

85Q5H2-1 05/01/2023 CMH (L)bm 2023-164 SUB HB319 JUDICIARY SUBSTITUTE TO HB319 OFFERED BY REPRESENTATIVE TILLMAN

1 2 3 4 SYNOPSIS: 5 Under existing law, the Alcoholic Beverage 6 Control (ABC) Board regulates and enforces the sale of 7 tobacco, tobacco products, alternative nicotine 8 products, and electronic nicotine delivery systems. 9 This bill would revise the definition of "electronic nicotine delivery system" to include 10 delivery of substances other than tobacco. 11 This bill would prohibit the distribution of 12 13 tobacco, tobacco products, electronic nicotine delivery 14 systems, e-liquids, and alternative nicotine products 15 through a vending machine. Under existing law, there is no fee for a permit 16 17 to distribute tobacco, tobacco products, electronic 18 nicotine delivery systems, e-liquids, or alternative 19 nicotine products. 20 This bill would require a one-time application 21 fee and an annual permit fee for the distribution of 22 those products, and would provide for the distribution 23 of those fees. 24 Under existing law, the board may assess a 25 permit holder an administrative penalty for a violation 26 of the tobacco retail laws. 27 This bill would increase the penalty that may be 28 assessed and would distribute the penalty to the



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Education Trust Fund to be used for vaping awareness, education, and prevention programs in K-12 schools.

31 This bill would further provide for the 32 membership of the advisory board to the Alcoholic 33 Beverage Control Board.

Under existing law, an individual under 21 years of age who possesses any tobacco, tobacco product, alternative nicotine product, electronic delivery system, or false proof of identification shall be issued a uniform nontraffic citation and fined.

39 This bill would provide a series of graduated consequences for a violation based on the number of 40 previous violations, would authorize the court to order 41 42 the individual to complete a certain number of hours of 43 community service in lieu of any fine, and would provide that any individual under 18 years of age would 44 45 be subject to the exclusive jurisdiction of the 46 juvenile court.

47 This bill would increase the authorized
48 administrative penalty for certain tobacco advertising
49 violations.

50 Under existing law, the Department of Revenue 51 maintains a directory listing all e-liquid 52 manufacturers and manufacturers of alternative nicotine 53 authorized to be distributed in the state.

54 This bill would require a manufacturer to meet 55 certain requirements before being approved for the 56 directory.



57 This bill would also further provide for the 58 requirement to post signage warning of the dangers of 59 tobacco product use by tobacco retailers.

60 This bill would provide the board with general 61 rulemaking authority to administer the tobacco retail 62 laws.

Section 111.05 of the Constitution of Alabama of 63 64 2022, prohibits a general law whose purpose or effect 65 would be to require a new or increased expenditure of local funds from becoming effective with regard to a 66 67 local governmental entity without enactment by a 2/3 vote unless: it comes within one of a number of 68 specified exceptions; it is approved by the affected 69 70 entity; or the Legislature appropriates funds, or 71 provides a local source of revenue, to the entity for 72 the purpose.

The purpose or effect of this bill would be to require a new or increased expenditure of local funds within the meaning of the amendment. However, the bill does not require approval of a local governmental entity or enactment by a 2/3 vote to become effective because it comes within one of the specified exceptions contained in the amendment.

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82 A BILL83 TO BE ENTITLED

84 AN ACT



86 Relating to the Alcoholic Beverage Control 87 Board; to amend Sections 28-11-2, 28-11-3, 28-11-5, 88 28-11-6.1, 28-11-6.2, 28-11-7, 28-11-9, 28-11-10, 28-11-12, 28-11-13, 28-11-14, 28-11-16, 28-11-17.1, 89 28-11-18, 28-11-19, Code of Alabama 1975, to revise the 90 91 definition of "electronic nicotine delivery system" to 92 include delivery of substances other than tobacco; to 93 further provide for the sale of tobacco and other related products to minors; to prohibit the 94 95 distribution of tobacco, tobacco products, electronic nicotine delivery systems, e-liquids, and alternative 96 97 nicotine products through a vending machine; to provide license fees for the retail sale of certain tobacco 98 99 products; to further provide for the authorized penalties for certain violations; to establish the 100 101 Tobacco Licensing and Compliance Fund in the State 102 Treasury and provide for its administration; to further 103 provide for the membership of the advisory board to the 104 Alcoholic Beverages Control Board; to further provide 105 for the requirement of tobacco retailers to post 106 signage warning of the dangers of tobacco product use; 107 to require the board to adopt rules; to require the 108 State Board of Education to establish a model vaping 109 awareness, education, and prevention program and 110 require each local board of education to adopt a policy based on the model policy; to repeal Section 28-11-15, 111 112 Code of Alabama 1975, and in connection therewith would

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have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Section 111.05 of the Constitution of Alabama of 2022.

117 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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 Section 1. Sections 28-11-2, 28-11-3, 28-11-5,

 119
 28-11-6.1, 28-11-7, 28-11-9, 28-11-10, 28-11-12, 28-11-13,

 120
 28-11-14, 28-11-16, 28-11-17.1, and 28-11-18, Code of Alabama

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 1975, are amended to read as follows:

122 "\$28-11-2

For purposes of this chapter, the following terms have the following meanings unless the context clearly indicates otherwise:

(1) ALTERNATIVE NICOTINE PRODUCT. The term alternative 126 127 nicotine product includes any product that consists of or 128 contains nicotine that can be ingested into the body by 129 chewing, smoking, absorbing, dissolving, inhaling, snorting, 130 sniffing, or by any other means. The term does not include a 131 tobacco product, electronic nicotine delivery system, or any 132 product that has been approved by the United States Food and 133 Drug Administration for sale as a tobacco cessation product or 134 for other medical purposes and that is being marketed and sold 135 solely for that purpose.

136 (2) BOARD. The Alabama Alcoholic Beverage Control137 Board.

(3) CHILD-RESISTANT PACKAGING. Liquid nicotine
container packaging meeting the requirements of 15 U.S.C. \$
140 1472a.



141 (4) COMMISSIONER. The Commissioner of the Department of142 Revenue.

143 (5) DELIVERY SALE. The delivery sale of tobacco,
144 tobacco products, electronic nicotine delivery systems,
145 e-liquids, or alternative nicotine products.

146 (5)(6) DISTRIBUTION. To sell, barter, exchange, or give 147 tobacco or tobacco products for promotional purposes or for 148 gratis.

149 (6) (7) ELECTRONIC NICOTINE DELIVERY SYSTEM. Any 150 electronic device that uses a battery and heating element in 151 combination with an e-liquid or tobacco, or substitutes 152 thereof, to produce a vapor that delivers nicotine or other 153 substances to the individual inhaling from the device to 154 simulate smoking, and includes, but is not limited to, 155 products that may be offered to, purchased by, or marketed to 156 consumers as an electronic cigarette, electronic cigar, 157 electronic cigarillo, electronic pipe, electronic hookah, vape 158 pen, vape tool, vaping device, or any variation of these 159 terms. The term also includes any e-liquid intended to be 160 vaporized in any device included in this subdivision.

161 (7)(8) ELECTRONIC NICOTINE DELIVERY SYSTEM RETAILER. 162 Any retail business which offers for sale electronic nicotine 163 delivery systems.

164 (8) (9) E-LIQUID. A liquid that contains nicotine or 165 other substances and may include flavorings or other 166 ingredients that are intended for use in an electronic 167 nicotine delivery system. The term includes e-liquid 168 substitutes, tobacco substitutes, and any other product that



169 <u>may be used in conjunction with an electronic cigarette</u>, 170 electronic nicotine delivery system, or other electronic

171 battery-powered device to deliver nicotine or other

172 substances, including, but not limited to, CBD oil, THC oil,

173 herbal extracts, and nicotine salts, or analogs thereof, into

174 the body through the inhalation of vapor.

175 (9) (10) E-LIQUID MANUFACTURER. Any person who 176 manufactures, fabricates, assembles, processes, mixes, 177 prepares, labels, repacks, or relabels an e-liquid to be sealed in final packaging intended for consumer use. This term 178 179 includes an owner of a brand or formula for an e-liquid who contracts with another person to complete the fabrication and 180 181 assembly of the product to the brand or formula owner's 182 standards.

183 (10) (11) FDA. The United States Food and Drug 184 Administration.

(11) (12) LIQUID NICOTINE CONTAINER. A bottle or other container of a liquid product that is intended to be vaporized and inhaled using an electronic nicotine delivery system. The term does not include a container holding liquid that is intended for use in a vapor product if the container is pre-filled and sealed by the manufacturer and is not intended to be opened by the consumer.

192 (12)(13) MINOR. Any individual under the age of 19 21
193 years of age.

(13) (14) PERSON. Any natural person, firm, partnership,
 association, company, corporation, or other entity. Person
 does not include a manufacturer or wholesaler of tobacco or



197 tobacco products nor does it include employees of the permit 198 holder.

199 (14) (15) PROOF OF IDENTIFICATION. Any one or more of 200 the following documents used for purposes of determining the 201 age of an individual purchasing, attempting to purchase, or 202 receiving tobacco, tobacco products, electronic nicotine 203 delivery systems, or alternative nicotine products:

a. A valid <u>driver'sdriver</u> license issued by any state
 and bearing the photograph of the presenting individual.

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b. United States Uniform Service Identification.

207 c. A valid passport.

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

e. For legal mail order purposes only, a valid signed certification that will verify the individual is 21 years of age or older.

214 (15) (16) RESPONSIBLE VENDOR PROGRAM. A program
215 administered by the board to encourage and support vendors in
216 training employees in legal and responsible sales practices.

217 <u>(16) (17)</u> SAMPLER. Any business or person who 218 distributes tobacco or tobacco products for promotional 219 purposes.

220 (17)(18) SELF-SERVICE DISPLAY. A display that contains 221 tobacco or tobacco products and is located in an area openly 222 accessible to purchasers at retail and from which the 223 purchasers can readily access tobacco or tobacco products 224 without the assistance of the tobacco permit holder or an



225 employee of the permit holder. A display case that holds 226 tobacco or tobacco products behind locked doors does not 227 constitute a self-service display.

228 (18) (19) SPECIALTY RETAILER OF ELECTRONIC NICOTINE
229 DELIVERY SYSTEMS. A business establishment at which any of the
230 following are true:

- a. The trade name includes the words vape, vapor, or
 any variation of the terms which may indicate that the
 business sells electronic nicotine delivery systems or
- 234 alternative nicotine products.

235 a. b. The sale of electronic nicotine delivery systems
236 accounts for more than 35 percent of the total quarterly gross
237 receipts for the establishmentThe provided list of intended
238 inventory includes 50 percent or more of electronic nicotine
239 delivery systems or alternative nicotine products, or both, by
240 quantity, by value, or both.

241 <u>c. At any time after a permit has been issued, the</u>
242 <u>inventory maintained by the business includes 50 percent or</u>
243 <u>more of electronic nicotine delivery systems or alternative</u>
244 <u>nicotine products, or both, by quantity, by value, or both.</u>

245 b.d. Twenty percent or more of the public retail floor 246 space is allocated for the offering, displaying, or storage of 247 electronic nicotine delivery systems.

248 c.e. Twenty percent or more of the total shelf space, 249 including retail floor shelf space and shelf space in areas 250 accessible only to employees, is allocated for the offering, 251 displaying, or storage of electronic nicotine delivery 252 systems.



253 d.f. The retail space features a self-service display 254 for electronic nicotine delivery systems.

255 e.g. Samples of electronic nicotine delivery systems 256 are offered to customers.

257 <u>f.h.</u> Liquids intended to be vaporized through the use 258 of an electronic nicotine delivery system <u>are may be</u> produced 259 at the facility or <u>are may be</u> produced by the owner of the 260 establishment or any of its agents or employees <u>for sale at</u> 261 <u>the establishment</u>.

262 (19) (20) TOBACCO or TOBACCO PRODUCT. Any product made 263 or derived from tobacco that is intended for human consumption, including any component, part, or accessory of a 264 265 tobacco product, except for raw materials other than tobacco 266 used in manufacturing a component, part, or accessory of a 267 tobacco product, but does not include an article that is a drug under Section 201(g)(1) of the Federal Food, Drug, and 268 269 Cosmetic Act, a device under Section 201(h) of the Federal 270 Food, Drug, and Cosmetic Act, or a combination product 271 described in Section 503(q) of the Federal Food, Drug, and 272 Cosmetic Act.

273 (20)-(21) TOBACCO PERMIT. A permit issued by the board 274 to allow the permit holder to engage in the distribution of 275 tobacco, tobacco products, electronic nicotine delivery 276 systems, <u>e-liquids</u>, or alternative nicotine products at the 277 location identified in the permit.

278 (21)(22) TOBACCO SPECIALTY STORE. A business that 279 derives at least 75 percent of its revenue from tobacco or 280 tobacco products."



281 "\$28-11-3

282 The board, in conjunction with federal, state, and 283 local law enforcement agencies, shall enforce state and 284 federal laws that prohibit the distribution of tobacco, 285 tobacco products, alternative nicotine products, e-liquids, 286 and electronic nicotine delivery systems to individuals under 287 the age of 21 years. Notwithstanding the foregoing, for 288 purposes of inspections and enforcement actions undertaken 289 pursuant to this section, individuals under the age of 21 290 years may be enlisted to attempt to purchase or purchase 291 tobacco, tobacco products, alternative nicotine products, 292 e-liquids, and electronic nicotine delivery systems, provided 293 that individuals under the age of 18 years shall have the prior written consent of a parent or legal guardian, and 294 295 provided further that the individuals shall be directly supervised during the conduct of each inspection or 296 297 enforcement action by an enforcement agent of the board or a 298 law enforcement officer, or by a sheriff or head of police of 299 any county, city, town, or other political subdivision, or by 300 a deputy or officer thereof. No individual under the age of 21 301 years may misrepresent his or her age for the purpose of 302 purchasing or attempting to purchase tobacco, tobacco 303 products, alternative nicotine products, or electronic 304 nicotine delivery systems. If questioned about his or are 305 during an attempt to purchase or receive tobacco, tobacco products, alternative nicotine products, or electronic 306 nicotine delivery systems, an individual under the age of 21 307 308 vears shall state his or her true age. A photograph or video



309 recording of any individual under the age of 21 years 310 assisting in an inspection or enforcement action shall be 311 taken prior to the investigation. The appearance of an 312 individual under the age of 21 years participating in an 313 inspection or enforcement action shall not be altered at the 314 time of the inspection."

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"§28-11-5

316 The board may use funding, if available, from the 317 Department of Mental Health, other state or federal agencies, grants, and private or public organizations to enforce this 318 319 chapter and to provide and distribute prevention materials related to tobacco, tobacco products, alternative nicotine 320 products, e-liquids, and electronic nicotine delivery systems 321 322 and nicotine prevention materials to retail tobacco merchants 323 and specialty retailers of electronic nicotine delivery systems. The materials shall provide information regarding 324 325 state and federal laws that prohibit access to tobacco, 326 tobacco products, alternative nicotine products, e-liquids, 327 and electronic nicotine delivery systems by individuals under 328 the age of 21 years and other appropriate information. The 329 board may also provide consultation services for establishing 330 programs to minimize or eliminate sales of tobacco, tobacco 331 products, alternative nicotine products, e-liquids, and 332 electronic nicotine delivery systems to individuals under the 333 age of 21 years pursuant to the responsible vendor program."

334

"§28-11-6.1

335 (a) No tobacco, tobacco product, alternative nicotine
 336 product, e-liquid, or electronic nicotine delivery system



337 shall be distributed by use of a vending machine unless the 338 machine:

339 (1) Is located in an area in which individuals under 340 the age of 21 years are not permitted access; or

341 (2) Dispenses tobacco, tobacco products, alternative 342 nicotine products, or electronic nicotine delivery systems 343 through the operation of a device that requires the tobacco 344 permit holder or an employee of the permit holder to control

345 the distribution of the product.

346 (b) No tobacco, tobacco product, alternative nicotine 347 product, or electronic nicotine delivery system shall be 348 distributed at retail by use of a vending machine if placed 349 together with any non-tobacco product or non-nicotine product, 350 other than matches, in the machine."

351 "\$28-11-6.2

(a) No tobacco, tobacco product, alternative nicotine 352 353 product, e-liquid, or electronic nicotine delivery system 354 shall be distributed at retail through a self-service display 355 unless the display is a vending machine as permitted under 356 Section 28-11-6.1 or is located in a tobacco specialty store 357 or at a specialty retailer of electronic nicotine delivery 358 systems and is located in an area in which individuals under 359 the age of 21 years of age are not permitted access. 360 (b) A violation of this section shall be subject to the

- 361 penalties provided in Section 28-11-9."
- 362 "\$28-11-9

363 (a) Subject to the Alabama Administrative Procedure364 Act, Chapter 22 of Title 41, the board shall have full and



365 final authority as to the suspension or revocation for cause 366 of any permit issued pursuant to this chapter.

367 (1) The board may appoint a hearing commission of at
368 least three persons which may do all of the following:
369 a. Hear and decide all contested applications for

370 permits.

b. Hear and decide all charges against any permit
holder or employee of a permit holder for violations of this
chapter, the law, or the rules of the board.

374 c. Revoke or suspend permits as provided in this375 chapter.

376 d. Levy administrative fines upon permit holders—or
 377 employees of permit holders.

378 (2) No member of the hearing commission shall 379 participate in the hearing or disposition of any application 380 for a permit or charge against a permit holder or an employee 381 of a permit holder if he or she has an interest therein or was 382 involved in the investigation.

383 (b) The board, or a hearing commission appointed by the 384 board, upon finding that a permit holder or any partner, 385 member, employee, officer, or director of the permit holder 386 has violated any of the laws of this state or the United 387 States relating to the manufacture, sale, possession, or 388 transportation of tobacco, tobacco products, electronic nicotine delivery systems, e-liquids, or alternative nicotine 389 390 products, or that the permit holder has acted in a manner prejudicial to the welfare, health, peace, temperance, and 391 392 safety of the people of the community or of the state, may



393 upon due notice and hearing, may levy administrative fines or 394 suspend or revoke the permit issued by the board, or a 395 combination of all three, as provided in subsection (e). In all cases where the board or hearing commission shall 396 397 levylevies an administrative fine or suspend or revoke 398 suspends or revokes a permit, it the board shall set forth its 399 findings of fact, the evidence from which the findings of 400 facts are made, and the reasons upon which its actions are 401 based.

(c) The fines as specified in subsection (e) shall be 402 403 applicable per each violation. The permit holder or employee 404 shall remit the administrative fine to the board within seven 405 calendar days from the day that the administrative fine is 406 levied. Failure by the permit holder to pay the administrative 407 fine within that time period shall result in an automatic suspension of the permit until the administrative fine is 408 409 paid.

410 (d) The maximum length of suspension of a permit 411 pursuant to this chapter shall be one year. A permit holder shall be ineligible to hold a permit pursuant to this chapter 412 413 for the location where the violation occurred until the 414 expiration or removal of the suspension. A permit holder whose 415 permit is revoked by the board or the hearing commission shall 416 be, at the discretion of the board or hearing commission, 417 ineligible to hold a permit pursuant to this chapter until the 418 expiration of one year from the date the permit is revoked at the location where the violation occurred. 419

420 (e) The following administrative <u>fines penalties</u> may be



421 levied for violations of this chapter against valid permit 422 holders or employees, or both:

423 (1) Upon conviction for For a first violation at a 424 location in a four-year periodby the permit holder or an 425 employee of the permit holder, the board or hearing commission 426 may levy a fine against the permit holder of not more than 427 five hundred dollars (\$500); provided, however, the board or 428 hearing commission may offer the permit holder an opportunity 429 to provide training sessions administered by the Responsible Vendor Program in lieu of an the administrative fine upon the 430 permit holder and the employee, if the violation is by an 431 432 employee, of not more than two hundred dollars (\$200).

(2) Upon conviction of For a second violation at the same location within a two-year four-year period, the board or hearing commission may levy an administrative fine upon the permit holder and the employee, if the violation is by an employee, of not more than four hundred dollars (\$400) seven hundred fifty dollars (\$750).

439 (3) Upon conviction of a third or subsequent violation 440 at the same location within a two-year period, the board or 441 hearing commission may levy an administrative fine upon the 442 permit holder and the employee, if the violation is by an 443 employee, of not more than seven hundred fifty dollars (\$750).

444 (4) (3) Upon conviction of For a fourth third or 445 subsequent violation at the same location within a two-year 446 four-year period, the board or hearing commission may levy an 447 administrative fine upon the permit holder and the employee, 448 if the violation is by an employee, of not more than one



449 thousand dollars (\$1,000) and may suspend or revoke the 450 permit.

(f) Before imposition of any administrative
finepenalty, the permit holder shall be afforded all
procedural rights to due process in addition to those rights
guaranteed by the Alabama Administrative Procedure Act,
Chapter 22 of Title 41."

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"§28-11-10

457 (a) The Tobacco Licensing and Compliance Fund is hereby created in the State Treasury. The fund shall be administered 458 459 by the Licensing and Compliance Division of the board. All fees and other funds collected by the board pursuant to this 460 461 chapter shall be deposited into the State General FundState Treasury to the credit of the fund. Amounts deposited into the 462 463 fund shall be budgeted and allotted in accordance with Sections 41-4-80 through 41-4-96 and Sections 41-19-1 through 464 465 41-19-12, Code of Alabama 1975. Monies in the fund shall be 466 used by the Licensing and Compliance Division of the board for 467 tobacco and nicotine prevention education, operational costs 468 associated with regulating permitted locations, and the 469 enforcement of this chapter."

470 "\$28-11-12

471 (a) An advisory board shall be established to monitor 472 the implementation of this chapter. The advisory board shall 473 meet at least quarterly. Representation shall consist of one 474 representative from each of the following:

475 (1) The Office of the Governor.

476 (2) The Office of the Attorney General.



(3) The Department of Mental Health.

478 (4) The Department of Public Health.

(5) The Alcoholic Beverage Control Board.

480 (6) The Senate as appointed by the Lieutenant Governor.

481 (7) The House of Representatives as appointed by the482 Speaker of the House of Representatives.

(8) The Alabama Oilmen's Association and the Alabama
Convenience Store OperatorsPetroleum & Convenience Marketers
of Alabama Association as appointed by the Governor and
selected from three nominees submitted by the association.

487 (9) The Alabama Retail Association as appointed by the
488 Governor and selected from three nominees submitted by the
489 association.

490 (10) The Alabama Grocers' Association as appointed by
491 the Governor and selected from three nominees submitted by the
492 association.

493 (11) The Breathe Easier Alliance of Alabama as
494 appointed by the Governor and selected from three nominees

495 <u>submitted by the entity.</u>

496 (12) The Alabama State Law Enforcement Agency.

497 (13) The Department of Revenue.

498 (b) The membership of the advisory board shall be
499 inclusive and reflect the racial, gender, geographic,
500 urban/ruralurban, rural, and economic diversity of the state.

501 (c) The chair of the advisory board shall be a 502 representative from the board who shall be responsible for the 503 conduct of the meetings and any correspondence derived 504 therefrom.



(d) Other than the legislative appointees, each representative shall be appointed by his or her respective department head, and shall hold the appointment for a one-year term.

(e) A representative may be reappointed as deemed appropriate by his or her department head, or in the case of legislative appointees, the Lieutenant Governor or Speaker of the House of Representatives.

513 (f) The advisory board may issue written 514 recommendations for program modification to the board."

515 "\$28-11-13

516 (a) (1) It is unlawful for any individual under the age 517 of 21 years to purchase, use, possess, or transport tobacco, a 518 tobacco product, an electronic nicotine delivery system, or an 519 alternative nicotine product within this state.

(2) It shall not be unlawful for Notwithstanding 520 521 subdivision (1), an individual under the age of 21 years who 522 is an employee of a tobacco, tobacco product, electronic 523 nicotine delivery system, or alternative nicotine product 524 permit holder to may handle, transport, or sell tobacco, a 525 tobacco product, an electronic nicotine delivery system, or an 526 alternative tobacco product, <u>if</u> provided the employee is acting within the line and scope of employment and the permit 527 528 holder, or an employee of the permit holder who is 21 years of 529 age or older, is present.

(b) It is unlawful for any individual under the age of
21 years to present or offer to another person proof of
identification which is false, fraudulent, or not actually his

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533 or her own proof of identification in order to buy, receive, 534 or otherwise obtain, or attempt to buy, receive, or otherwise 535 obtain, any tobacco, tobacco product, electronic nicotine 536 delivery system, or alternative nicotine product.

(c) If <u>a minor an individual under 19 years of age</u> is cited for any violation under this section, the citing agency shall <u>make reasonable efforts to</u> notify a parent, legal guardian, or legal custodian of the <u>minor individual that the</u> individual was cited for the violation. <u>unless This subsection</u> does not apply the minor if the individual has been emancipated by court order or operation of law."

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560

"§28-11-14

(a) (1) Any tobacco, tobacco product, alternative
nicotine product, <u>e-liquids</u>, electronic nicotine delivery
system, or false proof of identification found in the
possession of an individual under the age of 21 years is
contraband and subject to seizure by <u>agents of the board or</u>
any law enforcement <u>officer</u>.

551 (2) Prohibited tobacco, tobacco products, electronic 552 nicotine delivery systems, e-liquids, and alternative nicotine 553 products kept, stored, or deposited in any place in this state 554 for the purpose of unlawful sale or unlawful disposition or 555 unlawful furnishing or distribution, and the vessels and 556 receptacles in which the products are contained, are declared 557 to be contraband and shall be seized and forfeited to the 558 state and may be condemned for destruction pursuant to the procedures of Article 11 of Chapter 4. 559

(3) Prohibited tobacco, tobacco products, electronic



561	nicotine delivery systems, e-liquids, and alternative nicotine
562	products may be searched for, seized, and ordered to be
563	destroyed pursuant to the procedures of Article 11 of Chapter
564	<u>4.</u>
565	(b) In any criminal prosecutions against a person for a
566	violation of this chapter, on conviction, the court may order
567	the destruction of any prohibited tobacco, tobacco products,
568	electronic nicotine delivery systems, e-liquids, and
569	alternative nicotine products which were (i) sold, offered for
570	sale, possessed, or otherwise disposed of by the defendant,
571	(ii) employed by the defendant for use or disposition at any
572	unlawful establishment by the defendant, (iii) possessed or
573	used in conducting the business of a tobacco dealer, or (iv)
574	used as evidence in the case.
575	(c) All fixtures, equipment, materials, and personal
576	property used in substantial connection with the sale or
577	possession of tobacco, tobacco products, electronic nicotine
578	delivery systems, e-liquids, and alternative nicotine products
579	involved in a knowing and intentional violation of this
580	article shall be subject to the same seizure and forfeiture
581	procedures as provided pursuant to Article 11 of Chapter 4.
582	(d) The board shall dispose of electronic nicotine
583	delivery systems, e-liquids, and alternative nicotine products
584	seized under this section by destruction as provided by rule
585	of the board. Any person from whom an electronic nicotine
586	delivery system, e-liquid, or alternative nicotine product is
587	seized and destroyed pursuant to this section shall be subject
588	to a fee, to be determined based on the cost of the



589	destruction and disposal of the electronic nicotine delivery
590	system, e-liquid, or alternative nicotine product as hazardous
591	waste.
592	(e)(1) AnyExcept as otherwise provided under Section 2
593	of the act amending this section, an individual under the age
594	of <u>under</u> 21 years <u>of ageviolating who violates</u> Section
595	28-11-13 shall be issued a citation similar to a uniform
596	nontraffic citation and shall be fined not less than ten
597	dollars (\$10) nor more than fifty dollars (\$50) punished as
598	follows for each violation, and but shall be assessed no other
599	court costs or fees. associated with the violation:
600	a. For a first violation, a fine of not more than fifty
601	dollars (\$50) or 8 hours of community service.
602	b. For a second violation, a fine of not more than one
603	hundred dollars (\$100) or 16 hours of community service.
604	c. For a third or subsequent violation, a fine of not
605	more than two hundred dollars (\$200) or 32 hours of community
606	service.
607	(2) (b) Notwithstanding any other provision of law, the
608	disposition of any violation shall be within the jurisdiction
609	of the district or municipal court and not the juvenile court.
610	Violations shall not be considered criminal offenses and shall
611	be administratively adjudicated by the district or municipal
612	court.
613	(3) The disposition of any individual under 18 years of
614	age charged with a violation of Section 28-11-13 shall be
615	subject to the exclusive jurisdiction of the juvenile court."
616	"§28-11-16



(a) (1) A retailer or manufacturer of electronic
nicotine delivery systems, e-liquids, or alternative nicotine
products may not advertise an electronic nicotine delivery
system, e-liquid, or an alternative nicotine product in any of
the following ways:

622

a. As a tobacco cessation product.

b. As a healthier alternative to smoking.

624 c. As available for purchase in any variety of flavors 625 other than tobacco, mint, or menthol on any outdoor billboard.

d. On any outdoor billboard located within 1,000 feetof any public or private K-12 school or public playground.

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

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

(2) A specialty retailer of electronic nicotine
delivery systems or manufacturer of tobacco, tobacco products,
electronic nicotine delivery systems, <u>e-liquid</u>, or alternative
nicotine products may not use the brand name of any tobacco
product, alternative nicotine product, <u>e-liquid</u>, or electronic



645 nicotine delivery system to advertise at or sponsor any <u>event</u> 646 <u>at a stadium</u>, concert, sporting event, or other public 647 performance event for which individuals aged 21 years or older 648 make up less than 85 percent of the total age demographic of 649 <u>performing participants individuals performing at the event</u>.

650 (3) A specialty retailer of electronic nicotine 651 delivery systems or manufacturer of tobacco, tobacco products, 652 electronic nicotine delivery systems, e-liquids, or 653 alternative nicotine products may not advertise a tobacco product, electronic nicotine delivery system, e-liquid, or 654 655 alternative nicotine product in a newspaper, magazine, periodical, or other print or digital publication distributed 656 657 in this state for which less than 85 percent of the viewership 658 or readership of the publication is made up of individuals 21 659 years of age or older as measured by competent and reliable 660 survey evidence.

(c) (1) A violation of subsection (a) or subsection (b)
shall result in a <u>one hundred dollar (\$100)</u> three hundred
dollar (\$300) fine for the first occurrence.

664 (2) A second or subsequent violation of subsection (a)
665 or subsection (b) shall result in a five hundred dollar (\$500)
666 seven hundred fifty dollar (\$750) fine per occurrence.

667 (3) Each day a violation of subsection (a) or
668 subsection (b) persists shall constitute a separate and
669 subsequent violation.

(d) A retailer or manufacturer of tobacco, tobacco
products, electronic nicotine delivery systems, <u>e-liquids</u>, or
alternative nicotine products may not advertise, market, or

Page 24



673 offer for sale tobacco, a tobacco product, an electronic 674 nicotine delivery system, <u>e-liquids</u>, or an alternative 675 nicotine product in any of the following ways:

(1) By using, in the labeling or design of the product,
its packaging, or in its advertising or marketing materials,
the terms "candy" or "candies," any variant of these words, or
any other term referencing a type or brand of candy, including
types or brands of candy that do not include the words "candy"
or "candies" in their names or slogans.

(2) By using, in the labeling or design of the product, 682 683 its packaging, or in its advertising or marketing materials, the terms "cake" or "cakes" or "cupcake" or "cupcakes" or 684 685 "pie" or "pies," any variant of these words, or any other term 686 referencing a type or brand of cake, pastry, or pie, including 687 types or brands of cakes, pastries, or pies that do not include the words "cake" or "cakes" or "cupcake" or "cupcakes" 688 689 or "pie" or "pies" in their names or slogans.

690 (3) By using, in the labeling or design of the product, 691 its packaging, or in its advertising or marketing materials, 692 trade dress, trademarks, branding, or other related imagery 693 that imitates or replicates those of food brands or other 694 related products that are marketed to minors, including, but 695 not limited to, breakfast cereal, cookies, juice drinks, soft 696 drinks, frozen drinks, ice creams, sorbets, sherbets, and 697 frozen pops.

(4) By using, in the labeling or design of the product,
its packaging, or in its advertising or marketing materials,
trade dress, trademarks, branding, or other related imagery



that depicts or signifies characters or symbols that are known to appeal primarily to minors, including, but not limited to, superheroes, comic book characters, video game characters, television show characters, movie characters, mythical creatures, unicorns, or that otherwise incorporates related imagery or scenery.

707 <u>(e) The board may adopt rules to implement this</u>
708 section, including rules regarding the suitability of labels
709 and procedures to reject advertising that appeals to minors,
710 including, but not limited to, the design of a product, its
711 packaging, or its advertising or marketing materials, trade
712 dress, trademarks, branding, or other related imagery.

(f) Any item found in violation of subsection (d) is a prohibited item and shall be considered contraband and may be seized as provided by Section 28-11-14 by an agent of the board or any law enforcement officer."

717

"\$28-11-17.1

718 (a) (1) Beginning March 1, 2022, or other date not Not more than 30 days following a premarket tobacco application 719 720 submission deadline issued by the FDA, whichever is later, 721 every e-liquid manufacturer and manufacturer of alternative 722 nicotine products whose products are sold in this state, 723 whether directly or through a distributor, retailer, or 724 similar intermediary or intermediaries, shall execute and 725 deliver on a form prescribed by the commissioner, a 726 certification to the commissioner certifying, under penalty of perjury, that the product does not contain any synthetic 727 728 nicotine or nicotine derived from a source other than tobacco,



729 that the product may be lawfully sold and possessed in this

730 state, and that either of the following apply:

731 a. The product was on the market in the United States 732 as of August 8, 2016, and the manufacturer has applied for a 733 marketing order pursuant to 21 U.S.C. § 387j for the e-liquid, 734 e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is 735 736 applicable, by submitting a premarket tobacco product 737 application on or before September 9, 2020, to the FDA; and 738 either of the following is true:

7391. The premarket tobacco product application for the740 product remains under review by the FDA.

2. The FDA has issued a no marketing order for the e-liquid, e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is applicable, from the FDA; however, the agency or a federal court has issued a stay order or injunction during the pendency of the manufacturer's appeal of the no marketing order.

b. The manufacturer has received a marketing order or
other authorization under 21 U.S.C. § 387j for the e-liquid,
e-liquid in combination with an electronic nicotine delivery
system, or alternative nicotine product, whichever is
applicable, from the FDA.

(2) In addition to the requirements in subdivision (1),
each manufacturer shall provide:

755 <u>a. aA copy of the cover page of the premarket tobacco</u> 756 application with evidence of receipt of the application by the



757 FDA or a copy of the cover page of the marketing order or 758 other authorization issued pursuant to 21 U.S.C. § 387j, 759 whichever is applicable.

b. Information that clearly identifies each product,
submission tracking number (STN), product name, product
subcategory, characterizing flavor, FDA order date, and type
of order.

(b) Any manufacturer submitting a certification pursuant to subsection (a) shall notify the commissioner within 30 days of any material change to the certification, including issuance by the FDA of any of the following:

768 (1) A market order or other authorization pursuant to769 21 U.S.C. § 387j.

770 (2) An order requiring a manufacturer to remove a771 product from the market either temporarily or permanently.

(3) Any notice of action taken by the FDA affecting the ability of the new product to be introduced or delivered into interstate commerce for commercial distribution.

(4) Any change in policy that results in a product nolonger being exempt from federal enforcement oversight.

(c) The commissioner shall develop and maintain a directory listing all e-liquid manufacturers and manufacturers of alternative nicotine products that have provided certifications that comply with subsection (a) and all products that are listed in those certifications.

(d) The commissioner shall do all of the following:
(1) Make the directory available for public inspection
on its website by May 1, 2022.



(2) Update the directory as necessary in order to
correct mistakes and to add or remove e-liquid manufacturers,
manufacturers of alternative nicotine products, or products
manufactured by those manufacturers consistent with the
requirements of subsections (a) and (b) on a monthly basis.
(3) Remove from the directory any product that the
board determines is a prohibited item pursuant to Section

792 <u>28-11-16(d)</u>.

793 (3) (4) Send monthly notifications to each wholesaler, 794 jobber, semijobber, retailer, importer, or distributor of 795 tobacco products that have qualified or registered with the Department of Revenue, by electronic communication, containing 796 797 a list of all changes that have been made to the directory in 798 the previous month. In lieu of sending monthly notifications, 799 the commissioner may make the information available in a prominent place on the Department of Revenue's public website. 800

801 <u>(4)(e)</u> Information required to be listed in the 802 directory shall not be subject to the confidentiality and 803 disclosure provisions in Section 40-2A-10.

804 (c) (f) Notwithstanding subsection (a), if an e-liquid 805 manufacturer or manufacturer of alternative nicotine products 806 can demonstrate to the commissioner that the FDA has issued a 807 rule, guidance, or any other formal statement that temporarily 808 exempts a product from the federal premarket tobacco 809 application requirements, the product may be added to the 810 directory upon request by the manufacturer if the manufacturer provides sufficient evidence that the product is compliant 811 812 with the federal rule, guidance, or other formal statement, as



813 applicable.

814 (f) (g) Each certifying e-liquid manufacturer and 815 manufacturer of alternative nicotine products shall pay an 816 initial fee of two thousand dollars (\$2,000) to offset the 817 costs incurred by the department for processing the 818 certifications and operating the directory. The commissioner 819 shall collect an annual renewal fee of five hundred dollars 820 (\$500) to offset the costs associated with maintaining the 821 directory and satisfying the requirements of this section. The 822 fees received under this section by the department shall be 823 used by the department exclusively for processing the 824 certifications and operating and maintaining the directory. 825 After the payment of these expenses, two-thirds one-half of 826 the remaining funds shall be deposited into the State General 827 Fund, and the remaining-one-third one-half shall be 828 distributed evenly to the Alabama State Law Enforcement Agency 829 and to the Licensing and Compliance Division of the board to 830 be used for the enforcement of this chapter.

831 (g) (h) Beginning on September 1, 2021, no e-liquid, 832 e-liquid in combination with an electronic nicotine delivery 833 system, or alternative nicotine product that, in the case of 834 any such product, contains synthetic nicotine or nicotine 835 derived from a source other than tobacco may be sold or 836 otherwise distributed in this state without first obtaining 837 approval from the FDA for sale as a drug under Section 838 201(q)(1) of the Federal Food, Drug, and Cosmetic Act, a device under Section 201(h) of the Federal Food, Drug, and 839 840 Cosmetic Act, a combination product described in Section



841 503(g) of the Federal Food, Drug, and Cosmetic Act, or some 842 other medical purpose.

843	(h)(i)(1) Beginning May 1, 2022, or on the date that
844	the Department of Revenue first makes the directory available
845	for public inspection on its website as provided in subsection
846	(d), whichever is later, an An e-liquid manufacturer or
847	manufacturer of alternative nicotine products or electronic
848	nicotine delivery systems who offers for sale a product not
849	listed on the directory is subject to a one thousand dollars
850	(\$1,000) daily fine for each product offered for sale in
851	violation of this section until the offending product is
852	removed from the market or until the offending product is
853	properly listed on the directory. For purposes of this
854	subdivision, "sale" includes a delivery sale of e-liquids or
855	electronic nicotine delivery systems or alternative nicotine
856	products, as defined under this chapter.
857	(2) Any other violation of this section shall result in
858	a fine of five hundred dollars (\$500) per offense.
859	(j)(1) When any retail permit holder offers for sale a
860	product not listed on the directory, the board shall assess
861	the following administrative penalties:
862	a. For a first offense within a four-year period, an
863	administrative penalty of five hundred dollars (\$500).
864	b. For a second offense within a four-year period, an
865	administrative penalty of seven hundred fifty dollars (\$750).
866	c. For a third or subsequent offense within a four-year
867	period, an administrative penalty of one thousand dollars
868	(\$1,000). In addition, the board may suspend or revoke the



869	permit of the permit holder.
870	(2) All products offered for sale and not listed on the
871	directory shall be considered a prohibited item and declared
872	to be contraband and may be seized and forfeited as provided
873	in Section 28-11-14 by agents of the board or any law
874	enforcement officer.
875	(k) Any fine collected for a violation of this section
876	shall be deposited into the Education Trust Fund to the credit
877	of the State Board of Education to be used for the
878	establishment and administration of vape awareness, education,
879	and prevention programs and the provision of drug education
880	and prevention curriculum, as provided in Section 2 of the act
881	amending this section.
882	(i) (l) The commissioner Alcoholic Beverage Control
883	Board and the Commissioner of Revenue shall adopt rules for
884	the implementation and enforcement of this section."
885	"\$28-11-18
886	(a) All liquid nicotine containers offered for sale
887	that are intended to be vaporized in an electronic nicotine
888	delivery system shall be contained in child-resistant
889	packaging.
890	(b) A specialty retailer of <u>tobacco, tobacco products,</u>
891	alternative nicotine products, e-liquids, or electronic
892	nicotine delivery systems shall display in a prominent area of
893	the retail store near the point of sale, a an 8 $1/2 \times 11$ inch
894	sign <u>or signs containing</u> which contains the following
895	statements:
896	(1) "ALABAMA LAW STRICTLY PROHIBITS THE PURCHASE OF



897	TOBACCO, TOBACCO PRODUCTS, ALTERNATIVE NICOTINE PRODUCTS,
898	E-LIQUIDS, AND ELECTRONIC NICOTINE DELIVERY SYSTEMS BY PERSONS
899	UNDER THE AGE OF 21 YEARS. PROOF OF AGE IS REQUIRED."
900	(2) "THE USE OF SOME VAPING DEVICES MAY INCREASE YOUR
901	RISK OF EXPOSURE TO POTENTIALLY TOXIC LEVELS OF HEAVY METALS
902	SUCH AS LEAD, CHROMIUM, AND NICKEL."
903	(3)(2) "WARNING: <u>TOBACCO, TOBACCO PRODUCTS, ALTERNATIVE</u>
904	NICOTINE PRODUCTS, E-LIQUIDS, ELECTRONIC NICOTINE DELIVERY
905	SYSTEMS, AND VAPING PRODUCTS OFFERED FOR SALE IN THIS STORE
906	CONTAIN NICOTINE UNLESS OTHERWISE MARKED. NICOTINE IS A HIGHLY
907	ADDICTIVE CHEMICAL WHICH CAN HARM BRAIN DEVELOPMENT IN
908	CHILDREN AND ADOLESCENTS AND WHICH POSES SERIOUS HEALTH RISKS
909	TO PREGNANT WOMEN AND THEIR BABIES."
910	(c) In addition to the requirements of subsection (b),
911	a retailer of alternative nicotine products or electronic
912	nicotine delivery systems shall include the following
913	statement on the required posted sign:
914	"THE USE OF SOME VAPING DEVICES MAY INCREASE YOUR RISK
915	OF EXPOSURE TO POTENTIALLY TOXIC LEVELS OF HEAVY METALS SUCH
916	AS LEAD, CHROMIUM, AND NICKEL."
917	(d) Posted signs required by this section, at a
918	minimum, must accurately list the type of products sold at the
919	retail establishment. If a retailer does not sell all of the
920	product types listed in the statements described in
921	subsections (b) or (c), the retailer may amend the products
922	listed on the sign to accurately reflect the type of products
923	sold."
924	"§28-11-19



925 (a) Beginning January 1, 2020, a county may not issue a 926 license to conduct business as a specialty retailer of 927 electronic nicotine delivery systems if the retail business is 928 located within 1,000 feet of any of the following:

- 929 (1) A public or private K-12 school.
- 930 (2) A licensed child-care facility or preschool.
- 931 (3) A church.
- 932 (4) A public library.
- 933 (5) A public playground.
- 934 (6) A public park.

935 (7) A youth center or other space used primarily for 936 youth-oriented activities.

937 (b) This section does not apply to a specialty retailer 938 of electronic nicotine delivery systems that obtained a 939 business license at a location prohibited in subsection (a) 940 prior to January 1, 2020, that has conducted business as a 941 specialty retailer of electronic nicotine delivery systems at 942 that location for at least 18 consecutive months, and that 943 remains in the same location.

944 (c) The Licensing and Compliance Division of the board 945 may refer a violation of this section to the Office of the 946 Attorney General for enforcement of this section."

947 Section 2. (a) By July 1, 2023, the State Board of 948 Education shall adopt a model policy for the establishment of 949 a vape awareness, education, and prevention program to 950 prohibit the possession and use of prohibited tobacco, tobacco 951 products, electronic nicotine delivery systems, e-liquids, and 952 alternative nicotine products by students in K-12 schools.



953 (b) By September 1, 2023, each local board of education 954 shall adopt a policy that, at a minimum, contains the criteria 955 established in the model policy adopted by the State Board of 956 Education.

957 (c) The model policy adopted by the State Board of958 Education, at a minimum, shall contain all of the following:

959 (1) A statement prohibiting the possession or use of 960 tobacco, tobacco products, electronic nicotine delivery 961 systems, e-liquids, and alternative nicotine product, as those 962 terms are defined under Section 28-11-2, Code of Alabama 1975, 963 by any student at a K-12 school, on a school bus, or at any 964 school-sponsored function.

965 (2) A series of graduated consequences for any student 966 who violates this policy by possessing or using tobacco, 967 tobacco products, electronic nicotine delivery systems, e-liquids, or alternative nicotine products as prohibited by 968 969 this section. Graduated consequences may include, but are not 970 limited to, in-school suspension, out-of-school suspension, or 971 alternative school, or any combination thereof, and shall 972 conform with applicable disability, antidiscrimination, and 973 education laws and school discipline policies.

974 (3)a. A requirement that any student in violation of 975 the prohibition against possession or use of tobacco, tobacco 976 products, electronic nicotine delivery systems, e-liquids, or 977 alternative nicotine products be required to attend and 978 complete a vaping awareness, education, and prevention class 979 based on curriculum established by the Drug Education Council 980 and approved by the State Board of Education.



981 b. An additional requirement that on a second or 982 subsequent violation, the student must attend and complete the 983 vaping awareness, education, and prevention class with his or 984 her parent or legal guardian.

985 (4) A model complaint form and procedure for reporting 986 violations of this section. An anonymous report may not be the 987 basis of imposing formal disciplinary action against a 988 student.

989 (5) A procedure for the prompt investigation of reports 990 of serious violations and complaints, specifying that the 991 principal, assistant principal, or school resource officer is 992 the individual responsible for the investigation.

993 (6) A response procedure for a school to follow upon 994 confirmation of the possession or use of tobacco, tobacco 995 products, electronic nicotine delivery systems, e-liquids, or 996 alternative nicotine products as prohibited by this section.

997 (7) A procedure for publicizing local school board 998 policy through publication in the student handbook, including 999 providing notice that the policy applies to behavior occurring 1000 on school property, school buses, and school-sponsored 1001 functions.

(c) The policy adopted by each local board of education shall be included in the code of conduct policy of the local board of education and included in the student handbook.

1005 (d) Any discipline received by a student for the 1006 possession or use of tobacco, tobacco products, electronic 1007 nicotine delivery systems, e-liquids, or alternative nicotine 1008 products at a K-12 school, on a school bus, or at any



1009 school-sponsored function in violation of this section shall 1010 be in lieu of any penalty provided under Section 28-11-13, 1011 Code of Alabama 1975.

1012 Section 3. The Alcoholic Beverage Control Board shall 1013 adopt rules to implement and administer Chapter 11 of Title 1014 28, Code of Alabama 1975.

Section 4. Section 28-11-15, Code of Alabama 1975, relating to the posting of signs regarding the sale of tobacco and tobacco products, is repealed.

1018 Section 5. Although this bill would have as its purpose 1019 or effect the requirement of a new or increased expenditure of 1020 local funds, the bill is excluded from further requirements 1021 and application under Section 111.05 of the Constitution of 1022 Alabama of 2022, because the bill defines a new crime or 1023 amends the definition of an existing crime.

Section 6. Sections 2 and 3 of this act shall become effective immediately and the remaining sections of this act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.