Adopted COMMITTEE AMENDMENT NO 1 PROPOSED TO

Senate Bill No. 2886

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

26 SECTION 1. Definitions. For purpose of this chapter only, 27 the following terms shall have the meanings ascribed herein: 28 "ENDS product" means any noncombustible product 29 that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of 30 31 shape or size, to produce vapor from nicotine in a solution. Such definition includes a consumable nicotine liquid solution suitable 32 33 for use in an ENDS product, whether sold with the product or 34 separately; but does not include any product regulated as a drug



- 35 or device under Chapter V of the Federal Food, Drug, and Cosmetic
- 36 Act (21 USC Section 351 et seq.).
- 37 (b) "Timely filed premarket tobacco product
- 38 application" means an application pursuant to 21 USC Section 387j
- 39 for an ENDS product containing nicotine derived from tobacco
- 40 marketed in the United States as of August 8, 2016, that was
- 41 submitted to the United States Food and Drug Administration on or
- 42 before September 9, 2020, and accepted for filing.
- 43 (c) "FDA" means United States Food and Drug
- 44 Administration.
- 45 (d) "Department" means the Mississippi Department of
- 46 Revenue.
- SECTION 2. ENDS product directory. (1) By August 1, 2024,
- 48 and annually thereafter, every manufacturer of an ENDS product
- 49 that is sold for retail sale in Mississippi, whether directly or
- 50 through an importer, wholesaler, distributor, retailer or similar
- 51 intermediary or intermediaries, shall execute and deliver to the
- 52 Mississippi Department of Revenue a certification, under penalty
- of perjury on a form and in a manner prescribed by the Department
- of Revenue, that the manufacturer is compliant with this chapter
- 55 and that, for each ENDS product sold in Mississippi:
- 56 (a) The manufacturer has received a marketing granted
- 57 order for the ENDS product from the FDA pursuant to 21 USC Section
- 58 387j; or



- 59 (b) The manufacturer submitted a timely filed premarket
- 60 tobacco product application for the ENDS product to the FDA
- 61 pursuant to 21 USC Section 387j, and the application either
- 62 remains under review by the FDA or has received a denial order
- 63 that has been and remains stayed by the FDA or court order,
- 64 rescinded by the FDA, or vacated by a court.
- 65 (2) The certification form shall separately list each brand
- 66 name, category (e.g., e-liquid, power unit, device, e-liquid
- 67 cartridge, e-liquid pod, disposable), product name, and flavor for
- 68 each ENDS product that is sold in Mississippi.
- 69 (3) Each annual certification form shall be accompanied by:
- 70 (a) A copy of the following:
- 71 (i) The marketing granted order issued by the FDA
- 72 pursuant to 21 USC Section 387j;
- 73 (ii) The acceptance letter issued by the FDA
- 74 pursuant to 21 USC Section 387j for a timely filed premarket
- 75 tobacco product application; or
- 76 (iii) A document issued by the FDA or by a court
- 77 confirming that the premarket tobacco product application has
- 78 received a denial order that has been and remains stayed by FDA or
- 79 court order, rescinded by FDA, or vacated by a court; and
- 80 (b) A payment of One Thousand Dollars (\$1,000.00) for
- 81 each ENDS product each time a manufacturer submits an annual
- 82 certification form for that ENDS product.



- 83 The information submitted by the manufacturer pursuant 84 to subsection (3)(a) of this section shall be considered 85 confidential commercial or financial information for purposes of the Mississippi Public Records Act of 1983. The manufacturer may 86 87 redact certain confidential commercial or financial information 88 provided under subsection (3)(a) of this section. The department 89 shall not disclose such information except as required or 90 authorized by law.
- 91 A manufacturer required to submit a certification form (5) pursuant to this section shall notify the department within thirty 92 93 (30) calendar days of any material change to the certification 94 form, including the issuance or denial of a marketing 95 authorization or other order by the FDA pursuant to 21 USC Section 96 387j, or any other order or action by the FDA or any court that 97 affects the ability of the ENDS product to be introduced or 98 delivered into interstate commerce for commercial distribution in 99 the United States.
- 100 Starting October 1, 2024, the department shall maintain 101 and make publicly available on the department's official website a 102 directory that lists all ENDS product manufacturers, brand names, 103 categories (e.g., e-liquid, e-liquid cartridge, e-liquid pod, 104 disposable), product names, flavors for which certification forms 105 have been submitted and approved by the department and shall 106 update the directory at least monthly to ensure accuracy. 107 department shall establish a process to provide licensed

- 108 retailers, distributors, and wholesalers notice of the initial
- 109 publication of the directory and changes made to the directory in
- 110 the prior month.
- 111 (7) Neither a manufacturer nor its ENDS products shall be
- included or retained in the directory if the department determines
- 113 that any of the following apply:
- 114 (a) The manufacturer failed to provide a complete and
- 115 accurate certification as required by subsection (1) of this
- 116 section;
- 117 (b) The manufacturer submitted a certification that
- 118 does not comply with the requirements of subsections (2) and (3)
- 119 of this section;
- 120 (c) The manufacturer failed to include with its
- 121 certification the payment required by subsection (3)(b) of this
- 122 section:
- 123 (d) The manufacturer sold products in Mississippi
- 124 required to be certified under this act during a period when
- 125 either the manufacturer or the product had not been certified and
- 126 listed on the directory; or
- 127 (e) The information provided by the manufacturer in its
- 128 certification is determined by the department to contain false
- 129 information or contains material misrepresentations or omissions.
- 130 (8) The department shall provide manufacturers notice and an
- 131 opportunity to cure deficiencies before removing manufacturers or
- 132 products from the directory.



133	(a) The department may not remove the manufacturer or
134	its products from the directory until at least thirty (30)
135	business days after the manufacturer has been given notice of an
136	intended action setting forth the reasons therefor. Notice shall
137	be sufficient and be deemed immediately received by a manufacturer
138	if the notice is sent either electronically or by facsimile to an
139	electronic mail address or facsimile number, as the case may be,
140	provided by the manufacturer in its most recent certification
141	filed under subsections (2) and (3) of this section.

- (b) The ENDS product manufacturer shall have fifteen

 (15) business days from the date of service of the notice of the

 department's intended action to cure the deficiencies or otherwise

 establish that the ENDS product manufacturer or its products

 should be included in the directory.
- 147 (c) Retailers shall have 30 days following the removal
 148 of a manufacturer or its products from the directory to sell such
 149 products that were in the retailer's inventory as of the date of
 150 removal.
 - (d) After thirty (30) calendar days following removal from the directory, the ENDS product of a manufacturer identified in the notice of removal and intended for sale in Mississippi are subject to seizure, forfeiture, and destruction, and may not be purchased or sold for retail sale in the Mississippi. The cost of such seizure, forfeiture, and destruction shall be borne by the person from whom the products are confiscated, except that no



151

152

153

154

155

156

157

- 158 products may be seized from a consumer who has made a bona fide
- 159 purchase of such product. The department may store and dispose of
- 160 the seized products as appropriate, in accordance with federal,
- 161 state and local laws pertaining to storage and disposal of such
- 162 products.
- 163 (9) (a) Except as provided in paragraphs (b) and (c) of
- 164 this subsection, beginning October 1, 2024, or on the date that
- 165 the department first makes the directory available for public
- 166 inspection on its official website, whichever is later, ENDS
- 167 products not included in the directory, may not be sold for retail
- 168 sale in Mississippi, either directly or through an importer,
- 169 distributor, wholesaler, retailer, or similar intermediary or
- 170 intermediaries.
- 171 (b) Each retailer shall have ninety (90) days from the
- 172 date that the department first makes the directory available for
- inspection on its public website to sell products that were in its
- 174 inventory and not included in the directory or remove those
- 175 products from inventory.
- 176 (c) Each distributor or wholesaler shall have ninety
- 177 (90) days from the date that the department first makes the
- 178 directory available for inspection on its public website to remove
- 179 those products intended for sale in the state from its inventory.
- 180 (d) After ninety (90) calendar days following
- 181 publication of the directory, ENDS products not listed in the
- 182 directory and intended for retail sale in Mississippi are subject



- 183 to seizure, forfeiture, and destruction, and may not be purchased 184 or sold for retail sale in Mississippi except as provided in 185 subsection (8) of this section. The cost of such seizure, 186 forfeiture and destruction shall be borne by the person from whom 187 the products are confiscated, except that no products may be 188 seized from a consumer who has made a bona fide purchase of such The department may store and dispose of the seized 189 product. 190 products as appropriate, in accordance with federal, state, and 191 local laws pertaining to storage and disposal of such products. 192 The following penalties shall apply to violations of
- (a) A retailer, distributor, wholesaler, or importer
 who sells or offers for sale an ENDS product for retail sale in
 Mississippi that is not included in the directory shall be subject
 to a civil penalty of up to Five Hundred Dollars (\$500.00) for
 each individual ENDS product offered for sale in violation of this
 section until the offending product is removed from the market or
 until the offending product is properly listed on the directory.
- (i) For a second violation of this type within a twelve-month period, the civil penalty shall be at least Seven Hundred Fifty Dollars (\$750.00) but not more than One Thousand Dollars (\$1,000.00) per product.
- 205 (ii) For a third violation of this type within a 206 twelve-month period, the civil penalty shall be at least One



193

this section:

- Thousand Dollars (\$1,000.00) but not more than One Thousand Five
 Hundred Dollars (\$1,500.00) per product.
- 209 A manufacturer whose ENDS products are not listed 210 in the directory and who causes the products that are not listed 211 to be sold for retail sale in Mississippi, whether directly or 212 through an importer, distributor, wholesaler, retailer, or similar 213 intermediary or intermediaries, is subject to a civil penalty of Ten Thousand Dollars (\$10,000.00) for each individual ENDS product 214 215 offered for sale in violation of this section until the offending product is removed from the market or until the offending product 216 217 is properly listed on the directory. In addition, any 218 manufacturer that falsely represents any information required by a 219 certification form shall be guilty of a misdemeanor for each false 220 representation.
- 221 (11) In an action to enforce this act, the state shall be 222 entitled to recover costs, including the costs of investigation, 223 expert witness fees and reasonable attorney fees. A repeated 224 violation of this section shall constitute a deceptive trade 225 practice under Section 75-24-5.

226 (12) Agent for service of process.

227 (a) A manufacturer not registered to do business in the 228 state shall, as a condition precedent to having its name or its 229 products listed and retained in the directory, appoint and 230 continually engage without interruption a registered agent in 231 Mississippi for service of process on whom all process and any



- action or proceeding arising out of the enforcement of this
 section may be served. The manufacturer shall provide to the
 division the name, address, and telephone number of its agent for
 service of process and shall provide any other information
 relating to its agent as may be requested by the division.
- 237 A manufacturer located outside of the United States 238 shall, as an additional condition precedent to having its products 239 listed or retained in the directory, cause each of its importers 240 of any of its products to be sold in Mississippi to appoint, and 241 continually engage without interruption, the services of an agent 242 in the state in accordance with the provisions of this section. 243 All obligations of a manufacturer imposed by this section with 244 respect to appointment of its agent shall also apply to the 245 importers with respect to appointment of their agents.
 - (c) A manufacturer shall provide written notice to the division thirty (30) calendar days prior to the termination of the authority of an agent appointed pursuant to paragraphs (a) and (b) of this subsection. No less than five (5) calendar days prior to the termination of an existing agent appointment, a manufacturer shall provide to the division the name, address and telephone number of its newly appointed agent for service of process and shall provide any other information relating to the new appointment as may be requested by the division. In the event an agent terminates an agency appointment, the manufacturer shall notify the division of the termination within five (5) calendar

246

247

248

249

250

251

252

253

254

255

256

- days and shall include proof to the satisfaction of the division of the appointment of a new agent.
- 259 (13) Each retailer, distributor and wholesaler that sells or
- 260 distributes electronic nicotine delivery systems or nicotine
- 261 liquids in this state shall be subject to at least two (2)
- 262 unannounced compliance checks annually for purposes of enforcing
- 263 this section. Unannounced follow-up compliance checks of all
- 264 noncompliant retailers, distributors, and wholesalers shall be
- 265 conducted within thirty (30) days after any violation of this act.
- 266 The division shall publish the results of all compliance checks at
- 267 least annually and shall make the results available to the public
- 268 on request.
- 269 (14) The department may promulgate rules necessary to effect
- 270 the purposes of this section.
- 271 (15) All fees and penalties collected by the department
- 272 pursuant to this section shall be used for administration and
- 273 enforcement of this section.
- 274 (16) Starting January 31, 2025, and annually thereafter, the
- 275 department shall provide a report to the Legislature regarding the
- 276 status of the directory, manufacturers and products included in
- 277 the directory, revenue and expenditures related to administration
- 278 of this section, and enforcement activities undertaken pursuant to
- 279 this section.
- 280 **SECTION 3.** This act shall take effect and be in force from
- and after July 1, 2024, and shall stand repealed on June 30, 2024.



Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO PROVIDE DEFINITIONS RELATED TO NICOTINE VAPOR NONCOMBUSTIBLE PRODUCTS OR "ENDS PRODUCT" AND THEIR ASSOCIATED 3 USES; TO REQUIRE MANUFACTURERS OF ENDS PRODUCTS TO PROVIDE THE 4 DEPARTMENT OF REVENUE WITH A CERTIFICATION THAT THE MANUFACTURER 5 IS COMPLIANT WITH CERTAIN FEDERAL RESTRICTIONS AND PROVISIONS OF THE ACT; TO REQUIRE MANUFACTURERS TO PAY A FEE FOR EACH PRODUCT FOR EACH ANNUAL CERTIFICATION; TO REQUIRE SUCH CERTIFICATION TO 7 LIST ALL BRAND NAMES, CATEGORIES, CARTRIDGE TYPE, AND FLAVORS OF 9 EACH ENDS PRODUCT SOLD IN THE STATE; TO PROVIDE THAT THE 10 INFORMATION PROVIDED IN THE CERTIFICATION SHALL BE CONSIDERED 11 CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION; TO REQUIRE THE 12 MANUFACTURER TO PROVIDE CERTAIN NOTICES; TO REQUIRE THE DEPARTMENT 13 OF REVENUE TO MAINTAIN A PUBLICLY AVAILABLE LIST OF ALL ENDS 14 PRODUCT MANUFACTURERS AND THEIR RESPECTIVE PRODUCTS; TO ESTABLISH 15 CERTAIN VIOLATIONS AND FINES RELATED TO THE ACT; TO SET THE 16 PROCEDURE BY WHICH A MANUFACTURER MAY BE FINED; TO SET CERTAIN 17 TIMELINES RELATIVE TO THE ACT; TO REQUIRE SUCH MANUFACTURERS TO 18 HAVE AN AGENT FOR SERVICE OF PROCESS; TO PROVIDE THAT THE 19 DEPARTMENT OF REVENUE MAY PROMULGATE RULES NECESSARY TO THE ACT; 20 TO PROVIDE THAT ALL FEES AND PENALTIES COLLECTED BY THE DEPARTMENT 21 OF REVENUE MAY BE USED FOR ADMINISTRATION AND ENFORCEMENT OF THE 22 ACT; TO PROVIDE THAT THE DEPARTMENT OF REVENUE SHALL PROVIDE A 23 REPORT TO THE LEGISLATURE STARTING JANUARY 31, 2025, AND ANNUALLY 24 THEREAFTER; AND FOR RELATED PURPOSES.

