## Senator Jen Plumb proposes the following substitute bill:

1	ELECTRONIC CIGARETTE AMENDMENTS
2	2024 GENERAL SESSION
3	STATE OF UTAH
4	<b>Chief Sponsor: Jen Plumb</b>
5	House Sponsor:
6 7	LONG TITLE
8	General Description:
9	This bill modifies provisions related to electronic cigarettes.
10	Highlighted Provisions:
11	This bill:
12	<ul> <li>prohibits the sale of electronic cigarette products that have not received market</li> </ul>
13	authorization or are pending market authorization from the federal Food and Drug
14	Administration;
15	<ul> <li>prohibits the sale of flavored electronic cigarette products; and</li> </ul>
16	<ul> <li>creates a registry for electronic cigarette products.</li> </ul>
17	Money Appropriated in this Bill:
18	None
19	Other Special Clauses:
20	This bill provides a special effective date.
21	Utah Code Sections Affected:
22	AMENDS:
23	10-8-41.6, as last amended by Laws of Utah 2023, Chapter 327
24	17-50-333, as last amended by Laws of Utah 2023, Chapter 327
25	<b>26B-7-505</b> , as renumbered and amended by Laws of Utah 2023, Chapter 308

# 

	59-14-807, as last amended by Laws of Utah 2023, Chapters 98, 300, 329, and 531 and
	last amended by Coordination Clause, Laws of Utah 2023, Chapter 531
	76-10-101, as last amended by Laws of Utah 2023, Chapter 330
	76-10-113, as enacted by Laws of Utah 2020, Chapter 302
	ENACTS:
-	<b>59-14-810</b> , Utah Code Annotated 1953
	Be it enacted by the Legislature of the state of Utah:
	Section 1. Section <b>10-8-41.6</b> is amended to read:
	10-8-41.6. Regulation of retail tobacco specialty business.
	(1) As used in this section:
	(a) "Community location" means:
	(i) a public or private kindergarten, elementary, middle, junior high, or high school;
	(ii) a licensed child-care facility or preschool;
	(iii) a trade or technical school;
	(iv) a church;
	(v) a public library;
	(vi) a public playground;
	(vii) a public park;
	(viii) a youth center or other space used primarily for youth oriented activities;
	(ix) a public recreational facility;
	(x) a public arcade; or
	(xi) for a new license issued on or after July 1, 2018, a homeless shelter.
	(b) "Department" means the Department of Health and Human Services created in
i	Section 26B-1-201.
	(c) "Electronic cigarette product" means the same as that term is defined in Section
,	76-10-101.
	[(d) "Flavored electronic cigarette product" means the same as that term is defined in
ł	Section 76-10-101.]
	[(e)] (d) "Licensee" means a person licensed under this section to conduct business as a
1	retail tobacco specialty business.

57	[(f)] (e) "Local health department" means the same as that term is defined in Section
58	26A-1-102.
59	$\left[\frac{f}{2}\right]$ (f) "Nicotine product" means the same as that term is defined in Section
60	76-10-101.
61	[(h)] (g) "Retail tobacco specialty business" means a commercial establishment in
62	which:
63	(i) sales of tobacco products, electronic cigarette products, and nicotine products
64	account for more than 35% of the total quarterly gross receipts for the establishment;
65	(ii) 20% or more of the public retail floor space is allocated to the offer, display, or
66	storage of tobacco products, electronic cigarette products, or nicotine products;
67	(iii) 20% or more of the total shelf space is allocated to the offer, display, or storage of
68	tobacco products, electronic cigarette products, or nicotine products;
69	(iv) the commercial establishment:
70	(A) holds itself out as a retail tobacco specialty business; and
71	(B) causes a reasonable person to believe the commercial establishment is a retail
72	tobacco specialty business; <u>or</u>
73	[(v) any flavored electronic cigarette product is sold; or]
74	[(vi)] (v) the retail space features a self-service display for tobacco products, electronic
75	cigarette products, or nicotine products.
76	[(i)] (h) "Self-service display" means the same as that term is defined in Section
77	76-10-105.1.
78	[ <del>(j)</del> ] <u>(i)</u> "Tobacco product" means:
79	(i) a tobacco product as defined in Section 76-10-101; or
80	(ii) tobacco paraphernalia as defined in Section 76-10-101.
81	(2) The regulation of a retail tobacco specialty business is an exercise of the police
82	powers of the state by the state or by delegation of the state's police powers to other
83	governmental entities.
84	(3) (a) A person may not operate a retail tobacco specialty business in a municipality
85	unless the person obtains a license from the municipality in which the retail tobacco specialty
86	business is located.
~ -	

- 87
  - (b) A municipality may only issue a retail tobacco specialty business license to a

1<sup>st</sup> Sub. (Green) S.B. 61 88 person if the person complies with the provisions of Subsections (4) and (5). 89 (4) (a) Except as provided in Subsection (7), a municipality may not issue a license for 90 a person to conduct business as a retail tobacco specialty business if the retail tobacco specialty 91 business is located within: 92 (i) 1,000 feet of a community location; 93 (ii) 600 feet of another retail tobacco specialty business; or 94 (iii) 600 feet from property used or zoned for: 95 (A) agriculture use: or 96 (B) residential use. (b) For purposes of Subsection (4)(a), the proximity requirements shall be measured in 97 98 a straight line from the nearest entrance of the retail tobacco specialty business to the nearest 99 property boundary of a location described in Subsections (4)(a)(i) through (iii), without regard 100 to intervening structures or zoning districts. 101 (5) A municipality may not issue or renew a license for a person to conduct business as 102 a retail tobacco specialty business until the person provides the municipality with proof that the 103 retail tobacco specialty business has: 104 (a) a valid permit for a retail tobacco specialty business issued under Title 26B, 105 Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine Products, by the 106 local health department having jurisdiction over the area in which the retail tobacco specialty 107 business is located; and 108 (b) (i) for a retailer that sells a tobacco product, a valid license issued by the State Tax Commission in accordance with Section 59-14-201 or 59-14-301 to sell a tobacco product; and 109 110 (ii) for a retailer that sells an electronic cigarette product or a nicotine product, a valid license issued by the State Tax Commission in accordance with Section 59-14-803 to sell an 111 112 electronic cigarette product or a nicotine product. 113 (6) (a) Nothing in this section: 114 (i) requires a municipality to issue a retail tobacco specialty business license; or 115 (ii) prohibits a municipality from adopting more restrictive requirements on a person 116 seeking a license or renewal of a license to conduct business as a retail tobacco specialty 117 business. 118 (b) A municipality may suspend or revoke a retail tobacco specialty business license

119	issued under this section:
120	(i) if a licensee engages in a pattern of unlawful activity under Title 76, Chapter 10,
121	Part 16, Pattern of Unlawful Activity Act;
122	(ii) if a licensee violates federal law or federal regulations restricting the sale and
123	distribution of tobacco products or electronic cigarette products to protect children and
124	adolescents;
125	(iii) upon the recommendation of the department or a local health department under
126	Title 26B, Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine
127	Products; or
128	(iv) under any other provision of state law or local ordinance.
129	(7) (a) A retail tobacco specialty business is exempt from Subsection (4) if:
130	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
131	license to conduct business as a retail tobacco specialty business;
132	(ii) the retail tobacco specialty business is operating in a municipality in accordance
133	with all applicable laws except for the requirement in Subsection (4); and
134	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
135	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or high school.
136	(b) A retail tobacco specialty business may maintain an exemption under Subsection
137	(7)(a) if:
138	(i) the license described in Subsection (7)(a)(i) is renewed continuously without lapse
139	or permanent revocation;
140	(ii) the retail tobacco specialty business does not close for business or otherwise
141	suspend the sale of tobacco products, electronic cigarette products, or nicotine products for
142	more than 60 consecutive days;
143	(iii) the retail tobacco specialty business does not substantially change the business
144	premises or business operation; and
145	(iv) the retail tobacco specialty business maintains the right to operate under the terms
146	of other applicable laws, including:
147	(A) Section 26B-7-503;
148	(B) zoning ordinances;
149	(C) building codes; and

#### 02-01-24 7:38 PM

150 (D) the requirements of the license described in Subsection (7)(a)(i). 151 (c) A retail tobacco specialty business that does not qualify for an exemption under 152 Subsection (7)(a) is exempt from Subsection (4) if: 153 (i) on or before December 31, 2018, the retail tobacco specialty business was issued a 154 general tobacco retailer permit or a retail tobacco specialty business permit under Title 26B, 155 Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine Products, by the 156 local health department having jurisdiction over the area in which the retail tobacco specialty 157 business is located; 158 (ii) the retail tobacco specialty business is operating in the municipality in accordance 159 with all applicable laws except for the requirement in Subsection (4); and 160 (iii) beginning July 1, 2022, the retail tobacco specialty business is not located within 161 1,000 feet of a public or private kindergarten, elementary, middle, junior high, or high school. 162 (d) Except as provided in Subsection (7)(e), a retail tobacco specialty business may 163 maintain an exemption under Subsection (7)(c) if: 164 (i) on or before December 31, 2020, the retail tobacco specialty business receives a 165 retail tobacco specialty business permit from the local health department having jurisdiction 166 over the area in which the retail tobacco specialty business is located; 167 (ii) the permit described in Subsection (7)(d)(i) is renewed continuously without lapse 168 or permanent revocation; 169 (iii) the retail tobacco specialty business does not close for business or otherwise 170 suspend the sale of tobacco products, electronic cigarette products, or nicotine products for 171 more than 60 consecutive days; 172 (iv) the retail tobacco specialty business does not substantially change the business 173 premises or business operation as the business existed when the retail tobacco specialty 174 business received a permit under Subsection (7)(d)(i); and 175 (v) the retail tobacco specialty business maintains the right to operate under the terms 176 of other applicable laws, including: 177 (A) Section 26B-7-503; 178 (B) zoning ordinances; 179 (C) building codes; and 180 (D) the requirements of the retail tobacco permit described in Subsection (7)(d)(i).

181	(e) A retail tobacco specialty business described in Subsection (7)(a) or (b) that is
182	located within 1,000 feet of a public or private kindergarten, elementary, middle, junior high,
183	or high school before July 1, 2022, is exempt from Subsection (4)(a)(iii)(B) if the retail tobacco
184	specialty business:
185	(i) relocates, before July 1, 2022, to a property that is used or zoned for commercial use
186	and located within a group of architecturally unified commercial establishments built on a site
187	that is planned, developed, owned, and managed as an operating unit; and
188	(ii) continues to meet the requirements described in Subsection (7)(b) that are not
189	directly related to the relocation described in this Subsection (7)(e).
190	Section 2. Section 17-50-333 is amended to read:
191	17-50-333. Regulation of retail tobacco specialty business.
192	(1) As used in this section:
193	(a) "Community location" means:
194	(i) a public or private kindergarten, elementary, middle, junior high, or high school;
195	(ii) a licensed child-care facility or preschool;
196	(iii) a trade or technical school;
197	(iv) a church;
198	(v) a public library;
199	(vi) a public playground;
200	(vii) a public park;
201	(viii) a youth center or other space used primarily for youth oriented activities;
202	(ix) a public recreational facility;
203	(x) a public arcade; or
204	(xi) for a new license issued on or after July 1, 2018, a homeless shelter.
205	(b) "Department" means the Department of Health and Human Services created in
206	Section 26B-1-201.
207	(c) "Electronic cigarette product" means the same as that term is defined in Section
208	76-10-101.
209	[(d) "Flavored electronic cigarette product" means the same as that term is defined in
210	Section 76-10-101.]
211	$\left[\frac{(e)}{(d)}\right]$ "Licensee" means a person licensed under this section to conduct business as a

212	retail tobacco specialty business.
213	[(f)] (e) "Local health department" means the same as that term is defined in Section
214	26A-1-102.
215	[(g)] (f) "Nicotine product" means the same as that term is defined in Section
216	76-10-101.
217	[(h)] (g) "Retail tobacco specialty business" means a commercial establishment in
218	which:
219	(i) sales of tobacco products, electronic cigarette products, and nicotine products
220	account for more than 35% of the total quarterly gross receipts for the establishment;
221	(ii) 20% or more of the public retail floor space is allocated to the offer, display, or
222	storage of tobacco products, electronic cigarette products, or nicotine products;
223	(iii) 20% or more of the total shelf space is allocated to the offer, display, or storage of
224	tobacco products, electronic cigarette products, or nicotine products;
225	(iv) the commercial establishment:
226	(A) holds itself out as a retail tobacco specialty business; and
227	(B) causes a reasonable person to believe the commercial establishment is a retail
228	tobacco specialty business; <u>or</u>
229	[(v) any flavored electronic cigarette product is sold; or]
230	[(vi)] (v) the retail space features a self-service display for tobacco products, electronic
231	cigarette products, or nicotine products.
232	[(i)] (h) "Self-service display" means the same as that term is defined in Section
233	76-10-105.1.
234	[(j)] (i) "Tobacco product" means:
235	(i) the same as that term is defined in Section 76-10-101; or
236	(ii) tobacco paraphernalia as defined in Section 76-10-101.
237	(2) The regulation of a retail tobacco specialty business is an exercise of the police
238	powers of the state by the state or by the delegation of the state's police power to other
239	governmental entities.
240	(3) (a) A person may not operate a retail tobacco specialty business in a county unless
241	the person obtains a license from the county in which the retail tobacco specialty business is
242	located.

243	(b) A county may only issue a retail tobacco specialty business license to a person if
244	the person complies with the provisions of Subsections (4) and (5).
245	(4) (a) Except as provided in Subsection (7), a county may not issue a license for a
246	person to conduct business as a retail tobacco specialty business if the retail tobacco specialty
247	business is located within:
248	(i) 1,000 feet of a community location;
249	(ii) 600 feet of another retail tobacco specialty business; or
250	(iii) 600 feet from property used or zoned for:
251	(A) agriculture use; or
252	(B) residential use.
253	(b) For purposes of Subsection (4)(a), the proximity requirements shall be measured in
254	a straight line from the nearest entrance of the retail tobacco specialty business to the nearest
255	property boundary of a location described in Subsections (4)(a)(i) through (iii), without regard
256	to intervening structures or zoning districts.
257	(5) A county may not issue or renew a license for a person to conduct business as a
258	retail tobacco specialty business until the person provides the county with proof that the retail
259	tobacco specialty business has:
260	(a) a valid permit for a retail tobacco specialty business issued under Title 26B,
261	Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine Products, by the
262	local health department having jurisdiction over the area in which the retail tobacco specialty
263	business is located; and
264	(b) (i) for a retailer that sells a tobacco product, a valid license issued by the State Tax
265	Commission in accordance with Section 59-14-201 or 59-14-301 to sell a tobacco product; or
266	(ii) for a retailer that sells an electronic cigarette product or a nicotine product, a valid
267	license issued by the State Tax Commission in accordance with Section 59-14-803 to sell an
268	electronic cigarette product or a nicotine product.
269	(6) (a) Nothing in this section:
270	(i) requires a county to issue a retail tobacco specialty business license; or
271	(ii) prohibits a county from adopting more restrictive requirements on a person seeking
272	a license or renewal of a license to conduct business as a retail tobacco specialty business.
273	(b) A county may suspend or revoke a retail tobacco specialty business license issued

274	under this section:
275	(i) if a licensee engages in a pattern of unlawful activity under Title 76, Chapter 10,
276	Part 16, Pattern of Unlawful Activity Act;
277	(ii) if a licensee violates federal law or federal regulations restricting the sale and
278	distribution of tobacco products or electronic cigarette products to protect children and
279	adolescents;
280	(iii) upon the recommendation of the department or a local health department under
281	Title 26B, Chapter 7, Part 5, Regulation of Smoking, Tobacco Products, and Nicotine
282	Products; or
283	(iv) under any other provision of state law or local ordinance.
284	(7) (a) Except as provided in Subsection (7)(e), a retail tobacco specialty business is
285	exempt from Subsection (4) if:
286	(i) on or before December 31, 2018, the retail tobacco specialty business was issued a
287	license to conduct business as a retail tobacco specialty business;
288	(ii) the retail tobacco specialty business is operating in a county in accordance with all
289	applicable laws except for the requirement in Subsection (4); and
290	(iii) beginning July 1, 2022, the retail tobacco specialty business is not located within
291	1,000 feet of a public or private kindergarten, elementary, middle, junior high, or high school.
292	(b) A retail tobacco specialty business may maintain an exemption under Subsection
293	(7)(a) if:
294	(i) the license described in Subsection (7)(a)(i) is renewed continuously without lapse
295	or permanent revocation;
296	(ii) the retail tobacco specialty business does not close for business or otherwise
297	suspend the sale of tobacco products, electronic cigarette products, or nicotine products for
298	more than 60 consecutive days;
299	(iii) the retail tobacco specialty business does not substantially change the business
300	premises or business operation; and
301	(iv) the retail tobacco specialty business maintains the right to operate under the terms
302	of other applicable laws, including:
303	(A) Title 26, Chapter 38, Utah Indoor Clean Air Act;
304	(B) zoning ordinances;

- 10 -

305 (C) building codes; and 306 (D) the requirements of the license described in Subsection (7)(a)(i). 307 (c) A retail tobacco specialty business that does not qualify for an exemption under 308 Subsection (7)(a) is exempt from Subsection (4) if: 309 (i) on or before December 31, 2018, the retail tobacco specialty business was issued a 310 general tobacco retailer permit or a retail tobacco specialty business permit under Title 26, 311 Chapter 62, Tobacco, Electronic Cigarette, and Nicotine Product Retail Permit, by the local 312 health department having jurisdiction over the area in which the retail tobacco specialty 313 business is located; 314 (ii) the retail tobacco specialty business is operating in the county in accordance with 315 all applicable laws except for the requirement in Subsection (4); and 316 (iii) beginning July 1, 2022, the retail tobacco specialty business is not located within 317 1,000 feet of a public or private kindergarten, elementary, middle, junior high, or high school. 318 (d) A retail tobacco specialty business may maintain an exemption under Subsection (7)(c) if: 319 320 (i) on or before December 31, 2020, the retail tobacco specialty business receives a 321 retail tobacco specialty business permit from the local health department having jurisdiction 322 over the area in which the retail tobacco specialty business is located; 323 (ii) the permit described in Subsection (7)(d)(i) is renewed continuously without lapse 324 or permanent revocation; 325 (iii) the retail tobacco specialty business does not close for business or otherwise 326 suspend the sale of tobacco products, electronic cigarette products, or nicotine products for 327 more than 60 consecutive days; 328 (iv) the retail tobacco specialty business does not substantially change the business 329 premises or business operation as the business existed when the retail tobacco specialty 330 business received a permit under Subsection (7)(d)(i); and 331 (v) the retail tobacco specialty business maintains the right to operate under the terms of other applicable laws, including: 332 333 (A) Title 26, Chapter 38, Utah Indoor Clean Air Act; 334 (B) zoning ordinances; 335 (C) building codes; and

### 02-01-24 7:38 PM

336	(D) the requirements of the retail tobacco permit described in Subsection $(7)(d)(i)$ .
337	(e) A retail tobacco specialty business described in Subsection (7)(a) or (b) that is
338	located within 1,000 feet of a public or private kindergarten, elementary, middle, junior high,
339	or high school before July 1, 2022, is exempt from Subsection (4)(a)(iii)(B) if the retail tobacco
340	specialty business:
341	(i) relocates, before July 1, 2022, to a property that is used or zoned for commercial use
342	and located within a group of architecturally unified commercial establishments built on a site
343	that is planned, developed, owned, and managed as an operating unit; and
344	(ii) continues to meet the requirements described in Subsection (7)(b) that are not
345	directly related to the relocation described in this Subsection (7)(e).
346	Section 3. Section <b>26B-7-505</b> is amended to read:
347	26B-7-505. Electronic cigarette products Labeling Requirements to sell
348	Advertising Labeling of nicotine products containing nicotine.
349	(1) The department shall, in consultation with a local health department and with input
350	from members of the public, establish by rule made in accordance with Title 63G, Chapter 3,
351	Utah Administrative Rulemaking Act, the requirements to sell an electronic cigarette substance
352	that is not a manufacturer sealed electronic cigarette substance regarding:
353	(a) labeling;
354	(b) nicotine content;
355	(c) packaging; and
356	(d) product quality.
357	(2) On or before January 1, 2021, the department shall, in consultation with a local
358	health department and with input from members of the public, establish by rule made in
359	accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the requirements
360	to sell a manufacturer sealed electronic cigarette product regarding:
361	(a) labeling;
362	(b) nicotine content;
363	(c) packaging; and
364	(d) product quality.
365	(3) (a) A person may not sell an electronic cigarette substance unless the electronic
266	signate what are complicated to the accurate actual shed by the department and an

366 cigarette substance complies with the requirements established by the department under

367	Subsection (1).
368	(b) Beginning on July 1, 2021, a person may not sell a manufacturer sealed electronic
369	cigarette product unless the manufacturer sealed electronic cigarette product complies with the
370	requirements established by the department under Subsection (2).
371	(c) Notwithstanding Subsections (3)(a) and (3)(b), a person may not sell an electronic
372	cigarette product that is not a premarket authorized or pending electronic cigarette product as
373	that term is defined in Section 76-10-101.
374	(4) (a) A local health department may not enact a rule or regulation regarding
375	electronic cigarette substance labeling, nicotine content, packaging, or product quality that is
376	not identical to the requirements established by the department under Subsections (1) and (2).
377	(b) Except as provided in Subsection (4)(c), a local health department may enact a rule
378	or regulation regarding electronic cigarette substance manufacturing.
379	(c) A local health department may not enact a rule or regulation regarding a
380	manufacturer sealed electronic cigarette product.
381	(5) A person may not advertise an electronic cigarette product as a tobacco cessation
382	device.
383	(6) (a) Any nicotine product shall contain the statement described in Subsection [ $(7)$ ]
384	(6)(b) if the nicotine product:
385	[(a)] (i) $(A)$ is not a tobacco product as defined in 21 U.S.C. Sec. 321 and related
386	federal regulations; or
387	[(ii)] (B) is not otherwise required under federal or state law to contain a nicotine
388	warning; and
389	[ <del>(b)</del> ] <u>(ii)</u> contains nicotine.
390	[(7)] (b) A statement shall appear on the exterior packaging of a nicotine product
391	described in Subsection (6)(a) as follows:
392	"This product contains nicotine."
393	Section 4. Section <b>59-14-807</b> is amended to read:
394	59-14-807. Electronic Cigarette Substance and Nicotine Product Proceeds
395	Restricted Account.
396	(1) There is created within the General Fund a restricted account known as the
397	"Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account."

398	(2) The Electronic Cigarette Substance and Nicotine Product Proceeds Restricted
399	Account consists of:
400	(a) revenue collected from the tax imposed by Section 59-14-804;
401	(b) fees and penalties collected under Section 59-14-810;
402	[(b)] (c) all money received by the attorney general or the Department of Commerce as
403	a result of any judgment, settlement, or compromise of claims pertaining to alleged violations
404	of law related to the manufacture, marketing, distribution, or sale of electronic cigarette
405	products, as defined in Section 76-10-101:
406	(i) if the total amount of the judgment, settlement, or compromise received by the state
407	exceeds \$1,000,000; and
408	(ii) after reimbursement to the attorney general and the Department of Commerce for
409	expenses related to the matters described in Subsection $[(2)(b)]$ (2)(c); and
410	[(c)] (d) amounts appropriated by the Legislature.
411	(3) (a) For each fiscal year and subject to appropriation by the Legislature, the Division
412	of Finance shall distribute from the Electronic Cigarette Substance and Nicotine Product
413	Proceeds Restricted Account:
414	(i) \$2,000,000, which shall be allocated to the local health departments by the
415	Department of Health and Human Services using the formula created in accordance with
416	Section 26A-1-116;
417	(ii) \$2,000,000 to the Department of Health and Human Services for statewide
418	cessation programs and prevention education;
419	(iii) \$1,180,000 to the Department of Public Safety for law enforcement officers aimed
420	at disrupting organizations and networks that provide tobacco products, electronic cigarette
421	products, nicotine products, and other illegal controlled substances to minors;
422	(iv) \$3,000,000, which shall be allocated to the local health departments by the
423	Department of Health and Human Services using the formula created in accordance with
424	Section 26A-1-116;
425	(v) \$5,084,200 to the State Board of Education for school-based prevention programs;
426	[and]
427	(vi) \$2,000,000 to the Department of Health and Human Services for alcohol, tobacco,
428	and other drug prevention, reduction, cessation, and control programs that promote unified

429	messages and make use of media outlets, including radio, newspaper, billboards, and
430	television[-]; and
431	(vii) to the commission, an amount equal to the amount deposited under Section
432	<u>59-14-810.</u>
433	(b) If the amount in the Electronic Cigarette Substance and Nicotine Product Proceeds
434	Restricted Account is insufficient to cover the distributions described in Subsection (3)(a), the
435	distribution amounts shall be adjusted proportionately.
436	(4) (a) The local health departments shall use the money received in accordance with
437	Subsection (3)(a) for enforcing:
438	(i) the regulation provisions described in Section 26B-7-505;
439	(ii) the labeling requirement described in Section 26B-7-505; and
440	(iii) the penalty provisions described in Section 26B-7-518.
441	(b) The Department of Health and Human Services shall use the money received in
442	accordance with Subsection (3)(a)(ii) for the Youth Electronic Cigarette, Marijuana, and Other
443	Drug Prevention Program created in Section 26B-1-428.
444	(c) The local health departments shall use the money received in accordance with
445	Subsection (3)(a)(iv) to issue grants under the Electronic Cigarette, Marijuana, and Other Drug
446	Prevention Grant Program created in Section 26A-1-129.
447	(d) The State Board of Education shall use the money received in accordance with
448	Subsection $(3)(a)(v)$ to distribute to local education agencies to pay for:
449	(i) (A) stipends for positive behaviors specialists as described in Subsection
450	53G-10-407(4)(a)(i);
451	(B) the cost of administering the positive behaviors plan as described in Subsection
452	53G-10-407(4)(a)(ii); and
453	(C) the cost of implementing an Underage Drinking and Substance Abuse Prevention
454	Program in grade 4 or 5, as described in Subsection 53G-10-406(3)(b); or
455	(ii) a comprehensive prevention plan, as that term is defined in Section 53F-2-525.
456	(5) (a) The fund shall earn interest.
457	(b) All interest earned on fund money shall be deposited into the fund.
458	(6) Subject to legislative appropriations, funds remaining in the Electronic Cigarette
459	Substance and Nicotine Product Proceeds Restricted Account after the distribution described in

460	Subsection (3) may only be used for:
461	(a) funding commission personnel to enforce compliance with the tax collection
462	requirements of this part; and
463	(b) programs and activities related to the prevention and cessation of electronic
464	cigarette, nicotine products, marijuana, and other drug use.
465	Section 5. Section <b>59-14-810</b> is enacted to read:
466	59-14-810. Electronic cigarette product registry.
467	(1) Beginning on July 1, 2024, every manufacturer of an electronic cigarette product
468	that is sold in this state, whether directly or through a distributor, wholesaler, retailer, or similar
469	intermediary or intermediaries, shall certify under penalty of perjury on a form and in the
470	manner prescribed by the commission, that:
471	(a) the manufacturer agrees to comply with this section; and
472	(b) the electronic cigarette product is a premarket authorized or pending electronic
473	cigarette product as defined in Section 76-10-101.
474	(2) Each year, a manufacturer shall submit a certification form that separately lists each
475	electronic cigarette product that is sold in this state.
476	(3) (a) Each annual certification form shall include:
477	(i) the name of the electronic cigarette product, nicotine content level by percentage,
478	and any flavors contained in the product;
479	(ii) (A) a copy of the order granting a premarket tobacco product application of the
480	electronic cigarette product by the United States Food and Drug Administration under 21
481	<u>U.S.C. Sec. <math>387j(c)(1)(A)(i)</math>; or</u>
482	(B) evidence that the premarket tobacco product application for the electronic cigarette
483	product or nicotine product was submitted to the United States Food and Drug Administration
484	before September 9, 2020, and a final authorization or order has not yet taken effect; and
485	(iii) payment of an annual fee set by the commission for each electronic cigarette
486	product.
487	(b) In addition to the fee described in Subsection (3)(a)(iii), for an electronic cigarette
488	product's initial submission to the registry, the manufacture shall pay a fee set by the
489	commission for the electronic cigarette product.
490	(c) A manufacturer required to submit a certification form under this section shall

491	notify the commission within 30 days of any material change making the certification form no
492	longer accurate, including:
493	(i) the issuance or denial of a marketing authorization or other order by the United
494	States Food and Drug Administration under 21 U.S.C. Sect. 387j; or
495	(ii) any other order or action by the United States Food and Drug Administration or any
496	court that affects the ability of the electronic cigarette product to be introduced or delivered
497	into interstate commerce for commercial distribution in the United States.
498	(4) On or before September 1, 2024, the commission shall make publicly available on
499	the commission's website a registry that lists each electronic cigarette product manufacturer and
500	each electronic cigarette product for which certification forms have been submitted.
501	(5) (a) The commission shall provide manufacturers notice and an opportunity to cure
502	deficiencies before removing manufacturers or products from the registry.
503	(b) The commission may remove a product from the registry in accordance with Title
504	63G, Chapter 4, Administrative Procedures Act.
505	(6) (a) If a product is removed from the registry, each retailer, distributor, and
506	wholesaler shall have 30 days from the day on which the product is removed from the registry
507	to remove the product from any inventory and return the product to the manufacturer for
508	disposal.
509	(b) After the period described in Subsection (6)(a), any electronic cigarette product of a
510	manufacturer identified in the notice of removal are contraband and are subject to penalties
511	under Subsection (8) and seizure, forfeiture, and destruction under Subsection (9)(b).
512	(7) (a) Beginning on October 1, 2024, a person may not sell or offer for retail sale an
513	electronic cigarette product in this state that is not included in the registry.
514	(b) A manufacturer may not sell, either directly or through a distributor, wholesaler,
515	retailer, or similar intermediary or intermediaries, an electronic cigarette product in this state
516	that is not included in the registry.
517	(8) (a) A wholesaler, distributor, or retailer who sells or offers for retail sale an
518	electronic cigarette product in this state that is not included in the registry shall be subject to a
519	civil penalty of:
520	(i) \$1,000 for each product offered for sale in violation of this section; and
521	(ii) \$100 per day until the offending product is removed from the market or until the

522	offending product is properly listed on the registry.
523	(b) The commission shall suspend the person's license issued under Section 59-14-803
524	for a violation of Subsection (8)(a) as follows:
525	(i) for a second violation within a 12-month period, at least 14 days;
526	(ii) for a third violation within a 12-month period, at least 60 days; or
527	(iii) for a fourth violation within a 12-month period, at least one year.
528	(c) A manufacturer whose electronic cigarette products are not listed in the registry and
529	are sold in this state, whether directly or through a distributor, wholesaler, retailer, or similar
530	intermediary or intermediaries, is subject to a civil penalty of:
531	(i) \$1,000 for each product offered for retail sale in violation of this section; and
532	(ii) \$100 per day until the offending product is removed from the market or until the
533	offending product is properly listed on the registry.
534	(d) A manufacturer that falsely represents any information required by a certification
535	form described in this section shall be guilty of a class C misdemeanor for each false
536	representation.
537	(e) A repeated violation of this section shall constitute a deceptive act or practice as
538	provided in Sections 13-11-4 and 13-11a-3 and shall be subject to any remedies or penalties
539	available for a violation of those sections.
540	(9) (a) (i) The commission may examine the books, papers, and records of any
541	distributor, wholesaler, or retailer in this state, for the purpose of determining compliance with
542	this section.
543	(ii) The commission may make the inspections and examinations at any time during
544	ordinary business hours, and may inspect the premises and all desks, safes, vaults, and other
545	fixtures and furniture contained in or upon the premises for the purpose of ascertaining whether
546	an electronic cigarette product is held or possessed in violation of this section.
547	(iii) Unannounced follow-up examinations of all noncompliant distributors,
548	wholesalers, and retailers are required within 30 days after any violation of this section.
549	(iv) The commission shall publish the results of all examinations at least annually and
550	shall make the results available to the public on request.
551	(b) (i) Any electronic cigarette product offered for retail sale in violation of this section
<i></i>	

552 is declared to be a contraband good and may be seized by the commission or the commission's

553	agents or employees, or by any law enforcement agency of this state if directed by the
554	commission, without a warrant.
555	(ii) The cost of such seizure, forfeiture, and destruction shall be borne by the person
556	from whom the products are confiscated.
557	(c) In an action brought under this section, the commission may recover reasonable
558	expenses incurred in investigating and preparing the case, and attorney fees.
559	(10) (a) The commission shall disclose to the attorney general any information received
560	under this section which is requested by the attorney general for purposes of determining
561	compliance with and enforcing the provisions of this section.
562	(b) The commission and attorney general shall share with each other information
563	received under this section, or corresponding laws of other states.
564	(11) (a) (i) Subject to Subsection (11)(d)(ii), the commission may not list a nonresident
565	manufacturer of an electronic cigarette product in the registry unless:
566	(A) the nonresident manufacturer has registered to do business in the state as a foreign
567	corporation or business entity; or
568	(B) the nonresident manufacturer appoints and maintains without interruption the
569	services of an agent in this state to receive any service of process on behalf of the
570	manufacturer.
571	(b) The nonresident manufacturer shall provide the name, address, telephone number
572	of the agent to the commission.
573	(c) (i) A nonresident manufacturer shall provide notice to the commission 30 days
574	before the termination of the authority of an agent and shall further provide proof to the
575	satisfaction of the commission of the appointment of a new agent no less than five calendar
576	days prior to the termination of an existing agent appointment.
577	(ii) In the event an agent terminates an agency appointment, the manufacturer shall
578	notify the commission of the termination within five calendar days and shall include proof to
579	the satisfaction of the commission of the appointment of a new agent.
580	(d) (i) Any nonresident manufacturer whose electronic cigarette products are sold in
581	this state who has not appointed and engaged the services of an agent as required by this
582	section shall be deemed to have appointed the lieutenant governor as the agent for service of
583	process.

584	(ii) The commission may not include a nonresident manufacturer in the registry if the
585	lieutenant governor is the manufacturer's agent.
586	(12) Before January 31 of each year, the commission shall provide a report to the
587	Revenue and Taxation Interim Committee regarding:
588	(a) the status of the registry;
589	(b) manufacturers and products included in the registry;
590	(c) revenue and expenditures related to administration of this section; and
591	(d) enforcement activities undertaken pursuant to this section.
592	(13) All fees and penalties collected under this section shall be used for administration
593	and enforcement of this section.
594	(14) The commission may make rules in accordance with Title 63G, Chapter 3, Utah
595	Administrative Rulemaking Act, to implement this section.
596	Section 6. Section <b>76-10-101</b> is amended to read:
597	76-10-101. Definitions.
598	As used in this part:
599	(1) (a) "Alternative nicotine product" means a product, other than a cigarette, a
600	counterfeit cigarette, an electronic cigarette product, a nontherapeutic nicotine product, or a
601	tobacco product, that:
602	(i) contains nicotine;
603	(ii) is intended for human consumption;
604	(iii) is not purchased with a prescription from a licensed physician; and
605	(iv) is not approved by the United States Food and Drug Administration as nicotine
606	replacement therapy.
607	(b) "Alternative nicotine product" includes:
608	(i) pure nicotine;
609	(ii) snortable nicotine;
610	(iii) dissolvable salts, orbs, pellets, sticks, or strips; and
611	(iv) nicotine-laced food and beverage.
612	(c) "Alternative nicotine product" does not include a fruit, a vegetable, or a tea that
613	contains naturally occurring nicotine.
614	(2) "Cigar" means a product that contains nicotine, is intended to be burned under

615	ordinary conditions of use, and consists of any roll of tobacco wrapped in leaf tobacco, or in
616	any substance containing tobacco, other than any roll of tobacco that is a cigarette.
617	(3) "Cigarette" means a product that contains nicotine, is intended to be heated or
618	burned under ordinary conditions of use, and consists of:
619	(a) any roll of tobacco wrapped in paper or in any substance not containing tobacco; or
620	(b) any roll of tobacco wrapped in any substance containing tobacco which, because of
621	its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to
622	be offered to, or purchased by, consumers as a cigarette described in Subsection (3)(a).
623	(4) (a) "Electronic cigarette" means:
624	(i) any electronic oral device:
625	(A) that provides an aerosol or a vapor of nicotine or other substance; and
626	(B) which simulates smoking through the use or inhalation of the device;
627	(ii) a component of the device described in Subsection (4)(a)(i); or
628	(iii) an accessory sold in the same package as the device described in Subsection
629	(4)(a)(i).
630	(b) "Electronic cigarette" includes an oral device that is:
631	(i) composed of a heating element, battery, or electronic circuit; and
632	(ii) marketed, manufactured, distributed, or sold as:
633	(A) an e-cigarette;
634	(B) an e-cigar;
635	(C) an e-pipe; or
636	(D) any other product name or descriptor, if the function of the product meets the
637	definition of Subsection (4)(a).
638	(c) "Electronic cigarette" does not mean a medical cannabis device, as that term is
639	defined in Section 26B-4-201.
640	(5) "Electronic cigarette product" means an electronic cigarette, an electronic cigarette
641	substance, or a prefilled electronic cigarette.
642	(6) "Electronic cigarette substance" means any substance, including liquid containing
643	nicotine, used or intended for use in an electronic cigarette.
644	(7) (a) "Flavored electronic cigarette product" means an electronic cigarette product
645	that has a taste or smell that is distinguishable by an ordinary consumer either before or during

646	use or consumption of the electronic cigarette product.
647	(b) "Flavored electronic cigarette product" includes an electronic cigarette product that
648	is labeled as, or has a taste or smell of any fruit, chocolate, vanilla, honey, candy, cocoa,
649	dessert, alcoholic beverage, herb, or spice.
650	(c) "Flavored electronic cigarette product" does not include an electronic cigarette
651	product that[:] has a taste or smell of tobacco, mint, or menthol.
652	[(i) has a taste or smell of only tobacco, mint, or menthol; or]
653	[(ii) has been approved by an order granting a premarket tobacco product application of
654	the electronic cigarette product by the United States Food and Drug Administration under 21
655	U.S.C. Sec. 387j(c)(1)(A)(i).]
656	(8) "Nicotine" means a poisonous, nitrogen containing chemical that is made
657	synthetically or derived from tobacco or other plants.
658	(9) "Nicotine product" means an alternative nicotine product or a nontherapeutic
659	nicotine product.
660	(10) (a) "Nontherapeutic nicotine device" means a device that:
661	(i) has a pressurized canister that is used to administer nicotine to the user through
662	inhalation or intranasally;
663	(ii) is not purchased with a prescription from a licensed physician; and
664	(iii) is not approved by the United States Food and Drug Administration as nicotine
665	replacement therapy.
666	(b) "Nontherapeutic nicotine device" includes a nontherapeutic nicotine inhaler or a
667	nontherapeutic nicotine nasal spray.
668	(11) "Nontherapeutic nicotine device substance" means a substance that:
669	(a) contains nicotine;
670	(b) is sold in a cartridge for use in a nontherapeutic nicotine device;
671	(c) is not purchased with a prescription from a licensed physician; and
672	(d) is not approved by the United States Food and Drug Administration as nicotine
673	replacement therapy.
674	(12) "Nontherapeutic nicotine product" means a nontherapeutic nicotine device, a
675	nontherapeutic nicotine device substance, or a prefilled nontherapeutic nicotine device.
676	(13) "Place of business" includes:

677	(a) a shop;
678	(b) a store;
679	(c) a factory;
680	(d) a public garage;
681	(e) an office;
682	(f) a theater;
683	(g) a recreation hall;
684	(h) a dance hall;
685	(i) a poolroom;
686	(j) a cafe;
687	(k) a cafeteria;
688	(l) a cabaret;
689	(m) a restaurant;
690	(n) a hotel;
691	(o) a lodging house;
692	(p) a streetcar;
693	(q) a bus;
694	(r) an interurban or railway passenger coach;
695	(s) a waiting room; and
696	(t) any other place of business.
697	(14) "Prefilled electronic cigarette" means an electronic cigarette that is sold prefilled
698	with an electronic cigarette substance.
699	(15) "Prefilled nontherapeutic nicotine device" means a nontherapeutic nicotine device
700	that is sold prefilled with a nontherapeutic nicotine device substance.
701	(16) "Premarket authorized or pending electronic cigarette product" means an
702	electronic cigarette product that:
703	(a) has been approved by an order granting a premarket tobacco product application of
704	the electronic cigarette product by the United States Food and Drug Administration under 21
705	<u>U.S.C. Sec. <math>387j(c)(1)(A)(i)</math>; or</u>
706	(b) (i) was marketed in the United States on or before August 8, 2016;
707	(ii) the manufacturer submitted a premarket tobacco product application for the

708	electronic cigarette product to the United States Food and Drug Administration under 21
709	U.S.C. Sec. 387j on or before September 9, 2020; and
710	(iii) has an application described in Subsection (2)(b)(ii) that either remains under
711	review by the United States Food and Drug Administration or a final decision on the
712	application has not taken effect.
713	[(16)] (17) "Retail tobacco specialty business" means the same as that term is defined
714	in Section 26B-7-501.
715	[(17)] (18) "Smoking" means the possession of any lighted cigar, cigarette, pipe, or
716	other lighted smoking equipment.
717	[(18)] (19) (a) "Tobacco paraphernalia" means equipment, product, or material of any
718	kind that is used, intended for use, or designed for use to package, repackage, store, contain,
719	conceal, ingest, inhale, or otherwise introduce a tobacco product, an electronic cigarette
720	substance, or a nontherapeutic nicotine device substance into the human body.
721	(b) "Tobacco paraphernalia" includes:
722	(i) metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without
723	screens, permanent screens, hashish heads, or punctured metal bowls;
724	(ii) water pipes;
725	(iii) carburetion tubes and devices;
726	(iv) smoking and carburetion masks;
727	(v) roach clips, meaning objects used to hold burning material, such as a cigarette, that
728	has become too small or too short to be held in the hand;
729	(vi) chamber pipes;
730	(vii) carburetor pipes;
731	(viii) electric pipes;
732	(ix) air-driven pipes;
733	(x) chillums;
734	(xi) bongs; and
735	(xii) ice pipes or chillers.
736	(c) "Tobacco paraphernalia" does not include matches or lighters.
737	[ <del>(19)</del> ] <u>(20)</u> "Tobacco product" means:
738	(a) a cigar;

739	(b) a cigarette; or
740	(c) tobacco in any form, including:
741	(i) chewing tobacco; and
742	(ii) any substitute for tobacco, including flavoring or additives to tobacco.
743	[ <del>(20)</del> ] <u>(21)</u> "Tobacco retailer" means:
744	(a) a general tobacco retailer, as that term is defined in Section 26B-7-501; or
745	(b) a retail tobacco specialty business.
746	Section 7. Section <b>76-10-113</b> is amended to read:
747	76-10-113. Prohibition on distribution of flavored electronic cigarette products
748	Prohibition of electronic cigarette products without federal authorization.
749	(1) [It is unlawful for a tobacco retailer that is not a retail tobacco specialty business to
750	give, distribute, sell, offer for sale, or furnish a flavored electronic cigarette product to any
751	person.] It is unlawful for a person to give, distribute, sell, offer for sale, or furnish to any
752	person a flavored electronic cigarette product.
753	(2) It is unlawful for a person to give, distribute, sell, offer for sale, or furnish to any
754	person an electronic cigarette product that is not a premarket authorized or pending electronic
755	cigarette product.
756	$\left[\frac{(2)}{(3)}\right]$ An individual who violates this section is guilty of:
757	(a) a class C misdemeanor for the first offense; and
758	(b) a class B misdemeanor for any subsequent offense.
759	Section 8. Effective date.
760	This bill takes effect on July 1, 2024.