MISSISSIPPI LEGISLATURE

REGULAR SESSION 2022

By: Representative Bain

To: Judiciary B

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 976

1 AN ACT TO AMEND SECTION 97-32-51, MISSISSIPPI CODE OF 1972, 2 TO REVISE THE PROVISIONS OF LAW THAT REGULATE ALTERNATIVE NICOTINE PRODUCTS; TO AMEND SECTION 97-32-21, MISSISSIPPI CODE OF 1972, TO 3 CLARIFY THE AUTHORITY OF THE ATTORNEY GENERAL TO PERFORM RANDOM 4 5 CHECKS; TO AMEND SECTION 67-1-81, MISSISSIPPI CODE OF 1972, TO 6 REQUIRE HOLDERS OF A PACKAGE RETAIL PERMIT TO HAVE AN INDEPENDENT, 7 THIRD-PARTY AGE VERIFICATION SERVICE AVAILABLE ON THE PROPERTY OF THE LOCATION IN WHICH ALCOHOLIC BEVERAGES ARE SOLD; AND FOR 8 9 RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 SECTION 1. Section 97-32-51, Mississippi Code of 1972, is

12 amended as follows:

13 97-32-51. (1) For the purposes of this chapter:

- 14 (a) (i) "Alternative nicotine product" means:
- 15 1. An electronic cigarette;
- 16 2. Any other product that consists of or

17 contains nicotine that can be ingested into the body by chewing,

18 smoking, absorbing, dissolving, inhaling or by any other means;

- 19 3. Any electronic device that can be used to
- 20 deliver nicotine to an individual inhaling, aerosolizing or
- 21 vaporizing from the device, including, but not limited to, any

H. B. No. 976	~ OFFICIAL ~	G1/2
22/HR31/R1536CS		
PAGE 1 (gt\jab)		

22 cartridge component, liquid, capsule or powder used to refill or 23 resupply such an electronic device; * * * 24 An electronic cigar or cigarillo * * *; 4. 25 5. Any vapor, paper, liquid, substance or 26 other products containing, made or derived from alternative 27 nicotine products; or 6. Any vapor, paper, liquid, substance or 28 29 other products that are used to or aids in the inhaling, 30 aerosolizing or vaporizing or transformation of alternative 31 nicotine products. 32 (ii) Alternative nicotine product does not 33 include: 34 A cigarette or other tobacco product as 1. 35 defined in Section 97-32-3; 36 2. A product that is a drug under 21 USCS 37 321(g)(1); 38 3. A product that is a device under 21 USCS 39 321(h); or 40 4. A combination product described in 21 USCS 41 353(q). 42 (b) (i) "Electronic cigarette" means an electronic 43 product or device that produces a vapor that delivers nicotine or 44 other substances to the person inhaling from the device to simulate smoking, and is likely to be offered to, or purchased by, 45

H. B. No. 976	~ OFFICIAL ~
22/HR31/R1536CS	
PAGE 2 (gt\jab)	

46 consumers as an electronic cigarette, electronic cigar, electronic 47 cigarillo or electronic pipe.

48 (ii) Electronic cigarette does not include: 49 1. A cigarette or other tobacco products as 50 defined in Section 97-32-3;

51 2. A product that is a drug under 21 USCS
52 321(g)(1);

3. A product that is a device under 21 USCS321(h); or

55 4. A combination product described in 21 USCS56 353(g).

57 No person, either directly or indirectly by an agent or (2)58 employee, electronically, telephonically or by a vending machine owned or controlled by the person or located in the person's 59 60 establishment, shall sell, offer for sale, give or furnish any 61 alternative nicotine product, or any cartridge, component, liquid, 62 capsule or powder thereof, to an individual under twenty-one (21) years of age. The penalties described in this subsection shall be 63 64 treble the fines described in this section, plus any other penalty provided by law, for the sale, use, possession or furnishing of a 65 66 controlled substance or other substance to a person, if the 67 alternative nicotine product contains any controlled substance 68 that is otherwise prohibited by law, or any other substance that causes the recipient of such to require emergency medical care as 69 a result of using the product. 70

~ OFFICIAL ~

H. B. No. 976 22/HR31/R1536CS PAGE 3 (GT\JAB) 71 ***

72 (a) Before selling, offering for sale, giving or (3) furnishing an alternative nicotine product, or any cartridge, 73 74 component, liquid, capsule, paper or powder thereof, to an 75 individual in person, a person shall verify that the individual is 76 at least twenty-one (21) years of age by *** * *** examining from any 77 individual that appears to be under twenty-seven (27) years of age 78 a government-issued photographic identification that establishes 79 the individual is at least twenty-one (21) years of age; or * * * Before selling, offering for sale, giving or 80 (b) 81 furnishing an alternative nicotine product, or any cartridge, 82 component, liquid, capsule, paper or powder thereof, to an 83 individual by sales made through the Internet * * *, other remote sales methods, computer network, cellular application, telephonic 84 85 network or any other manner in which the purchaser or seller is 86 not in person, the person shall verify that the individual is at least twenty-one (21) years of age by performing an age 87 88 verification through an independent, third-party age verification 89 service that obtains the purchaser's full name, date of birth and residential address and compares the information available from 90 91 public records to the personal information entered by the 92 individual during the ordering process that establishes whether 93 the *** * *** purchaser is twenty-one (21) years of age or older. The third party verification system used shall have at least a 94 95 ninety-five percent (95%) accuracy rating according to national

H. B. No. 976 **~ OFFICIAL ~** 22/HR31/R1536CS PAGE 4 (gt\jab) 96 standards in order to be in compliance with the identification

97 requirements of this section.

98 (4) Any person who sells or distributes alternative nicotine 99 products shall be required to place warning signs in legible 100 condition, at each point of sale where alternative nicotine products 101 are sold to consumers. The sign shall be no smaller than eight and 102 one-half (8-1/2) by eleven (11) inches or ninety-three (93) square 103 inches stating: "STATE LAW PROHIBITS THE SALE OF ALTERNATIVE 104 NICOTINE PRODUCTS TO PERSONS UNDER THE AGE OF 21 YEARS OF AGE. PROOF 105 OF AGE REQUIRED BY GOVERNMENT-ISSUED IDENTIFICATION IS REQUIRED." 106 (5) Any person who sells or distributes alternative nicotine 107 products shall ensure that the words "alternative nicotine" are 108 clearly marked on the packaging. 109 (6) Any person who sells or distributes alternative nicotine 110 products using the Internet, remote sales methods, computer 111 network, cellular application, telephonic network or any other 112 manner in which the purchaser or seller is not in person shall 113 annually certify to the Attorney General that the person uses an 114 independent, third-party age verification service as required by 115 this section. The third party verification system used shall have 116 at least a ninety-five percent (95%) accuracy rating according to 117 national standards in order to be in compliance with the 118 identification requirements of this section. 119 (7) Except as otherwise provided in paragraph (b), each (a) 120 violation of the provisions of this section shall be treated as a

H. B. No. 976	~ OFFICIAL ~
22/HR31/R1536CS	
PAGE 5 (gt\jab)	

separate offense. A violation of this subsection is punishable as 121 122 follows: 123 (i) By a fine of Two Hundred Fifty Dollars 124 (\$250.00) for a first offense; 125 (ii) By a fine of Five Hundred Dollars (\$500.00) 126 for a second offense; and 127 (iii) By a fine of One Thousand Dollars 128 (\$1,000.00) for a third or subsequent offense. 129 (b) If a violation of the provisions of this section 130 occurs within a twenty-four-month period, the violation shall be 131 punishable as follows: 132 (i) By a fine of One Thousand Five Hundred Dollars 133 (\$1,500.00) for a second offense; 134 (ii) By a fine of Two Thousand Five Hundred 135 Dollars (\$2,500.00) for a third offense; and 136 (iii) By a fine of Five Thousand Dollars 137 (\$5,000.00) plus suspension of the seller's license for at least twelve (12) months for a fourth or subsequent offense. 138 139 SECTION 2. Section 97-32-21, Mississippi Code of 1972, is 140 amended as follows: 141 97-32-21. (1) The Office of the Attorney General or local 142 law enforcement agencies shall at least annually conduct random, 143 unannounced inspections at locations where alternative nicotine products, tobacco or tobacco products are sold or distributed to 144 145 ensure compliance with the Mississippi Juvenile Tobacco Access

H. B. No. 976 **~ OFFICIAL ~** 22/HR31/R1536CS PAGE 6 (GT\JAB) 146 Prevention Act of 1997. Persons under the age of twenty-one (21) 147 years may be enlisted by the Office of the Attorney General or local law enforcement to test compliance with the Mississippi 148 Juvenile Tobacco Access Prevention Act of 1997, provided that the 149 150 parent or legal guardian of the person under twenty-one (21) years 151 of age so utilized has given prior written consent for the minor's 152 participation in unannounced inspections. The Office of the 153 Attorney General must prepare a report of the findings, and report 154 these findings to the Department of Health and Department of 155 Mental Health. The Department of Mental Health shall prepare the 156 annual report required by Section 1926, subpart 1 of Part B, Title XIX of the Federal Public Health Service Act (42 USCS 300X 26). 157 158 The report shall be approved by the Governor and then promptly 159 transmitted to the Secretary of the United States Department of 160 Health and Human Services, the Speaker of the Mississippi House of 161 Representatives and the Lieutenant Governor of Mississippi. 162 The Office of the Attorney General shall develop a (2) 163 directory of all manufacturers of vapor products that deliver 164 e-liquids, which have provided attestations that comply with 165 Section 6 of this act. 166 SECTION 3. Section 67-1-81, Mississippi Code of 1972, is 167 amended as follows: 168 67-1-81. (1)(a) Any permittee or other person who shall

169 sell, furnish, dispose of, give, or cause to be sold, furnished, 170 disposed of, or given, any alcoholic beverage to any person under

H. B. No. 976 **~ OFFICIAL ~** 22/HR31/R1536CS PAGE 7 (GT\JAB) 171 the age of twenty-one (21) years shall be guilty of a misdemeanor 172 and shall be punished by a fine of not less than Five Hundred 173 Dollars (\$500.00) nor more than One Thousand Dollars (\$1,000.00) 174 for a first offense. For a second or subsequent offense, such 175 permittee or other person shall be punished by a fine of not less 176 than One Thousand Dollars (\$1,000.00) nor more than Two Thousand 177 Dollars (\$2,000.00), or by imprisonment for not more than one (1) 178 year, or by both such fine and imprisonment in the discretion of 179 the court.

(b) (i) If a permittee, or any employee of a permittee, violates paragraph (a) of this subsection (1), then, in addition to any other penalty provided for by law, the commissioner may impose the following penalties against the permittee on whose premises the alcoholic beverages were sold, given or furnished:

For the first offense on the licensed
 premises, suspension of the permit for not more than one (1) week.
 2. For a second offense occurring on the
 licensed premises within a twelve-month period, suspension of the
 permit for not more than two (2) weeks.

191 3. For a third offense occurring on the 192 licensed premises within a twelve-month period, suspension of the 193 permit for not more than three (3) weeks or revocation of the 194 permit.

H. B. No. 976 **~ OFFICIAL ~** 22/HR31/R1536CS PAGE 8 (gt\jab) 195 4. For a fourth or subsequent offense
196 occurring on the licensed premises within a twelve-month period,
197 revocation of the permit.

A violation of paragraph (a) of this subsection (1) shall be sufficient to impose the administrative penalties authorized under this paragraph (b), and any expunction of conviction shall have no effect on any administrative penalty imposed against a permittee under this paragraph (b).

203 Any person under the age of twenty-one (21) years who (2) purchases, receives, or has in his or her possession in any public 204 place, any alcoholic beverages, shall be quilty of a misdemeanor 205 and shall be punished by a fine of not less than Two Hundred 206 207 Dollars (\$200.00) nor more than Five Hundred Dollars (\$500.00). 208 Provided, that clearing or busing tables that have glasses or 209 other containers that contain or did contain alcoholic beverages, 210 or stocking, bagging or otherwise handling purchases of alcoholic 211 beverages shall not be deemed possession of alcoholic beverages for the purposes of this section. Provided further, that a person 212 213 who is at least eighteen (18) years of age but under the age of 214 twenty-one (21) years who waits on tables by taking orders for or 215 delivering orders of alcoholic beverages shall not be deemed to 216 unlawfully possess or furnish alcoholic beverages if in the scope 217 of his employment by the holder of an on-premises retailer's permit. This exception shall not authorize a person under the age 218 219 of twenty-one (21) to tend bar or act in the capacity of

~ OFFICIAL ~

H. B. No. 976 22/HR31/R1536CS PAGE 9 (gt\jab) 220 bartender. Any person under the age of twenty-one (21) who 221 knowingly makes a false statement to the effect that he or she is 222 twenty-one (21) years old or older or presents any document that indicates he or she is twenty-one (21) years of age or older for 223 224 the purpose of purchasing alcoholic beverages from any person 225 engaged in the sale of alcoholic beverages shall be quilty of a 226 misdemeanor and shall be punished by a fine of not less than Two 227 Hundred Dollars (\$200.00) nor more than Five Hundred Dollars 228 (\$500.00), and a sentence to not more than thirty (30) days' 229 community service.

(3) The term "community service" as used in this section
shall mean work, projects or services for the benefit of the
community assigned, supervised and recorded by appropriate public
officials.

234 (4) If a person under the age of twenty-one (21) years is 235 convicted or enters a plea of guilty of purchasing, receiving or 236 having in his or her possession in any public place any alcoholic beverages in violation of subsection (2) of this section, the 237 238 trial judge, in lieu of the penalties otherwise provided under 239 subsection (2) of this section, shall suspend the minor's driver's 240 license by taking and keeping it in the custody of the court for a 241 period of time not to exceed ninety (90) days. The judge so 242 ordering the suspension shall enter upon his docket "DEFENDANT'S DRIVER'S LICENSE SUSPENDED FOR ____ DAYS IN LIEU OF CONVICTION" 243 and such action by the trial judge shall not constitute a 244

H. B. No. 976 22/HR31/R1536CS PAGE 10 (GT\JAB)

~ OFFICIAL ~

245 conviction. During the period that the minor's driver's license 246 is suspended, the trial judge shall suspend the imposition of any 247 fines or penalties that may be imposed under subsection (2) of this section and may place the minor on probation subject to such 248 249 conditions as the judge deems appropriate. If the minor violates 250 any of the conditions of probation, then the trial judge shall 251 return the driver's license to the minor and impose the fines, 252 penalties or both, that he would have otherwise imposed, and such 253 action shall constitute a conviction.

254 (5) Any holder of a package retailer's permit shall have an 255 independent, third-party age verification service available on the 256 premises in which alcoholic beverages are sold for the purpose of 257 obtaining the purchaser's full name and date of birth and 258 comparing the information available from public records to the 259 personal information entered by the package retailer that can 260 establish whether the purchaser is twenty-one (21) years of age or 261 older. The third party verification system used shall have at least a ninety-five percent (95%) accuracy rating according to 262 263 national standards in order to be in compliance with the 264 identification requirements of this section.

265 <u>SECTION 4.</u> As used in this act, the following terms shall 266 have the meaning ascribed in this section, unless context of use 267 clearly requires otherwise:

H. B. No. 976 22/HR31/R1536CS PAGE 11 (GT\JAB) (a) "Attorney General" means the chief legal officer
and advisor for the State of Mississippi, for both civil and
criminal matters of litigation.

271 (b) "Directory" means the Attorney General's list of 272 all manufacturers that have provided attestations that comply with 273 Section 2 of this act and all vapor products that are listed in 274 such certifications.

(c) "E-liquid" means a liquid that may contain nicotine, which may include flavorings or other ingredients that are intended for use in a vapor product.

(d) "Manufacturer" means an entity that manufactures
vapor products, anywhere in the world, which are intended for sale
in the United States, either directly or through an importer.

(e) "Person" means any natural person, partnership,company, corporation or other entity.

(f) "Vapor products" means an electronic device that delivers nicotine through e-liquid, as defined in this paragraph (c), in aerosol form into the mouth and lungs when inhaled. "Vapor product" includes, but is not limited to:

287	(i) An electronic cigarette;
288	(ii) An electronic cigar;
289	(iii) An electronic cigarillo;
290	(iv) An electronic pipe;
291	(v) An electronic hookah;
292	(vi) A vape pen or vapor product; and

H. B. No. 976	~ OFFICIAL ~
22/HR31/R1536CS	
PAGE 12 (gt\jab)	

293 (vii) Any related device and any cartridge or 294 other component of such device, including e-liquid.

"Vapor product" does not include any tobacco or marijuana
product or any product that is regulated by the United States Food
and Drug Administration under Chapter V of the Federal Food, Drug,
and Cosmetic Act (21 USCS Section 351 et seq.).

299 <u>SECTION 5.</u> (1) Beginning July 1, 2022, every manufacturer 300 of a vapor product that is sold or intended to be sold in this 301 state, whether directly or through a distributor, retailer or 302 similar intermediary or intermediaries, shall execute and deliver 303 an attestation, under the penalty of perjury to the Attorney 304 General certifying that, as of the date of such attestation:

(a) The vapor product was on the United States market
as of August 8, 2016, and the manufacturer has applied for a
marketing order for the vapor product by submitting a Premarket
Tobacco Product Application on or before September 9, 2020, to the
United States Food and Drug Administration; or

(b) The manufacturer has received a marketing order or other authorization under the 21 USCS Section 387j for the vapor product from the United States Food and Drug Administration.

313 (2) The manufacturer shall notify the Attorney General 314 within thirty (30) days of any material change to the attestation, 315 including if the United States Food and Drug Administration has 316 issued a market order or other authorization, issued a no 317 marketing order or has ordered the manufacturer to remove the

H. B. No. 976 **~ OFFICIAL ~** 22/HR31/R1536CS PAGE 13 (gt\jab) 318 vapor product, either temporarily or permanently, from the United 319 States market.

320 (3) The Attorney General shall develop a directory, as321 defined in subsection (1) of this section, and:

322 (a) On or before September 15, 2022, the Attorney
323 General shall make the directory available for public inspection
324 on its website; and

325 (b) Shall update the directory as necessary in order to 326 correct mistakes and to add or remove manufacturers or vapor 327 products to keep the directory in conformity with the requirements 328 of this section.

329 (4) It shall be unlawful for any person knowingly, directly 330 or indirectly, to manufacture, distribute, sell, barter, or 331 furnish in this state any vapor product that is not included in 332 the directory.

333 **SECTION 6.** This act shall take effect and be in force from 334 and after July 1, 2022.