

2019 Regular Session

HOUSE BILL NO. 244

BY REPRESENTATIVE PIERRE AND SENATOR CARTER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ALCOHOLIC BEVERAGES: Provides relative to vapor products and alternative nicotine products

1 AN ACT

2 To amend and reenact R.S. 26:901(34), 906(A), and 911(B)(1) and (2) and to enact R.S.
3 26:901(35) and 925, relative to the office of alcohol and tobacco control; to provide
4 relative to vapor products and alternative nicotine products; to amend the definition
5 of "wholesale dealer"; to provide for the regulation of such products; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 26:901(34), 906(A), and 911(B)(1) and (2) are hereby amended and
9 reenacted and R.S. 26:901(35) and 925 are hereby enacted to read as follows:

10 §901. Definitions

11 As used in this Chapter, the following terms have the meaning ascribed to
12 them in this Section, unless the context clearly indicates otherwise:

13 * * *

14 (34) "Wholesale dealer" means a dealer whose principal business is that of
15 a wholesaler, who sells cigarettes, cigars, ~~or other tobacco products,~~ vapor products,
16 or alternative nicotine products to retail dealers for the purpose of resale, who is a
17 bona fide wholesaler, and fifty percent of whose total tobacco, vapor, and alternative
18 nicotine sales are to retail stores other than its own or those of its subsidiaries or
19 parent companies within Louisiana. Wholesale dealer shall include any person in the
20 state who acquires cigarettes solely for the purpose of resale in vending machines,
21 provided such person services fifty or more cigarette vending machines in Louisiana

1 other than his own, and a Louisiana dealer who was affixing cigarette and tobacco
2 stamps as of January 1, 1974. If any person is engaged in the business of making
3 sales at both wholesale and retail, "wholesaler" shall apply only to the wholesale
4 portion of the business.

5 (35) "E-liquid" means a substance that does not include cannabis or CBD as
6 defined under the laws of this state and the laws of the United States and which
7 meets all of the following criteria:

8 (a) May or may not contain nicotine.

9 (b) Is intended to be vaporized and inhaled using a vapor product.

10 (c) Is a legal substance under the laws of this state and the laws of the United
11 States.

12 * * *

13 §906. General requirements

14 A. Every person who sells or is about to engage in the business of selling at
15 retail, at wholesale, or by vending machine, or is about to engage in the business of
16 receiving unstamped and/or non-tax paid ~~cigarettes, cigars, or other~~ tobacco
17 products, vapor products, or alternative nicotine products or who is engaged in the
18 business of receiving stamped cigarettes at wholesale or any or all of the articles
19 taxed in accordance with Title 47 of the Louisiana Revised Statutes of 1950, shall
20 first apply to and obtain from the office a permit for each place of business and each
21 vending machine.

22 * * *

23 §911. Acts prohibited

24 * * *

25 B.(1)(a) No retail dealer shall purchase tobacco products for resale except
26 from a wholesale dealer operating with a valid unsuspended wholesale dealer permit,
27 except as provided for in this Chapter.

28 (b) No vapor retail dealer shall purchase alternative nicotine products or
29 vapor products for resale except from a manufacturer of those products or a

1 wholesale dealer operating with a valid unsuspended Louisiana wholesale dealer
2 permit, except as provided for in this Chapter.

3 (2) No wholesale dealer shall sell tobacco products, alternative nicotine
4 products, or vapor products for resale except to a retail dealer operating with either
5 a valid registration certificate or a valid unsuspended permit.

6 * * *

7 §925. Additional Requirements

8 To the extent that they do not conflict, the provisions of this Chapter that
9 provide for the regulation of tobacco products shall also apply to vapor products and
10 alternative nicotine products. Such provisions shall include but are not limited to
11 provisions governing the responsible vendor program, server liability, and the sale
12 of all such products.

13 Section 2. This Act shall become effective upon signature by the governor or, if not
14 signed by the governor, upon expiration of the time for bills to become law without signature
15 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
16 vetoed by the governor and subsequently approved by the legislature, this Act shall become
17 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 244 Engrossed 2019 Regular Session Pierre

Abstract: Provides relative to the regulation of vapor products and alternative nicotine products.

Present law defines "wholesale dealer" as including a dealer who sells cigarettes, cigars, or other tobacco products for resale.

Proposed law retains present law and adds vapor products to the definition of "wholesale dealer".

Present law requires a permit from the office of alcohol and tobacco control to sell at retail cigarettes, cigars, and other tobacco products.

Proposed law retains present law and also requires a permit to sell vapor products and alternative nicotine products.

Present law prohibits retail dealers from purchasing tobacco products for resale except from a wholesale dealer who has a valid ATC permit.

Proposed law retains present law and also makes it applicable to retail dealers selling vapor products or alternative nicotine products.

Proposed law applies other regulations applicable to tobacco products to vapor products and alternative nicotine products.

Proposed law adds a definition of "E-liquid".

Proposed law retains present law and requires a vapor retail dealer shall purchase alternative nicotine products or vapor products for resale from a valid Louisiana wholesale dealer with an active permit.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 26:901(34), 906(A), and 911(B)(1) and (2); Adds R.S. 26:901(35) and 925)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Judiciary to the original bill:

1. Make technical changes.
2. Add definition of E-liquid.
3. Add a requirement for vapor retail dealers to purchase only from a wholesale dealer operating with a valid unsuspended Louisiana wholesale dealer permit.