

# Hall of the House of Representatives

83rd General Assembly - Regular Session, 2001

## Amendment Form

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### Subtitle of House Bill No. 2589

"AN ACT TO SIMPLIFY THE ENFORCEMENT OF THE UNFAIR CIGARETTE SALES ACT, AND TO CLARIFY THAT BUY DOWN PROGRAMS OF CIGARETTE MANUFACTURERS GIVEN TO CIGARETTE RETAILERS DO NOT VIOLATE THE UNFAIR CIGARETTE SALES ACT."

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### Amendment No. 2 to House Bill No. 2589.

Amend House Bill No. 2589 as engrossed, H3/13/01:

Page 4, delete lines 31 through 33 and substitute the following:

"(13) "Buydown" or "paperless coupon" means a promotion in which a cigarette manufacturer makes a payment to a retailer, as a contribution to the retail price of one or more packages or cartons of cigarettes, in exchange for the retailer's agreement to reduce the retail price paid by the consumer for the cigarettes by the amount of the payment by the manufacturer to the retailer, as described in section 4-75-714."

AND

Page 5, delete lines 1 through 28 and substitute the following:

"4-75-714. (a) Sales of cigarettes at a reduced price to the consumer, pursuant to a cigarette manufacturer-funded promotion, including paper and paperless coupons, discounts, stickers, buydowns or other similar actions, intended as a contribution by the cigarette manufacturer to the retail price of the cigarettes to be paid by the consumer, shall not be a violation of the Unfair Cigarette Sales Act, if the retail sales price of the cigarettes subject to the cigarette manufacturer's promotion program is equal to or greater than the retail sales price for such cigarettes otherwise required by the provisions of this act.

(b) Before the retailer reduces the price at which cigarettes subject to a manufacturer's buydown or paperless coupon program are sold to the consumer, the retailer must have written or documentary evidence of the manufacturer's authorized promotion program at the retailer's place of business where the cigarettes are offered for sale.

(c) Buydown or paperless coupon price reduction promotion programs shall only be applicable at the retail level for retailers of cigarettes licensed to do business, and no wholesaler of cigarettes selling cigarettes to retailers with places of business located in Arkansas, shall be entitled

to participate in a cigarette manufacturer's buydown or paperless coupon promotion program for cigarettes sold in Arkansas."

**The Amendment was read** \_\_\_\_\_  
**By: Representative Haak**  
**MF/CDS - 040320010945** \_\_\_\_\_  
**CDS501** **Chief Clerk**