MISSISSIPPI LEGISLATURE

By: Representative Yancey

To: Judiciary B

HOUSE BILL NO. 1461

1 AN ACT TO PROVIDE THAT NO LATER THAN AUGUST 1, 2024, EVERY 2 MANUFACTURER OF AN ENDS PRODUCT THAT IS SOLD FOR RETAIL SALE IN 3 MISSISSIPPI SHALL EXECUTE AND DELIVER TO THE ATTORNEY GENERAL A 4 CERTIFICATION THAT THE MANUFACTURER IS COMPLIANT WITH THIS ACT; TO 5 DEFINE CERTAIN TERMS RELATING TO THIS ACT; TO PROVIDE THAT THE 6 INFORMATION SUBMITTED BY THE MANUFACTURER IS CONSIDERED 7 CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION FOR PURPOSES OF THE MISSISSIPPI PUBLIC RECORDS ACT OF 1983; TO PROVIDE THAT 8 9 BEGINNING ON OCTOBER 1, 2024, THE ATTORNEY GENERAL SHALL MAINTAIN 10 AND MAKE PUBLICLY AVAILABLE ON THE ATTORNEY GENERAL'S OFFICIAL 11 WEBSITE A DIRECTORY THAT LISTS ALL ENDS PRODUCT MANUFACTURERS, 12 BRAND NAMES, CATEGORIES, PRODUCT NAMES, AND FLAVORS FOR WHICH 13 CERTIFICATION FORMS HAVE BEEN SUBMITTED AND APPROVED BY THE ATTORNEY GENERAL AND SHALL UPDATE THE DIRECTORY AT LEAST MONTHLY 14 15 TO ENSURE ACCURACY; TO REQUIRE THE ATTORNEY GENERAL TO ESTABLISH A 16 PROCESS TO PROVIDE LICENSED RETAILERS, DISTRIBUTORS, AND 17 WHOLESALERS NOTICE OF THE INITIAL PUBLICATION OF THE DIRECTORY AND 18 CHANGES MADE TO THE DIRECTORY IN THE PRIOR MONTH; TO PROVIDE THAT 19 NEITHER A MANUFACTURER NOR ITS ENDS PRODUCTS SHALL BE INCLUDED OR 20 RETAINED IN THE DIRECTORY IF THE ATTORNEY GENERAL DETERMINES THAT 21 THE MANUFACTURER FAILED TO PROVIDE A COMPLETE AND ACCURATE 22 CERTIFICATION AND PROVIDE PAYMENT; TO PROVIDE THAT AFTER THIRTY 23 CALENDAR DAYS FOLLOWING REMOVAL FROM THE DIRECTORY, THE ENDS 24 PRODUCT OF A MANUFACTURER IDENTIFIED IN THE NOTICE OF REMOVAL AND 25 INTENDED FOR SALE IN MISSISSIPPI ARE SUBJECT TO SEIZURE, 26 FORFEITURE, AND DESTRUCTION, AND SHALL NOT BE PURCHASED OR SOLD 27 FOR RETAIL SALE IN MISSISSIPPI; BEGINNING ON OCTOBER 1, 2024, OR 28 ON THE DATE THAT THE ATTORNEY GENERAL FIRST MAKES THE DIRECTORY 29 AVAILABLE FOR PUBLIC INSPECTION ON ITS OFFICIAL WEBSITE, WHICHEVER IS LATER, ENDS PRODUCTS NOT INCLUDED IN THE DIRECTORY, SHALL NOT 30 BE SOLD FOR RETAIL SALE IN MISSISSIPPI, EITHER DIRECTLY OR THROUGH 31 32 AN IMPORTER, DISTRIBUTOR, WHOLESALER, RETAILER, OR SIMILAR 33 INTERMEDIARY OR INTERMEDIARIES; TO PROVIDE THAT EACH RETAILER 34 SHALL HAVE SIXTY DAYS FROM THE DATE THAT THE ATTORNEY GENERAL

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35 FIRST MAKES THE DIRECTORY AVAILABLE FOR INSPECTION ON ITS PUBLIC 36 WEBSITE TO SELL PRODUCTS THAT WERE IN ITS INVENTORY AND NOT 37 INCLUDED IN THE DIRECTORY OR REMOVE THOSE PRODUCTS FROM INVENTORY; TO PROVIDE THAT AFTER SIXTY CALENDAR DAYS FOLLOWING PUBLICATION OF 38 39 THE DIRECTORY, ENDS PRODUCTS NOT LISTED IN THE DIRECTORY AND INTENDED FOR RETAIL SALE IN MISSISSIPPI ARE SUBJECT TO SEIZURE, 40 FORFEITURE, AND DESTRUCTION, AND MAY NOT BE PURCHASED OR SOLD FOR 41 42 RETAIL SALE IN MISSISSIPPI EXCEPT AS OTHERWISE PROVIDED IN THIS 43 ACT; TO PROVIDE THAT A RETAILER, DISTRIBUTOR, WHOLESALER, OR 44 IMPORTER WHO SELLS OR OFFERS FOR SALE AN ENDS PRODUCT FOR RETAIL 45 SALE IN MISSISSIPPI THAT IS NOT INCLUDED IN THE DIRECTORY SHALL BE 46 SUBJECT TO A CIVIL PENALTY OF NOT MORE THAN FIVE HUNDRED DOLLARS 47 FOR EACH INDIVIDUAL ENDS PRODUCT OFFERED FOR SALE IN VIOLATION OF 48 THIS ACT; TO PROVIDE THAT A MANUFACTURER WHOSE ENDS PRODUCTS ARE 49 NOT LISTED IN THE DIRECTORY AND WHO CAUSES THE PRODUCTS THAT ARE 50 NOT LISTED TO BE SOLD FOR RETAIL SALE IN MISSISSIPPI, IS SUBJECT 51 TO A CIVIL PENALTY OF TEN THOUSAND DOLLARS FOR EACH INDIVIDUAL ENDS PRODUCT OFFERED FOR SALE IN VIOLATION OF THIS ACT; TO REQUIRE 52 53 A MANUFACTURER LOCATED OUTSIDE OF THE UNITED STATES TO CAUSE EACH 54 OF ITS IMPORTERS OF ANY OF ITS PRODUCTS TO BE SOLD IN MISSISSIPPI 55 TO APPOINT, AND CONTINUALLY ENGAGE WITHOUT INTERRUPTION, THE 56 SERVICES OF AN AGENT IN THE STATE; TO REQUIRE A MANUFACTURER TO 57 PROVIDE WRITTEN NOTICE TO THE DIVISION THIRTY CALENDAR DAYS PRIOR 58 TO THE TERMINATION OF THE AUTHORITY OF AN AGENT; TO PROVIDE THAT 59 EACH RETAILER, DISTRIBUTOR, AND WHOLESALER THAT SELLS OR 60 DISTRIBUTES ELECTRONIC NICOTINE DELIVERY SYSTEMS OR NICOTINE 61 LIQUIDS IN THIS STATE SHALL BE SUBJECT TO AT LEAST TWO UNANNOUNCED 62 COMPLIANCE CHECKS; TO PROVIDE THAT BEGINNING ON JANUARY 31, 2025, 63 AND ANNUALLY THEREAFTER, THE ATTORNEY GENERAL SHALL PROVIDE A 64 REPORT TO THE LEGISLATURE THAT CONTAINS CERTAIN INFORMATION 65 RELATED TO THE REGISTRY; AND FOR RELATED PURPOSES.

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

67 SECTION 1. For purposes of this act, the following words and 68 phrases shall have the meanings as defined in this section, unless 69 the context clearly indicates otherwise:

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"ENDS product": (a)

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(i) Means any noncombustible product that employs 72 a heating element, power source, electronic circuit, or other 73 electronic, chemical, or mechanical means, regardless of shape or

74 size, to produce vapor from nicotine in a solution;

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(ii) Includes a consumable nicotine liquid solution suitable for use in an ENDS product, whether sold with the product or separately; and

(iii) Does not include any product regulated as a
drug or device under Chapter V of the Federal Food, Drug, and
Cosmetic Act (21 USC Section 351 et seq.).

(b) "Timely filed premarket tobacco product application" means an application pursuant to 21 USC Section 387j for an ENDS product containing nicotine derived from tobacco marketed in the United States as of August 8, 2016, that was submitted to the United States Food and Drug Administration on or before September 9, 2020, and accepted for filing.

87 (c) "FDA" means the United States Food and Drug88 Administration.

No later than August 1, 2024, and annually 89 **SECTION 2.** (1) 90 thereafter, every manufacturer of an ENDS product that is sold for 91 retail sale in Mississippi, whether directly or through an importer, wholesaler, distributor, retailer, or similar 92 93 intermediary or intermediaries, shall execute and deliver to the 94 Attorney General a certification, under penalty of perjury on a 95 form and in a manner prescribed by the Attorney General, that the 96 manufacturer is compliant with this act and that, for each ENDS 97 product sold in Mississippi:

H. B. No. 1461 24/HR43/R1839 PAGE 3 (MCL\EW) 98 (a) The manufacturer has received a marketing granted 99 order for the ENDS product from the FDA pursuant to 21 USC Section 100 387j; or

(b) The manufacturer submitted a timely filed premarket tobacco product application for the ENDS product to the FDA pursuant to 21 USC Section 387j, and the application either remains under review by the FDA or has received a denial order that has been and remains stayed by the FDA or court order, rescinded by the FDA, or vacated by a court.

107 (2) The certification form shall separately list each brand 108 name, category (e.g., e-liquid, power unit, device, e-liquid 109 cartridge, e-liquid pod, disposable), product name, and flavor for 110 each ENDS product that is sold in Mississippi.

111 (3) Each annual certification form shall be accompanied by:112 (a) A copy of:

(i) The marketing granted order issued by the FDA pursuant to 21 USC Section 387j;

(ii) A copy of the acceptance letter issued by the FDA pursuant to 21 USC Section 387j for a timely filed premarket tobacco product application; or

(iii) A document issued by FDA or by a court confirming that the premarket tobacco product application has received a denial order that has been and remains stayed by FDA or court order, rescinded by FDA, or vacated by a court; and

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each ENDS product each time a manufacturer submits an annual
certification form for that ENDS product.

125 The information submitted by the manufacturer pursuant (4) to subsection (3)(a) of this section is considered confidential 126 127 commercial or financial information for purposes of the Mississippi Public Records Act of 1983 (Section 25-61-1, et al). 128 129 The manufacturer may redact certain confidential commercial or 130 financial information provided under subsection (3) (a) of this The Attorney General shall not disclose such information 131 section. 132 except as required or authorized by law.

133 A manufacturer required to submit a certification form (5)134 pursuant to this section shall notify the Attorney General within 135 thirty (30) calendar days of any material change to the 136 certification form, including the issuance or denial of a 137 marketing authorization or other order by the FDA pursuant to 21 138 USC Section 387j, or any other order or action by the FDA or any court that affects the ability of the ENDS product to be 139 140 introduced or delivered into interstate commerce for commercial distribution in the United States. 141

142 (6) Beginning on October 1, 2024, the Attorney General shall
143 maintain and make publicly available on the Attorney General's
144 official website a directory that lists all ENDS product
145 manufacturers, brand names, categories (e.g., e-liquid, e-liquid
146 cartridge, e-liquid pod, disposable), product names, and flavors

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153 (7) Neither a manufacturer nor its ENDS products shall be 154 included or retained in the directory if the Attorney General 155 determines that any of the following apply:

(a) The manufacturer failed to provide a complete andaccurate certification as required by subsection (1);

(b) The manufacturer submitted a certification thatdoes not comply with the requirements of subsection (2) and (3);

160 (c) The manufacturer failed to include with its161 certification the payment required by subsection (3)(b);

(d) The manufacturer sold products in Mississippi required to be certified under this act during a period when either the manufacturer or the product had not been certified and listed on the directory; or

(e) The information provided by the manufacturer in its certification is determined by the Attorney General to contain false information or contains material misrepresentations or omissions.

H. B. No. 1461 24/HR43/R1839 PAGE 6 (MCL\EW) 170 (8) The Attorney General shall provide manufacturers notice
171 and an opportunity to cure deficiencies before removing
172 manufacturers or products from the directory.

173 The Attorney General may not remove the (a) 174 manufacturer or its products from the directory until at least 175 thirty (30) business days after the manufacturer has been given 176 notice of an intended action setting forth the reasons therefor. 177 Notice shall be sufficient and be deemed immediately received by a 178 manufacturer if the notice is sent either electronically or by facsimile to an electronic mail address or facsimile number, as 179 180 the case may be, provided by the manufacturer in its most recent certification filed under subsections (2) and (3) of this section. 181

(b) The ENDS product manufacturer shall have fifteen
(15) business days from the date of service of the notice of the
Attorney General's intended action to cure the deficiencies or
otherwise establish that the ENDS product manufacturer or its
products should be included in the directory.

187 (c) Retailers shall have thirty (30) days following the 188 removal of a manufacturer or its products from the directory to 189 sell such products that were in the retailer's inventory as of the 190 date of 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 is subject to seizure, forfeiture, and destruction, and may not be

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203 (a) Except as provided in paragraphs (b) and (c) of (9) this subsection (9), beginning on October 1, 2024, or on the date 204 that the Attorney General first makes the directory available for 205 206 public inspection on its official website, whichever is later, ENDS products not included in the directory, shall not be sold for 207 208 retail sale in Mississippi, either directly or through an 209 importer, distributor, wholesaler, retailer, or similar 210 intermediary or intermediaries.

(b) Each retailer shall have sixty (60) days from the date that the Attorney General first makes the directory available for inspection on its public website to sell products that were in its inventory and not included in the directory or remove those products from inventory.

(c) Each distributor or wholesaler shall have sixty
(60) days from the date that the Attorney General first makes the
directory available for inspection on its public website to remove
those products intended for sale in the state from its inventory.

H. B. No. 1461 **~ OFFICIAL ~** 24/HR43/R1839 PAGE 8 (MCL\EW) 220 (d) After sixty (60) calendar days following publication of the directory, ENDS products not listed in the 221 222 directory and intended for retail sale in Mississippi are subject 223 to seizure, forfeiture, and destruction, and may not be purchased 224 or sold for retail sale in Mississippi except as provided in 225 subsection (8) of this section. The cost of such seizure, 226 forfeiture, and destruction shall be paid by the person from whom 227 the products are confiscated, except that no products may be 228 seized from a consumer who has made a bona fide purchase of such 229 product. The Attorney General may store and dispose of the seized 230 products as appropriate, in accordance with federal, state, and 231 local laws pertaining to storage and disposal of such products.

(10) (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 not more than Five Hundred Dollars (\$500.00) for each individual ENDS product offered for sale in violation of this act 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
12-month period, the civil penalty shall be at least Seven Hundred
and Fifty Dollars (\$750.00), but not more than One Thousand
Dollars (\$1,000.00) per product.

(ii) For a third violation of this type within a12-month period, the civil penalty shall be at least One Thousand

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247 A manufacturer whose ENDS products are not listed (b) in the directory and who causes the products that are not listed 248 249 to be sold for retail sale in Mississippi, whether directly or 250 through an importer, distributor, wholesaler, retailer, or similar 251 intermediary or intermediaries, is subject to a civil penalty of Ten Thousand Dollars (\$10,000.00) for each individual ENDS product 252 253 offered for sale in violation of this act until the offending 254 product is removed from the market or until the offending product 255 is properly listed on the directory. In addition, any 256 manufacturer that falsely represents any information required by a 257 certification form shall be guilty of a misdemeanor for each false 258 representation.

(c) In an action to enforce this act, the state shall
be entitled to recover costs, including the costs of
investigation, expert witness fees and reasonable attorney fees.

262 (d) A repeated violation of this section shall263 constitute a deceptive trade practice under Section 75-24-5.

(11) (a) A manufacturer not registered to do business in the state shall, as a condition precedent to having its name or its products listed and retained in the directory, appoint and continually engage without interruption a registered agent in Mississippi for service of process on whom all process and any action or proceeding arising out of the enforcement of this

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H. B. No. 1461 24/HR43/R1839 PAGE 10 (MCL\EW) 270 section may be served. The manufacturer shall provide to the 271 division the name, address, and telephone number of its agent for 272 service of process and shall provide any other information 273 relating to its agent as may be requested by the division.

A manufacturer located outside of the United States 274 (b) 275 shall, as an additional condition precedent to having its products 276 listed or retained in the directory, cause each of its importers 277 of any of its products to be sold in Mississippi to appoint, and 278 continually engage without interruption, the services of an agent in the state in accordance with the provisions of this section. 279 280 All obligations of a manufacturer imposed by this section with 281 respect to appointment of its agent shall also apply to the 282 importers with respect to appointment of their agents.

283 A manufacturer shall provide written notice to the (C) 284 division thirty (30) calendar days prior to the termination of the 285 authority of an agent appointed under paragraphs (a) and (b) of 286 this subsection (11). No less than five (5) calendar days prior 287 to the termination of an existing agent appointment, a 288 manufacturer shall provide to the division the name, address and 289 telephone number of its newly appointed agent for service of 290 process and shall provide any other information relating to the 291 new appointment as may be requested by the division. In the event 292 an agent terminates an agency appointment, the manufacturer shall 293 notify the division of the termination within five (5) calendar

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294 days and shall include proof to the satisfaction of the division 295 of the appointment of a new agent.

296 Each retailer, distributor, and wholesaler that sells (12)297 or distributes electronic nicotine delivery systems or nicotine 298 liquids in this state shall be subject to at least two (2) 299 unannounced compliance checks annually for purposes of enforcing 300 this section. Unannounced follow-up compliance checks of all noncompliant retailers, distributors, and wholesalers shall be 301 302 conducted within thirty (30) days after any violation of this 303 The division shall publish the results of all compliance article. 304 checks annually and shall make the results available to the public 305 upon request.

306 (13) The Attorney General may promulgate rules necessary to 307 effect the purposes of this act.

308 (14) All fees and penalties collected by the Attorney
309 General pursuant to this section shall be used for administration
310 and enforcement of this act.

(15) Beginning on January 31, 2025, and annually thereafter, the Attorney General shall provide a report to the Legislature regarding the status of the directory, manufacturers and products included in the directory, revenue and expenditures related to administration of this section, and enforcement activities undertaken pursuant to this act.

317 **SECTION 3.** This act shall take effect and be in force from 318 and after July 1, 2024.

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PAGE 12 (MCL\EW)	Revenue to maintain	and publish.