



28 (ii) additional cigarettes or other items are offered to the consumer in connection with the  
29 purchase of cigarettes.

30 (2) A contract or agreement between a manufacturer and a cigarette retailer may not  
31 contain a provision or agreement which:

32 (a) requires the cigarette retailer to allocate:

33 (i) a percentage or fraction of any part of the cigarette retailer's:

34 (A) space available for product display, signage, or advertising; or

35 (B) cigarette category space to a manufacturer for any purpose; or

36 (ii) a determined amount of space to a manufacturer, including footage, product facings,  
37 or other forms of stated measurement, in order to receive, participate in, or receive payment under  
38 a manufacturer's promotions; or

39 (b) restricts or limits a cigarette retailer's:

40 (i) cigarette category space; or

41 (ii) conduct of or participation in any program or activity concerning the sale, display,  
42 merchandising, promotion, pricing, or advertising of any manufacturer's products.

43 (3) A cigarette retailer or manufacturer who engages in conduct prohibited under  
44 Subsection (2) is in violation of this act and is subject to Sections 76-10-916 through 76-10-926.

45 (4) This act does not prohibit a cigarette retailer and manufacturer from entering into  
46 agreements which permit the cigarette retailer to:

47 (a) obtain, participate in, and receive payments from the manufacturer pursuant to the  
48 manufacturer's cigarette merchandising, advertising, display, or promotion programs, whether  
49 permanent or temporary;

50 (b) be compensated by the manufacturer for providing space for the merchandising,  
51 advertising, display, or promotion of the manufacturer's products; or

52 (c) purchase cigarettes.

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**Legislative Review Note**  
**as of 3-1-02 2:56 PM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**