State of Arkansas 1 As Engrossed: H3/15/99 H3/25/99 A Bill 2 82nd General Assembly Act 1285 of 1999 3 Regular Session, 1999 HOUSE BILL 2001 4 5 By: Representative Broadway 6 7 For An Act To Be Entitled 8 "AN ACT RELATING TO THE SALE OF EXPORT CIGARETTES: AND 9 FOR OTHER PURPOSES." 10 11 **Subtitle** 12 "RELATING TO THE SALE OF EXPORT 13 CI GARETTES. " 14 15 16 17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 18 19 SECTION 1. FINDINGS AND PURPOSE. 20 (1) Cigarette smoking presents serious public health concerns to the state and to the citizens of the state. The surgeon general has determined 21 22 that smoking causes lung cancer, heart disease, and other serious diseases and that there are hundreds of thousands of tobacco-related deaths in the United 23 24 States each year. These diseases most often do not appear until many years after the person in question begins smoking. 25 (2) It is the policy of the state that consumers be adequately informed 26 27 about the adverse health effects of cigarette smoking by including warning 28 notices on each package of cigarettes. 29 (3) It is the policy of the state that consumers be adequately informed 30 about the adverse health effects of cigarette smoking by including warning 31 notices on each package of cigarettes. (4) It is the intent of the legislature to align state law with federal 32 laws, regulations and policies relating to the manufacture, importation and 33 marketing of cigarettes, and in particular, the Federal Cigarette Labeling and 34 Advertising Act (15 U.S.C. Sec. 1331 and following) and 26 U.S.C. Sec. 5754. 35 (5) The legislature finds that consumers and retailers purchasing 36

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cigarettes are entitled to be fully informed about any adverse health effects
of cigarette smoking by inclusion of warning notices on each package of
cigarettes and to be assured through appropriate enforcement measures that
cigarettes they purchase were manufactured for consumption within the United

5 <u>States.</u>

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SECTION 2. Definitions. For purposes of this act:

8 (1) "Cigarette" means any product that contains nicotine, is intended 9 to be burned or heated under ordinary conditions of use, and consists of or 10 contains (a) any roll of tobacco wrapped in paper or in any substance not containing tobacco; or (b) tobacco, in any form, that is functional in the 11 product, which, because of its appearance, the type of tobacco used in the 12 13 filler or its packaging and labeling is likely to be offered to, or purchased 14 by, consumers as a cigarette; or (c) any roll of tobacco wrapped in any 15 substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be 16 offered to, or purchased by, consumers as a cigarette described in (a) of this 17 18 subsection. "Cigarette" includes "roll your own", which is any tobacco which, 19 because of its appearance, type, packaging, or labeling is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making 20 cigarettes. For purposes of this definition of "cigarette", 0.09 ounces of 21 22 "roll your own" tobacco shall constitute one individual "cigarette". 23 (2) The term "package" means a pack, carton, or container of any kind

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SECTION 3. (a) No tax stamp may be affixed to, or made upon, any package of cigarettes if:

intended for distribution, to consumers.

in which cigarettes are offe<u>red for sale, sold, or otherwise distributed or</u>

- (1) The package differs in any respect with the requirements of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. Sec. 1331 and following), for the placement of labels, warnings, or any other information upon a package of cigarettes that is to be sold within the United States;
- 33 (2) The package has been imported into the United States after 34 January 1, 2000, in violation of 26 U.S.C. Sec. 5754;
- 35 (3) The package is labeled "For Export Only", "U.S. Tax Exempt",
 36 "For Use Outside U.S.", or similar wording indicating that the manufacturer

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1	did not intend that the product be sold in the United States;
2	(4) The package in any way violates federal trademark or
3	copyright laws; or
4	(5) The package, or a package containing individually stamped
5	packages, has been altered by adding or deleting the wording, labels, or
6	warnings described in subdivisions (1) through (5) of this subsection.
7	(b) Any person who sells or holds for sale cigarette packages to which
8	is affixed a tax stamp in violation of this section shall be subject to the
9	penalties prescribed in subsection (e) of this section.
10	(c) The Tobacco Control Board shall revoke a wholesale or retail
11	license of any person who sells or holds for sale cigarette packages to which
12	is affixed a tax stamp in violation of this section.
13	(d) The Department of Finance and Administration or the Tobacco Control
14	Board may seize and destroy or sell to the manufacturer only for export
15	packages that do not comply with this section.
16	(e) A violation of this section is a deceptive act or practice and
17	shall constitute a Class A misdemeanor.
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19	SECTION 4. All provisions of this act of a general and permanent nature
20	are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
21	Revision Commission shall incorporate the same in the Code.
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23	SECTION 5. If any provision of this act or the application thereof to
24	any person or circumstance is held invalid, such invalidity shall not affect
25	other provisions or applications of the act which can be given effect without
26	the invalid provision or application, and to this end the provisions of this
27	act are declared to be severable.
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29	SECTION 6. All laws and parts of laws in conflict with this act are
30	hereby repealed.
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32	SECTION 7. EMERGENCY CLAUSE. It is hereby found and determined by the
33	Eighty-second General Assembly that smoking of cigarettes is not only
34	hazardous to the health of the smoker but also presents serious public health
35	concerns; that federal law and regulations establish various policies relating

to the manufacture, importation and marketing of cigarettes; that it is urgent

1	that state law be aligned with the federal laws and regulations as soon as
2	possible to assure that consumers be adequately informed of the adverse
3	effects of cigarette smoking; and that this act is designed to align Arkansas
4	law with federal law to assure that only those cigarettes manufactured
5	according to specifications and packed in containers labeled with appropriate
6	warnings are available to Arkansas consumers and should be given effect
7	immediately. Therefore, an emergency is declared to exist and this act being
8	immediately necessary for the preservation of the public peace, health and
9	safety shall become effective on the date of its approval by the Governor. It
10	the bill is neither approved nor vetoed by the Governor, it shall become
11	effective on the expiration of the period of time during which the Governor
12	may veto the bill. If the bill is vetoed by the Governor and the veto is
13	overridden, it shall become effective on the date the last house overrides the
14	<u>veto.</u>
15	/s/ Broadway
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