or character used in manufacturing, packaging, labeling, stamping, transporting,
 610 distributing, selling, or possessing counterfeit cigarettes.
- 611 (22)(32) 'Sale' means any sale, transfer, exchange, theft, barter, gift, or offer for sale and
 612 distribution in any manner or by any means whatever.
- 613 (23)(33) 'Stamp' means any impression, device, stamp, label, or print manufactured,
 614 printed, made, or affixed as prescribed by the commissioner.
- (34) 'Vapor delivery system' means any device developed or intended to deliver vapor
 liquid to an individual who inhales from the device. Such term shall include, but shall
 not be limited to, an electronic cigarette, electronic cigar, electronic pipe, vape pen, vape
 tool, hookah, or electronic hookah. Such term shall not include any fragrance or essential
 oil diffusers, air fresheners, cigars, cigarettes, loose or smokeless tobacco, alternative
 nicotine products, or products regulated as a drug or device by the United States Food and
 Drug Administration under Chapter V of the Food, Drug, and Cosmetic Act.
- (35) 'Vapor liquid' means any solution or other substance intended to be aerosolized or
 vaporized and inhaled by an individual, regardless of whether or not the substance
 contains nicotine. Such term shall include, but shall not be limited to, e-liquid, e-juice,
 vape juice, and cartridges that are prefilled with such a solution. Such term shall not
 include any perfume, potpourri, essential oil, tobacco product, alternative nicotine
 product, or product regulated as a drug or device by the United States Food and Drug
 Administration under Chapter V of the Food, Drug, and Cosmetic Act.
- 629 (24)(36) 'Vending machine' means any coin-in-the-slot or other device used for the
 630 automatic merchandising of cigars, cigarettes, or loose or smokeless tobacco, alternative
 631 <u>nicotine products, or consumable vapor products</u>."

LC 36 4220S

SECTION 3-3.

Said title is further amended by revising Code Section 48-11-4, relating to licensing of
persons engaged in tobacco business, initial and annual fees, suspension and revocation,
registration and inspection of vending machines, bond by distributor, jurisdiction, and
licensing of promotional activities, as follows:

637 "48-11-4.

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638 (a) No person shall engage in or conduct the business of manufacturing, importing, brokering, purchasing, selling, consigning, vending, dealing in, shipping, receiving, or 639 640 distributing cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine products, 641 or consumable vapor products in this state without first obtaining a license from the 642 commissioner. <u>The commissioner may require a separate license for each business activity</u> 643 and product for which a license is required under this chapter. Alternatively, the 644 commissioner may issue a single license allowing the license holder to act as dealer, distributor, importer, or manufacturer, or a combination thereof as to cigars, cigarettes, 645 646 loose or smokeless tobacco, alternative nicotine products, or consumable vapor products, 647 or any combination thereof, at a location; provided, however, that the total licensing fee paid for the location shall be the same, whether the commissioner requires multiple licenses 648 649 or issues a single license; and provided, further, that the commissioner may permit or limit 650 the business or activities of a license holder as to any product or products for which a 651 license is required under this chapter without issuing a new license or requiring a new 652 application.

(b) The commissioner shall maintain at all times information for each location for which
 any license has been issued under this chapter whether the license holder is authorized to
 engage in business as a dealer, distributor, importer, or manufacturer, or a combination
 thereof, and whether cigars, cigarettes, loose or smokeless tobacco, alternative nicotine
 products, or consumable vapor products, or any combination thereof, have been authorized
 at such location.

(b)(c) All licenses shall be issued by the commissioner, who shall make rules and
 regulations with respect to applications for and issuance of the licenses and for other
 purposes of enforcing this chapter.

662 (d) The commissioner may refuse to issue or place conditions or limitations upon any 663 license issued under this chapter when the commissioner has reasonable cause to believe 664 that the applicant has willfully withheld information requested of the applicant or required 665 by the <u>rules or</u> regulations to be provided or reported or when the commissioner has 666 reasonable cause to believe that the information submitted in any application or report is 667 false or misleading and is not given in good faith.

(c)(e)(1) The annual renewal fee for a manufacturer's, importer's, distributor's, or dealer's
license shall be \$10.00. There shall also be a first year registration fee of \$250.00 for a
person commencing business as a manufacturer, importer, or distributor. All renewal
applications shall be filed at least 30 days in advance of the expiration date shown on the
license.

(2) Each license, except a dealer's license, shall begin on July 1 and end on June 30 of
the next succeeding year. The prescribed fee shall accompany every application for a
license and shall apply for any portion of the annual period.

- 676 (3) Each dealer's license shall be valid for 12 months beginning on the date of issue for 677 the initial license, and the first day of the month of issue for subsequent licenses, and shall expire on the last day of the month preceding the month in which the initial license 678 679 was issued. Any dealer licensed under the provisions of this Code section who is also 680 licensed under Chapter 2 of Title 3 to sell alcoholic beverages may, upon written request 681 to the commissioner, arrange to have both licenses renewed on the same date each year. 682 Any dealer who follows the proper procedure for a renewal of his or her a license, 683 including filing the application for renewal at least 30 days in advance of the expiration 684 date of his or her such existing license, shall be allowed to continue operating as a dealer 685 under the existing license until the commissioner has issued the new license or denied the 686 application for renewal.
- 687 (4) Each manufacturer's, importer's, distributor's, or dealer's license shall be subject to
 688 suspension, limitation, or revocation for violation of any of the provisions of:
- (A) This this chapter or of the rules and regulations made pursuant to this chapter; or
 (B) Chapters 13 and 13A of Title 10 or of the rules and regulations made pursuant to
 those chapters; or
- 692 (C) Article 7 of Chapter 12 of Title 16 or of the rules and regulations made pursuant
 693 to such article.

694 (5) A separate license shall be required for each <u>location or place of business</u>.

- (6) No person shall hold a distributor's license and a dealer's license at the same time.
 (6) unless so authorized by the commissioner and such person's license is limited to the sale
 (6) of consumable vapor products.
- (d)(f) The commissioner may make rules and regulations governing the sale of cigars,
 cigarettes, loose or smokeless tobacco, and other tobacco products, alternative nicotine
 products, and consumable vapor products in vending machines. The commissioner shall
 require annually a special registration of each vending machine for any operation in this
 state and charge a license fee for the registration in the amount of \$10.00 for each machine.
 The annual registration shall indicate the location of the vending machine. No vending
 machine shall be purchased or transported into this state for use in this state when the

LC 36 4220S

vending machine is not so designed as to permit inspection without opening the machine
for the purpose of determining that all cigars, cigarettes, loose or smokeless tobacco, and
other tobacco products, alternative nicotine products, and consumable vapor products
contained in the machine bear the tax stamp required under this chapter.

709 (e)(g) The manufacturer's, importer's, distributor's, or dealer's license shall be exhibited 710 in the place of business for which it is issued in the manner prescribed by the 711 commissioner. The commissioner shall require each licensed distributor to file with the 712 commissioner a bond in an amount of not less than \$1,000.00 to guarantee the proper 713 performance of the distributor's duties and the discharge of the distributor's liabilities under 714 this chapter. The bond shall run concurrently with the distributor's license but shall remain 715 in full force and effect for a period of one year after the expiration or revocation of the 716 distributor's license unless the commissioner certifies that all obligations due the state 717 arising under this chapter have been paid.

- 718 (f)(h) The jurisdiction of the commissioner in the administration of this chapter shall 719 extend to every person using or consuming cigars, cigarettes, or loose or smokeless 720 tobacco, alternative nicotine products, or consumable vapor products in this state and to 721 every person dealing in cigars, cigarettes, or loose or smokeless tobacco, alternative 722 nicotine products, or consumable vapor products in any way for business purposes and 723 maintaining a location or place of business in this state. For the purpose of this chapter, 724 the maintaining of an office, store, plant, warehouse, stock of goods, or regular sales or 725 promotional activity, whether carried on automatically or by salespersons or other 726 representatives, shall constitute, among other activities, the maintaining of a location or 727 place of business. For the purpose of enforcement of this chapter and the rules and regulations promulgated under this chapter, notwithstanding any other provision of law, 728 729 the commissioner or his or her duly appointed hearing officer is granted authority to 730 conduct hearings which shall at all times be exercised in conformity with rules and regulations promulgated by the commissioner and consistent with Chapter 13 of Title 50, 731 the 'Georgia Administrative Procedure Act.' 732
- (g)(i) The commissioner may provide for the licensing of promotional activities, not
 including the sale of cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine
 products, or consumable vapor products, carried on by the a manufacturer. The fee for any
 such license shall be \$10.00 annually."
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SECTION 3-4.

Said title is further amended by revising Code Section 48-11-5, relating to licensing of
nonresident distributors, authorized use of stamps or metering machine, bond, amount,

LC 36 4220S

examination of records, service on agent, applicability of chapter to nonresident distributors,
and reports of shipments, as follows:

742 "48-11-5.

(a)(1) If the commissioner finds that the collection of the tax imposed by this chapter or 743 the enforcement of any provisions of this chapter or Article 7 of Chapter 12 of Title 16 744 745 would be facilitated by such action, the commissioner may authorize any person residing 746 or located outside this state who is engaged in the business of manufacturing cigars, 747 cigarettes, or loose or smokeless tobacco, alternative nicotine products, or consumable 748 vapor products or any person residing or located outside this state who ships cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine products, or consumable 749 vapor products into this state for sale to licensed dealers in this state to be licensed as a 750 distributor and, after the person complies. After such person has complied with the 751 commissioner's requirements, the commissioner may authorize such person to affix or 752 753 cause to be affixed the stamps required by this chapter on behalf of the purchasers of the cigars, cigarettes, or loose or smokeless tobacco who would otherwise be taxable for the 754 755 cigars, cigarettes, and loose or smokeless tobacco. The commissioner may sell tax 756 stamps to an authorized person or may authorize the use of a metering machine by the 757 person as provided in Code Section 48-11-3.

758 (2) The commissioner shall require a bond of a nonresident distributor satisfactory to the 759 commissioner and in an amount of not less than \$1,000.00, conditioned upon the payment 760 of the tax and compliance with any other requirements specified by the commissioner. 761 As a condition of authorization as provided in this Code section, a nonresident distributor 762 shall agree to submit the distributor's books, accounts, and records for examination by the commissioner or the commissioner's duly authorized agent during reasonable business 763 764 hours and shall appoint in writing an agent who resides in this state for the purpose of 765 service. Service upon an agent shall be sufficient service upon the nonresident distributor and made by leaving a duly attested copy of the process with the agent. When legal 766 process against any nonresident distributor is served upon the agent, the agent shall notify 767 768 the nonresident distributor in the manner specified in Code Section 40-12-2.

- (3) Upon the grant of authorization as provided in this subsection and except as may
 otherwise be determined by the commissioner, a nonresident distributor shall become a
 licensed distributor within the meaning of this chapter and shall be subject to all
 provisions of this chapter applicable to licensed distributors.
- (b) Every nonresident manufacturer, importer, or distributor of cigars, cigarettes, or loose
 or smokeless tobacco, alternative nicotine products, or consumable vapor products making
 shipments of cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine products,
 or consumable vapor products by common carrier or otherwise for their own account or for

the account of others to distributors or dealers of cigars, cigarettes, or loose or smokeless
tobacco, alternative nicotine products, or consumable vapor products located within this
state shall make reports of the shipments when and as required by rules and regulations of
the commissioner."

SECTION 3-5.

Said title is further amended by revising Code Section 48-11-6, relating to suspension,
refusal of renewal, and revocation of licenses, notice, procedures for hearings, appeals, and
effect of suspension or refusal to renew on other activities by commissioner, as follows

785 "48-11-6.

(a) For a violation of any provision of this chapter or of the rules and regulations made
 pursuant to this chapter, Chapters 13 and 13A of Title 10 or of the rules and regulations
 made pursuant to those chapters, or Article 7 of Chapter 12 of Title 16 or of the rules and
 regulations made pursuant to that article, the The commissioner may suspend, after notice
 and an opportunity for a hearing, take any or all of the following actions in addition to
 pursuing any other penalty authorized by law:

792 (1) Impose a fine not to exceed \$5,000.00 for each violation; or

- 793 (2) Suspend, place conditions or limitations upon, revoke, or refuse to renew a license 794 issued to any person under this chapter for violation of any provision of this chapter or 795 Chapters 13 and 13A of Title 10 or of the rules and regulations made pursuant to those 796 chapters. After notice and opportunity for hearing, the commissioner may revoke a 797 license issued to any person under this chapter for violation of any provision of this 798 chapter or of any rule or regulation of the commissioner made pursuant to this chapter or 799 Chapters 13 and 13A of Title 10 or of the rules and regulations made pursuant to those 800 chapters.
- 801 (b) Any person aggrieved by the suspension of or refusal to renew his or her license any 802 action taken by the commissioner under subsection (a) of this Code section may apply to 803 the commissioner for a hearing as provided in subsection (a) of Code Section 48-11-18; 804 and any person aggrieved by the any such action of the commissioner in revoking or 805 refusing to renew his or her license after <u>a</u> hearing may further appeal to the courts as 806 provided in subsection (b) of Code Section 48-11-18. No legal proceedings or other action 807 by the commissioner shall be barred or abated by the imposition of a fine or the suspension, 808 limitation, revocation, or expiration of any license issued under this chapter."

	20 LC 36 4220S
809	SECTION 3-6.
810	Said title is further amended by revising Code Section 48-11-10, relating to monthly reports
811	of licensed distributors, contents, authority to require reports from common carriers,
812	warehousemen, and others, and penalty for failure to file timely report, as follows:
813	"48-11-10.
814	(a) Every licensed distributor shall file with the commissioner, on or before the tenth day
815	of each month, a report in the form prescribed by the commissioner disclosing:
816	(1) The quantity of cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine
817	products, or consumable vapor products on hand on the first and last days of the calendar
818	month immediately preceding the month in which the report is filed;
819	(2) Information required by the commissioner concerning the amount of stamps, if any,
820	purchased, used, and on hand during the report period; and
821	(3) Information otherwise required by the commissioner for the report period.
822	(b) The commissioner may require other reports as the commissioner deems necessary for
823	the proper administration of this chapter, including, but not limited to, reports from
824	common carriers and warehousemen with respect to cigars, cigarettes, and loose or
825	smokeless tobacco, alternative nicotine products, and consumable vapor products delivered
826	to or stored at any point in this state.
827	(c) Any person who fails to file any report when due shall forfeit as a penalty for each day
828	after the due date until the report is filed the sum of \$25.00, to be collected in the manner
829	provided in subsection (c) of Code Section 48-11-24 for the collection of penalties."
830	SECTION 3-7.
831	Said title is further amended by revising Code Section 48-11-11, relating to records of
832	distributors and dealers; stock of tobacco products, inspection by commissioner and agents,
833	and inspection of records of transportation companies, carriers, and warehouses, as follows:
834	"48-11-11.
835	(a) Each distributor and each dealer shall keep complete and accurate records of all cigars,
836	cigarettes, and loose or smokeless tobacco, alternative nicotine products, and consumable
837	vapor products manufactured, produced, purchased, and sold. The original records or a
838	complete and legible photocopy or electronic image shall be safely preserved for three
839	years in an appropriate manner to ensure permanency and accessibility for inspection by
840	the commissioner and the commissioner's authorized agents. The commissioner and the
841	commissioner's authorized agents may examine the books, papers, and records of any
842	distributor or dealer in this state for the purpose of determining whether the tax imposed
843	by this chapter has been fully paid and, for the purpose of determining whether the
844	provisions of this chapter are properly observed, may investigate and examine the stock of

845 cigars, cigarettes, or loose or smokeless tobacco, alternative nicotine products, or 846 consumable vapor products in or upon any premises, including, but not limited to, public 847 and private warehouses where the cigars, cigarettes, or loose or smokeless tobacco. 848 alternative nicotine products, or consumable vapor products are is possessed, stored, or 849 Invoices sufficient to cover current inventory at a licensed location shall be sold. 850 maintained at such licensed location and made available for immediate inspection. All 851 other records may be kept at a locality other than the licensed location and shall be provided for inspection within two business days after receipt of notification from the 852 853 commissioner or an authorized agent of the commissioner to make such records available. 854 (b) The commissioner and his or her the commissioner's authorized agents may examine 855 the books, papers, and records of any transportation company, any common, contract, or 856 private carrier, and any public or private warehouse for the purpose of determining whether the provisions of this chapter are properly observed." 857

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SECTION 3-8.

Said title is further amended by revising Code Section 48-11-18, relating to procedure for
hearing by persons aggrieved by action of commissioner, initiation of hearings by
commissioner, production of evidence, appeals, bond, grounds for not sustaining
commissioner's action, and costs, as follows:

863 "48-11-18.

(a) Any person aggrieved by any action of the commissioner or the commissioner's 864 865 authorized agent may apply to the commissioner, in writing within ten days after the notice 866 of the action is delivered or mailed to the commissioner, for a hearing. The application shall set forth the reasons why the hearing should be granted and the manner of relief 867 868 sought. The commissioner shall notify the applicant of the time and place fixed for the 869 hearing. After the hearing, the commissioner may make an order as may appear to the commissioner to be just and lawful and shall furnish a copy of the order to the applicant. 870 871 The commissioner at any time by notice in writing may order a hearing on the 872 commissioner's own initiative and require the taxpayer or any other person whom the commissioner believes to be in possession of information, knowledge, or evidence 873 concerning any manufacture, importation, use, consumption, storage, or sale of cigars, 874 875 cigarettes, or loose or smokeless tobacco, alternative nicotine products, or consumable vapor products which has have escaped taxation or are the subject of a violation of any 876 877 provision of this chapter or of the rules and regulations made pursuant to this chapter, Chapters 13 and 13A of Title 10 or of the rules and regulations made pursuant to those 878 879 chapters, or Article 7 of Chapter 12 of Title 16 or of the rules and regulations made 880 pursuant to that article to appear for examination under oath before the commissioner or

the commissioner's duly authorized agent with and produce any specific books of account,
papers, or other documents for examination under oath relative to the information or any
other evidence.

884 (b) Any person aggrieved because of any final action or decision of the commissioner, 885 after hearing, may appeal from the decision to the superior court of the county in which the 886 appellant resides. The appeal shall be returnable at the same time and shall be served and 887 returned in the same manner as required in the case of a summons in a civil action. The 888 authority issuing the citation shall, if appropriate based on the nature of the citation, take 889 from the appellant a bond of recognizance to the state, with surety, conditioned to 890 prosecute the appeal and to effect and comply with the orders and decrees of the court. The 891 action of the commissioner shall be sustained unless the court finds that the commissioner 892 misinterpreted this chapter or that there is no evidence to support the commissioner's 893 action. If the commissioner's action is not sustained, the court may grant equitable relief 894 to the appellant. Upon all appeals which are denied, costs may be taxed against the 895 appellant at the discretion of the court. No costs of any appeal shall be taxed against the state." 896

897

SECTION 3-9.

Said title is further amended by revising Code Section 48-11-19, relating to powers and
duties of special agents and enforcement officers of department, bond, duties following
arrests, and retention of weapon and badge upon retirement, as follows:

901 "48-11-19.

(a) Each person appointed by the commissioner as a special agent or enforcement officer
 of the department for the enforcement of the laws of this state with respect to the
 manufacture, transportation, distribution, sale, possession, and taxation of cigars, cigarettes,
 little cigars, and loose or smokeless tobacco, alternative nicotine products, and consumable
 vapor products shall have the authority throughout this state to:

907 (1) Obtain and execute warrants for arrest of persons charged with violations of such908 laws;

909 (2) Obtain and execute search warrants in the enforcement of such laws;

- (3) Arrest without warrant any person violating such laws in the officer's presence or
 within such officer's immediate knowledge when there is likely to be a failure of
 enforcement of such laws for want of a judicial officer to issue a warrant;
- (4) Make investigations in the enforcement of such laws and, in connection with such
 investigations, to go upon any property outside buildings, whether posted or otherwise,
 in the performance of such officer's duties;

LC 36 4220S

- 916 (5) Seize and take possession of all property which is declared contraband under such917 laws; and
- 918 (6) Carry firearms while performing such officer's duties.
- (b) Each special agent or enforcement officer shall file with the commissioner a public
 official's bond in the amount of \$1,000.00, the cost of the bond to be borne by the
 department. Nothing in this chapter shall be construed to relieve agents and officers, after
 making an arrest, from the duties imposed generally to obtain a warrant promptly and to
 return arrested persons without undue delay before a person authorized to examine,
 commit, or receive bail as required by general law.
- 925 (c) After a special agent or enforcement officer has accumulated 25 years of service with
 926 the department, upon leaving the department under honorable conditions, such special
 927 agent or enforcement officer shall be entitled as part of such officer's compensation to
 928 retain his or her weapon and badge pursuant to regulations promulgated by the
 929 commissioner.
- (d) As used in this subsection, the term 'disability' means a disability that prevents an
 individual from working as a law enforcement officer. When a special agent or
 enforcement officer leaves the department as a result of a disability arising in the line of
 duty, such special agent or enforcement officer shall be entitled as part of such officer's
 compensation to retain his or her weapon and badge in accordance with regulations
 promulgated by the commissioner."
- 936

SECTION 3-10.

- 937 Said title is further amended by revising Code Section 48-11-27, relating to false entries on
 938 invoices or records pursuant to chapter and penalty, as follows:
- 939 "48-11-27.
- 940 (a) It shall be unlawful for any person to:
- 941 (1) Make a false entry upon any invoices or any record relating to the purchase,
 942 possession, or sale of <u>cigars</u>, cigarettes, or loose or smokeless tobacco, <u>alternative</u>
 943 <u>nicotine products</u>, or <u>consumable vapor products</u>; or
- 944 (2) With intent to evade any tax imposed by this chapter, present any false entry upon
 945 any such invoice or record for the inspection of the commissioner or the commissioner's
 946 authorized agents.
- 947 (b) Any person who violates subsection (a) of this Code section shall be guilty of a
 948 misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than
 949 \$250.00 for each separate offense."

	20 LC 36 4220S
950	PART IV
951	SECTION 4-1.
952	Part I of this Act shall become effective on July 1, 2020. Part III of this Act shall become
953	effective on September 1, 2020. This Act shall otherwise become effective upon its approval
954	by the Governor or upon its becoming law without such approval.
955	SECTION 4-2.
956	All laws and parts of laws in conflict with this Act are repealed.