

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1466

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 13-3622, Arizona Revised Statutes, is amended to  
3 read:

4 13-3622. Tobacco products; persons under the federal minimum  
5 age; classification; exceptions; definitions

6 A. A person who ~~knowingly~~ sells, gives or furnishes a tobacco  
7 product, ~~a vapor product or any instrument or paraphernalia that is solely~~  
8 ~~designed for the smoking or ingestion of tobacco or shisha, including a~~  
9 ~~hookah or waterpipe,~~ to a ~~minor is guilty of a petty offense~~ PERSON WHO IS  
10 UNDER THE MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE FEDERAL  
11 FOOD, DRUG, AND COSMETIC ACT IS SUBJECT TO THE PENALTIES PRESCRIBED IN  
12 SECTION 36-798.01.

13 ~~B. A minor who buys, or has in his possession or knowingly accepts~~  
14 ~~or receives from any person, a tobacco product, a vapor product or any~~  
15 ~~instrument or paraphernalia that is solely designed for the smoking or~~  
16 ~~ingestion of tobacco or shisha, including a hookah or waterpipe, is guilty~~  
17 ~~of a petty offense, and if the offense involves any instrument or~~  
18 ~~paraphernalia that is solely designed for the smoking or ingestion of~~  
19 ~~tobacco or shisha, shall pay a fine of not less than one hundred dollars or~~  
20 ~~perform not less than thirty hours of community restitution.~~

21 ~~C.~~ B. A ~~minor~~ PERSON WHO IS UNDER THE MINIMUM AGE OF SALE FOR  
22 TOBACCO PRODUCTS AS SET BY THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND who  
23 misrepresents the ~~minor's~~ PERSON'S age to any OTHER person by means of a

1 written instrument of identification with the intent to induce the OTHER  
2 person to sell, give or furnish a tobacco product, ~~a vapor product or any~~  
3 ~~instrument or paraphernalia that is solely designed for the smoking or~~  
4 ~~ingestion of tobacco or shisha, including a hookah or waterpipe, in~~  
5 ~~violation of subsection A or B of this section~~ is guilty of a petty offense  
6 and, notwithstanding section 13-802, shall pay a fine of not more than ~~five~~  
7 ~~hundred dollars~~ \$100.

8 ~~D.~~ C. This section does not apply to ~~any of the following:~~

9 ~~1. Cigars, cigarettes or cigarette papers, smoking or chewing A~~  
10 tobacco PRODUCT or any instrument or paraphernalia that is solely designed  
11 for ~~the~~ smoking or ~~ingestion of~~ INGESTING tobacco or shisha, including a  
12 hookah or waterpipe, if it is used or intended to be used in connection  
13 with a bona fide practice of a religious belief and as an integral part of  
14 a religious or ceremonial exercise.

15 ~~2. Any instrument or paraphernalia that is solely designed for the~~  
16 ~~smoking or ingestion of tobacco or shisha, including a hookah or waterpipe,~~  
17 ~~that is given to or possessed by a minor if the instrument or paraphernalia~~  
18 ~~was a gift or souvenir and is not used or intended to be used by the minor~~  
19 ~~to smoke or ingest tobacco or shisha.~~

20 ~~E.~~ D. For the purposes of this section:

21 1. "ELECTRONIC SMOKING DEVICE":

22 (a) MEANS ANY DEVICE THAT MAY BE USED TO DELIVER ANY AEROSOLIZED OR  
23 VAPORIZED SUBSTANCE TO THE PERSON WHO INHALES FROM THE DEVICE, INCLUDING AN  
24 E-CIGARETTE, E-CIGAR, E-PIPE, VAPE PEN OR E-HOOKAH.

25 (b) INCLUDES:

26 (i) ANY COMPONENT, PART OR ACCESSORY OF THE DEVICE.

27 (ii) ANY SUBSTANCE THAT IS INTENDED TO BE AEROSOLIZED OR VAPORIZED  
28 DURING THE USE OF THE DEVICE, WHETHER OR NOT THE SUBSTANCE CONTAINS  
29 NICOTINE.

30 (c) DOES NOT INCLUDE DRUGS, DEVICES OR COMBINATION PRODUCTS  
31 AUTHORIZED FOR SALE BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION, AS

1 THOSE TERMS ARE DEFINED IN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT OR THE  
2 REGULATIONS ADOPTED PURSUANT TO THAT ACT.

3 ~~1.~~ 2. "Shisha" includes any mixture of tobacco leaf and honey,  
4 molasses or dried fruit or any other sweetener.

5 ~~2.~~ 3. "Tobacco product":

6 (a) Means any of the following:

7 ~~(a) Cigars.~~

8 ~~(b) Cigarettes.~~

9 ~~(c) Cigarette papers of any kind.~~

10 ~~(d) Smoking tobacco of any kind.~~

11 ~~(e) Chewing tobacco of any kind.~~

12 ~~3. "Vapor product" means a noncombustible tobacco-derived product~~  
13 ~~containing nicotine that employs a mechanical heating element, battery or~~  
14 ~~circuit, regardless of shape or size, that can be used to heat a liquid~~  
15 ~~nicotine solution contained in cartridges. Vapor product does not include~~  
16 ~~any product that is regulated by the United States food and drug~~  
17 ~~administration under chapter V of the federal food, drug and cosmetic act.~~

18 (i) A PRODUCT CONTAINING, MADE OF OR DERIVED FROM TOBACCO OR  
19 NICOTINE THAT IS INTENDED FOR HUMAN CONSUMPTION OR IS LIKELY TO BE  
20 CONSUMED, WHETHER INHALED, ABSORBED OR INGESTED BY ANY OTHER MEANS,  
21 INCLUDING A CIGARETTE, A CIGAR, PIPE TOBACCO, SHISHA, BEEDIES, BIDIS,  
22 CHEWING TOBACCO, SNUFF OR SNUS.

23 (ii) AN ELECTRONIC SMOKING DEVICE AND ANY SUBSTANCE THAT MAY BE  
24 AEROSOLIZED OR VAPORIZED BY THE DEVICE, WHETHER OR NOT THE SUBSTANCE  
25 CONTAINS NICOTINE.

26 (iii) A COMPONENT, PART OR ACCESSORY OF ANY PRODUCT, ELECTRONIC  
27 SMOKING DEVICE OR SUBSTANCE THAT IS LISTED IN ITEM (i) OR (ii) OF THIS  
28 SUBDIVISION, WHETHER OR NOT ANY OF THESE CONTAIN TOBACCO OR NICOTINE,  
29 INCLUDING FILTERS, ROLLING PAPERS, BLUNT OR HEMP WRAPS AND PIPES.

30 (b) DOES NOT INCLUDE DRUGS, DEVICES OR COMBINATION PRODUCTS  
31 AUTHORIZED FOR SALE BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION, AS

1 THOSE TERMS ARE DEFINED IN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT OR THE  
2 REGULATIONS ADOPTED PURSUANT TO THAT ACT.

3 Sec. 2. Section 36-798, Arizona Revised Statutes, is amended to  
4 read:

5 36-798. Definitions

6 In this article, unless the context otherwise requires:

7 1. "Bar" means that portion of any premises licensed under section  
8 4-209, subsection B, paragraph 6, 7, 11, 12 or 14 that is primarily used  
9 for ~~the~~ selling, ~~consumption~~ CONSUMING or serving ~~of~~ alcoholic beverages  
10 and that is not primarily used for ~~the consumption of~~ CONSUMING food on the  
11 premises.

12 2. "Beedies" or "bidis" means a product containing tobacco that is  
13 wrapped in temburni leaf (diospyros melanoxylon) or tendu leaf (diospyros  
14 exculpra), ~~or any other product that is offered to,~~ or purchased  
15 by, ~~consumers as beedies or bidis.~~

16 3. "Cigar" means a roll of tobacco or any lawful substitute for  
17 tobacco that is wrapped in tobacco.

18 4. "Cigarette" means a roll of tobacco or any lawful substitute for  
19 tobacco that is wrapped in paper or in any substance other than tobacco.

20 ~~5. "Minor" means a person who is under eighteen years of age.~~

21 5. "DEPARTMENT" MEANS THE DEPARTMENT OF HEALTH SERVICES.

22 6. "ELECTRONIC SMOKING DEVICE":

23 (a) MEANS ANY DEVICE THAT MAY BE USED TO DELIVER ANY AEROSOLIZED OR  
24 VAPORIZED SUBSTANCE TO THE PERSON WHO INHALES FROM THE DEVICE, INCLUDING AN  
25 E-CIGARETTE, E-CIGAR, E-PIPE, VAPE PEN OR E-HOOKAH.

26 (b) INCLUDES:

27 (i) ANY COMPONENT, PART OR ACCESSORY OF THE DEVICE.

28 (ii) ANY SUBSTANCE THAT IS INTENDED TO BE AEROSOLIZED OR VAPORIZED  
29 DURING THE USE OF THE DEVICE, WHETHER OR NOT THE SUBSTANCE CONTAINS  
30 NICOTINE.

31 (c) DOES NOT INCLUDE DRUGS, DEVICES OR COMBINATION PRODUCTS  
32 AUTHORIZED FOR SALE BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION, AS

1 THOSE TERMS ARE DEFINED IN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT OR THE  
2 REGULATIONS ADOPTED PURSUANT TO THAT ACT.

3 ~~6.~~ 7. "Retail tobacco vendor":

4 (a) Means a person, ~~who possesses tobacco or tobacco products for~~  
5 ~~the purpose of selling them for consumption and not for resale~~ PARTNERSHIP,  
6 JOINT VENTURE, SOCIETY, CLUB, TRUSTEE, TRUE ASSOCIATION, ORGANIZATION OR  
7 CORPORATION THAT OWNS, OPERATES OR MANAGES ANY TOBACCO RETAIL  
8 ESTABLISHMENT.

9 (b) DOES NOT INCLUDE THE NONMANAGEMENT EMPLOYEES OF ANY TOBACCO  
10 RETAIL ESTABLISHMENT.

11 8. "SELF-SERVICE DISPLAY" MEANS ANY DISPLAY FROM WHICH CUSTOMERS MAY  
12 SELECT A TOBACCO PRODUCT WITHOUT ASSISTANCE FROM THE RETAIL TOBACCO VENDOR  
13 OR THE RETAIL TOBACCO VENDOR'S REPRESENTATIVE, AGENT OR EMPLOYEE AND  
14 WITHOUT A DIRECT PERSON-TO-PERSON TRANSFER BETWEEN THE PURCHASER AND THE  
15 RETAIL TOBACCO VENDOR OR RETAIL TOBACCO VENDOR'S REPRESENTATIVE, AGENT OR  
16 EMPLOYEE, INCLUDING A VENDING MACHINE.

17 ~~7.~~ 9. "Smokeless tobacco" includes shredded tobacco, snuff,  
18 cavendish and plug, twist and other tobacco products that are intended for  
19 oral use but not for smoking.

20 ~~8.~~ 10. "Smoking tobacco" includes any tobacco or tobacco product,  
21 other than cigarettes and cigars, that is intended to be smoked.

22 ~~9.~~ 11. "Tobacco ~~products~~ PRODUCT": ~~includes cigarettes, cigarette~~  
23 ~~papers, cigars, smokeless tobacco and smoking tobacco.~~

24 (a) MEANS ANY OF THE FOLLOWING:

25 (i) A PRODUCT CONTAINING, MADE OF OR DERIVED FROM TOBACCO OR  
26 NICOTINE THAT IS INTENDED FOR HUMAN CONSUMPTION OR IS LIKELY TO BE  
27 CONSUMED, WHETHER INHALED, ABSORBED OR INGESTED BY ANY OTHER MEANS,  
28 INCLUDING A CIGARETTE, A CIGAR, PIPE TOBACCO, SHISHA, BEEDIES, BIDIS,  
29 CHEWING TOBACCO, SNUFF OR SNUF.

30 (ii) AN ELECTRONIC SMOKING DEVICE AND ANY SUBSTANCE THAT MAY BE  
31 AEROSOLIZED OR VAPORIZED BY THE DEVICE, WHETHER OR NOT THE SUBSTANCE  
32 CONTAINS NICOTINE.

1 (iii) A COMPONENT, PART OR ACCESSORY OF ANY PRODUCT, ELECTRONIC  
2 SMOKING DEVICE OR SUBSTANCE THAT IS LISTED IN ITEM (i) OR (ii) OF THIS  
3 SUBDIVISION, WHETHER OR NOT ANY OF THESE CONTAIN TOBACCO OR NICOTINE,  
4 INCLUDING FILTERS, ROLLING PAPERS, BLUNT OR HEMP WRAPS AND PIPES.

5 (b) DOES NOT INCLUDE DRUGS, DEVICES OR COMBINATION PRODUCTS  
6 AUTHORIZED FOR SALE BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION, AS  
7 THOSE TERMS ARE DEFINED IN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT OR THE  
8 REGULATIONS ADOPTED PURSUANT TO THAT ACT.

9 ~~10.~~ 12. "Vending machine" means any mechanical, electrical or  
10 electronic device that, on insertion of money, tokens or any other form of  
11 payment, automatically dispenses tobacco products.

12 Sec. 3. Section 36-798.01, Arizona Revised Statutes, is amended to  
13 read:

14 36-798.01. Retail tobacco vendors; selling, furnishing, giving  
15 or providing tobacco products; persons under the  
16 federal minimum age; prohibitions; penalties;  
17 compliance checks

18 A. It is unlawful for a retail tobacco vendor OR A RETAIL TOBACCO  
19 VENDOR'S REPRESENTATIVE, AGENT OR EMPLOYEE to sell, furnish, give or  
20 provide ~~beedies or bidis to a minor~~ A TOBACCO PRODUCT TO A PERSON WHO IS  
21 UNDER THE MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE FEDERAL  
22 FOOD, DRUG, AND COSMETIC ACT in this state.

23 ~~B. Any person who violates this section is guilty of a class 3~~  
24 ~~misdemeanor.~~

1           B. BEFORE DISTRIBUTING ANY TOBACCO PRODUCT, THE RETAIL TOBACCO  
2 VENDOR OR THE RETAIL TOBACCO VENDOR'S REPRESENTATIVE, AGENT OR EMPLOYEE  
3 SHALL VERIFY THAT THE PURCHASER IS AT LEAST THE MINIMUM AGE OF SALE FOR  
4 TOBACCO PRODUCTS AS SET BY THE FEDERAL FOOD, DRUG, AND COSMETIC ACT. EACH  
5 RETAIL TOBACCO VENDOR OR RETAIL TOBACCO VENDOR'S REPRESENTATIVE, AGENT OR  
6 EMPLOYEE SHALL EXAMINE THE PURCHASER'S GOVERNMENT-ISSUED PHOTOGRAPHIC  
7 IDENTIFICATION. THIS VERIFICATION IS NOT REQUIRED FOR A PERSON WHO IS  
8 THIRTY YEARS OF AGE OR OLDER. THE FACT THAT A PURCHASER APPEARED TO BE  
9 THIRTY YEARS OF AGE OR OLDER DOES NOT CONSTITUTE A DEFENSE TO A VIOLATION  
10 OF THIS SUBSECTION.

11           C. IF A RETAIL TOBACCO VENDOR OR THE RETAIL TOBACCO VENDOR'S  
12 REPRESENTATIVE, AGENT OR EMPLOYEE VIOLATES THIS SECTION OR SECTION 13-3622  
13 OR 36-798.02, THE RETAIL TOBACCO VENDOR IS SUBJECT TO THE FOLLOWING  
14 PENALTIES:

15           1. FOR A FIRST VIOLATION, THE RETAIL TOBACCO VENDOR OR THE RETAIL  
16 TOBACCO VENDOR'S REPRESENTATIVE, AGENT OR EMPLOYEE WHO IS CITED FOR THE  
17 VIOLATION SHALL ATTEND AN EDUCATION CLASS, IF AVAILABLE. IF AN EDUCATION  
18 CLASS IS NOT AVAILABLE, THE RETAIL TOBACCO VENDOR IS SUBJECT TO A CIVIL  
19 PENALTY OF AT LEAST \$500 BUT NOT MORE THAN \$750.

20           2. FOR A SECOND VIOLATION WITHIN A THIRTY-SIX-MONTH PERIOD, A CIVIL  
21 PENALTY OF AT LEAST \$750 BUT NOT MORE THAN \$1,000, AND THE RETAIL TOBACCO  
22 VENDOR IS PROHIBITED FROM DISTRIBUTING TOBACCO PRODUCTS FOR AT LEAST SEVEN  
23 DAYS.

24           3. FOR A THIRD VIOLATION WITHIN A THIRTY-SIX-MONTH PERIOD, A CIVIL  
25 PENALTY OF AT LEAST \$1,000 BUT NOT MORE THAN \$1,500, AND THE RETAIL TOBACCO  
26 VENDOR IS PROHIBITED FROM DISTRIBUTING TOBACCO PRODUCTS FOR AT LEAST THIRTY  
27 DAYS.

28           4. FOR A FOURTH OR ANY SUBSEQUENT VIOLATION WITHIN A  
29 THIRTY-SIX-MONTH PERIOD, A CIVIL PENALTY OF AT LEAST \$1,000 BUT NOT MORE  
30 THAN \$3,000, AND THE RETAIL TOBACCO VENDOR IS PROHIBITED FROM DISTRIBUTING  
31 TOBACCO PRODUCTS FOR A PERIOD OF THREE YEARS.

1 D. IN ADDITION TO THE PENALTIES IMPOSED ON THE RETAIL TOBACCO VENDOR  
2 FOR A VIOLATION OF THIS SECTION OR SECTION 13-3622 OR 36-798.02, ANY PERSON  
3 FOUND TO HAVE VIOLATED THIS SECTION OR SECTION 13-3622 OR 36-798.02 WHILE  
4 ACTING AS A NONMANAGEMENT AGENT OR EMPLOYEE OF A RETAIL TOBACCO VENDOR IS  
5 SUBJECT TO NONCRIMINAL, NONMONETARY PENALTIES, INCLUDING EDUCATION CLASSES  
6 OR COMMUNITY SERVICE.

7 E. THE RETAIL TOBACCO VENDOR IS SUBJECT TO AT LEAST TWO UNANNOUNCED  
8 COMPLIANCE CHECKS ANNUALLY. THE DEPARTMENT OR ITS AUTHORIZED DESIGNEE SHALL  
9 CONDUCT COMPLIANCE CHECKS BY ENGAGING PERSONS WHO ARE AT LEAST EIGHTEEN AND  
10 UNDER THE MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE FEDERAL  
11 FOOD, DRUG, AND COSMETIC ACT TO ENTER THE TOBACCO RETAIL ESTABLISHMENT TO  
12 ATTEMPT TO PURCHASE TOBACCO PRODUCTS. UNANNOUNCED FOLLOW-UP COMPLIANCE  
13 CHECKS OF ALL NONCOMPLIANT RETAIL TOBACCO VENDORS ARE REQUIRED WITHIN THREE  
14 MONTHS AFTER ANY VIOLATION OF ANY PROVISION OF THIS ARTICLE. THE  
15 DEPARTMENT SHALL PUBLISH THE RESULTS OF ALL COMPLIANCE CHECKS AT LEAST  
16 ANNUALLY.

17 F. IN ADDITION TO ANY OTHER PENALTY, A RETAIL TOBACCO VENDOR THAT  
18 VIOLATES ANY PROVISION OF THIS ARTICLE, THE RULES ADOPTED PURSUANT TO THIS  
19 ARTICLE OR ANY FEDERAL LAW, STATE LAW OR LOCAL ORDINANCE RELATING TO  
20 TOBACCO PRODUCT SALES OR MARKETING IS SUBJECT TO THE PENALTIES PRESCRIBED  
21 IN THIS SECTION, INCLUDING CIVIL PENALTIES AND THE PROHIBITION FROM  
22 DISTRIBUTING TOBACCO PRODUCTS AS PRESCRIBED IN SUBSECTION C OF THIS  
23 SECTION.

24 G. THE DEPARTMENT SHALL DEPOSIT ALL CIVIL PENALTIES COLLECTED  
25 PURSUANT TO THIS SECTION IN THE STATE GENERAL FUND.

26 Sec. 4. Section 36-798.02, Arizona Revised Statutes, is amended to  
27 read:

28 36-798.02. Self-service display sales of tobacco products:  
29 civil penalties

30 A. A person ~~shall~~ MAY not sell tobacco products through a ~~vending~~  
31 ~~machine~~ SELF-SERVICE DISPLAY unless the ~~vending machine~~ SELF-SERVICE  
32 DISPLAY is located in either:



1           1. A bar THAT DOES NOT ALLOW PERSONS TO ENTER WHO ARE UNDER THE  
2           MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE FEDERAL FOOD, DRUG,  
3           AND COSMETIC ACT.

4           2. An employee lounge area that is not open to the public and the  
5           business in which the lounge area is located does not employ ~~minors~~ PERSONS  
6           WHO ARE UNDER THE MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE  
7           FEDERAL FOOD, DRUG, AND COSMETIC ACT.

8           ~~B. A sign measuring at least eighty square inches shall be obviously~~  
9           ~~affixed to the front of each vending machine. The sign shall state in~~  
10           ~~block letters, it is illegal for a minor to purchase cigarettes or tobacco~~  
11           ~~products and, upon conviction, a fine of up to three hundred dollars may be~~  
12           ~~imposed.~~

13           B. SUBSECTION A OF THIS SECTION DOES NOT APPLY TO CIGARS OR PIPE  
14           TOBACCO THAT IS SOLD OR DISPLAYED BY A PERSON WHO PRIMARILY ENGAGES IN THE  
15           BUSINESS OF EITHER SELLING CIGARS, PIPE TOBACCO, CIGAR-RELATED ACCESSORIES  
16           OR PIPE TOBACCO-RELATED ACCESSORIES OR RENTING ON-PREMISES HUMIDORS OR  
17           OTHER STORAGE UNITS.

18           C. This article does not invalidate an ordinance of or prohibit the  
19           adoption of an ordinance by a county, city or town to further restrict  
20           SELF-SERVICE DISPLAYS OR the location of ~~vending machines or specify~~  
21           ~~different wording for the vending machines signs as required by subsection~~  
22           ~~B of this section~~ SELF-SERVICE DISPLAYS.

23           D. A person who violates this section is ~~guilty of a petty offense~~  
24           SUBJECT TO THE PENALTIES PRESCRIBED IN SECTION 36-798.01.

25           Sec. 5. Title 36, chapter 6, article 14, Arizona Revised Statutes,  
26           is amended by adding sections 36-798.07, 36-798.08, 36-798.09 and  
27           36-798.10, to read:

28           36-798.07. Tobacco retail sales licenses; requirements; fees;  
29           penalties

30           A. BEGINNING JANUARY 1, 2024, A RETAIL TOBACCO VENDOR MAY NOT  
31           DISTRIBUTE TOBACCO PRODUCTS IN THIS STATE WITHOUT A VALID TOBACCO RETAIL  
32           SALES LICENSE. A RETAIL TOBACCO VENDOR THAT DISTRIBUTES TOBACCO PRODUCTS

1 IN THIS STATE SHALL SECURE FOR EACH LOCATION, AND DISPLAY AT ALL TIMES, A  
2 TOBACCO RETAIL SALES LICENSE ISSUED BY THE DEPARTMENT BEFORE ENGAGING OR  
3 CONTINUING TO ENGAGE IN SUCH BUSINESS.

4 B. THE DEPARTMENT SHALL ESTABLISH FEES FOR AN INITIAL TOBACCO RETAIL  
5 SALES LICENSE AND THE RENEWAL OF THAT LICENSE. THE DEPARTMENT SHALL  
6 DEPOSIT THE FEES COLLECTED PURSUANT TO THIS SECTION IN THE TOBACCO RETAIL  
7 SALES LICENSING FUND ESTABLISHED BY SECTION 36-798.09.

8 C. A TOBACCO RETAIL SALES LICENSE IS VALID FOR TWO YEARS, UNLESS THE  
9 LICENSE IS SUSPENDED OR REVOKED BY THE DEPARTMENT OR THE DEPARTMENT'S  
10 DESIGNEE. A TOBACCO RETAIL SALES LICENSE MAY NOT BE RENEWED IF THE RETAIL  
11 TOBACCO VENDOR HAS ANY OUTSTANDING PENALTIES PURSUANT TO THIS ARTICLE. THE  
12 DEPARTMENT MAY RECEIVE AND REVIEW TOBACCO RETAIL SALES LICENSE APPLICATIONS  
13 ELECTRONICALLY.

14 D. IF A RETAIL TOBACCO VENDOR APPLIES FOR A TOBACCO RETAIL SALES  
15 LICENSE FROM THE DEPARTMENT FOR A LOCATION THAT IS WITHIN THE JURISDICTION  
16 OF A LOCAL LICENSING AUTHORITY, THE DEPARTMENT MAY NOT ISSUE A TOBACCO  
17 RETAIL SALES LICENSE TO THE RETAIL TOBACCO VENDOR UNTIL THE RETAIL TOBACCO  
18 VENDOR OBTAINS THE REQUIRED LOCAL LICENSE AND PROVIDES A COPY OF THE LOCAL  
19 LICENSE TO THE DEPARTMENT.

20 E. A TOBACCO RETAIL SALES LICENSE MAY NOT BE ISSUED OR RENEWED TO A  
21 RETAIL TOBACCO VENDOR UNTIL THE RETAIL TOBACCO VENDOR SIGNS A FORM STATING  
22 THAT THE RETAIL TOBACCO VENDOR HAS READ THIS ARTICLE AND HAS PROVIDED  
23 TRAINING TO ALL EMPLOYEES ON THE SALE OF TOBACCO PRODUCTS. THE TRAINING  
24 SHALL INCLUDE THE FOLLOWING INFORMATION:

25 1. THAT IT IS ILLEGAL TO SELL TOBACCO PRODUCTS TO PERSONS WHO ARE  
26 UNDER THE MINIMUM AGE OF SALE FOR TOBACCO PRODUCTS AS SET BY THE FEDERAL  
27 FOOD, DRUG, AND COSMETIC ACT.

28 2. THE TYPES OF IDENTIFICATION THAT ARE LEGALLY ACCEPTABLE FOR THE  
29 PROOF OF AGE.

30 3. THAT SALES TO PERSONS WHO ARE UNDER THE MINIMUM AGE OF SALE FOR  
31 TOBACCO PRODUCTS AS SET BY THE FEDERAL FOOD, DRUG, AND COSMETIC ACT  
32 SUBJECTS THE RETAIL TOBACCO VENDOR TO PENALTIES.

1 F. THE TOBACCO RETAIL SALES LICENSE IS NONTRANSFERABLE. IF A RETAIL  
2 TOBACCO VENDOR CEASES TO BE A RETAILER AT THE LICENSED RETAIL LOCATION BY  
3 REASON OF DISCONTINUATION, SALE OR TRANSFER OF THE RETAIL TOBACCO VENDOR'S  
4 BUSINESS, THE RETAIL TOBACCO VENDOR SHALL NOTIFY THE DEPARTMENT IN WRITING  
5 AT THE TIME THE DISCONTINUANCE, SALE OR TRANSFER TAKES EFFECT.

6 G. ANY BUSINESS FOUND TO BE SELLING TOBACCO PRODUCTS WITHOUT A  
7 TOBACCO RETAIL SALES LICENSE IS SUBJECT TO A CIVIL PENALTY OF AT LEAST \$500  
8 BUT NOT MORE THAN \$1,000 FOR A FIRST OR SECOND VIOLATION WITHIN A  
9 THIRTY-SIX-MONTH PERIOD. THE DEPARTMENT SHALL ISSUE A CEASE AND DESIST  
10 ORDER TO A BUSINESS THAT RECEIVES A SECOND VIOLATION WITHIN A  
11 THIRTY-SIX-MONTH PERIOD PROHIBITING THE BUSINESS FROM SELLING TOBACCO  
12 PRODUCTS AND NOTIFYING THE BUSINESS OWNER THAT THE BUSINESS IS INELIGIBLE  
13 TO RECEIVE A TOBACCO RETAIL SALES LICENSE FOR A PERIOD OF THREE YEARS AFTER  
14 THE DATE OF THE SECOND VIOLATION.

15 36-798.08. Rulemaking; delegation of authority; collaboration;  
16 reporting requirements

17 A. THE DEPARTMENT SHALL ADOPT RULES TO ESTABLISH A STATEWIDE TOBACCO  
18 RETAIL LICENSE AND TO CARRY OUT THIS ARTICLE.

19 B. THE DEPARTMENT MAY DELEGATE THE ENFORCEMENT AND COMPLIANCE  
20 INSPECTIONS REQUIRED UNDER THIS ARTICLE TO ANY COUNTY THAT ACCEPTS THIS  
21 DELEGATION.

22 C. THE DEPARTMENT MAY COLLABORATE WITH AND USE THE FINDINGS OF OTHER  
23 AGENCIES, INCLUDING THE ATTORNEY GENERAL'S OFFICE, LOCAL LICENSING  
24 AUTHORITIES AND LAW ENFORCEMENT, TO CARRY OUT THE OBLIGATIONS OF THIS  
25 ARTICLE AND TO ENSURE THAT THE COMPLAINTS RECEIVED BY OTHER AGENCIES OR  
26 LOCAL LICENSING AUTHORITIES ARE FORWARDED TO THE DEPARTMENT FOR TIMELY  
27 INVESTIGATION AND ACTION.

28 D. A LOCAL LICENSING AUTHORITY OR ANY LAW ENFORCEMENT OR OTHER LOCAL  
29 ENTITY CONDUCTING COMPLIANCE CHECKS TO ASSESS RETAIL TOBACCO VENDOR  
30 COMPLIANCE OF THE MINIMUM LEGAL SALES AGE FOR TOBACCO PRODUCTS SHALL REPORT  
31 THE COMPLIANCE CHECK RESULTS TO THE DEPARTMENT. ANY VIOLATION SHALL BE

1           COUNTED AS A VIOLATION OF THE RETAIL TOBACCO VENDOR'S TOBACCO RETAIL SALES  
2           LICENSE.

3           36-798.09. Tobacco retail sales licensing fund

4           THE TOBACCO RETAIL SALES LICENSING FUND IS ESTABLISHED CONSISTING OF  
5           LICENSING FEES COLLECTED PURSUANT TO THIS ARTICLE. THE DEPARTMENT SHALL  
6           ADMINISTER THE FUND. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS  
7           35-146 AND 35-147, NINETY PERCENT OF ALL LICENSING FEES COLLECTED UNDER  
8           THIS ARTICLE IN THE TOBACCO RETAIL SALES LICENSING FUND AND THE REMAINING  
9           TEN PERCENT IN THE STATE GENERAL FUND. MONIES IN THE FUND ARE SUBJECT TO  
10          LEGISLATIVE APPROPRIATION AND SHALL BE USED TO ADMINISTER AND ENFORCE THIS  
11          ARTICLE.

12          36-798.10. Local jurisdictions; regulation of tobacco products

13          THIS ARTICLE DOES NOT LIMIT A LOCAL GOVERNMENT FROM REGULATING  
14          TOBACCO PRODUCTS.

15          Sec. 6. Rulemaking exemption

16          Notwithstanding any other law, for the purposes of this act, the  
17          department of health services is exempt from the rulemaking requirements of  
18          title 41, chapters 6 and 6.1, Arizona Revised Statutes, for twenty-four  
19          months after the effective date of this act."

20 Amend title to conform

MICHELLE UDALL

1466UDALL SE  
03/18/2022  
08:57 AM  
H: CH/1s