

1 **ARTICLE 21**

2 **RELATING TO HEALTH AND SAFETY**

3 SECTION 1. Effective July 1, 2020, sections 11-9-13, 11-9-13.2, 11-9-13.4, 11-9-13.5, 11-
4 9-13.6, 11-9-13.7, 11-9-13.8, 11-9-13.8.1, 11-9-13.10, 11-9-13.11, 11-9-13.13, 11-9-13.15, 11-9-
5 13.20 and 11-9-14 of the General Laws in Chapter 11-9 entitled "Children" are hereby amended
6 to read as follows:

7 **11-9-13. Purchase, sale or delivery of tobacco products and electronic nicotine**
8 **delivery systems to persons under ~~eighteen~~ twenty-one – Posting notice of law.**

9 No person under ~~eighteen~~ twenty-one (~~18~~21) years of age shall purchase, nor shall any
10 person sell, give, or deliver to any person under ~~eighteen~~ twenty-one (~~18~~21) years of age, any
11 tobacco in the form of cigarettes, bidi cigarettes, cigars, little cigars, flavored cigars known as
12 "blunts," unflavored "blunts," flavored and unflavored blunt wraps, cigarette rolling papers of any
13 size or composition, cigarillos and tiparillos, pipe tobacco, chewing tobacco, electronic nicotine-
14 delivery systems, or snuff. Any person, firm, or corporation that owns, manages, or operates a place
15 of business in which tobacco products are sold, including sales through cigarette vending machines,
16 shall post notice of this law conspicuously in the place of business in letters at least three-eighths
17 of an inch (3/8") high.

18 **11-9-13.2. Short title.**

19 Sections 11-9-13.2 – 11-9-13.19 shall be cited as "An Act to Stop the Illegal Sale of
20 Tobacco Products to ~~Children~~ Persons Under Twenty-One (21) Years of Age".

21 **11-9-13.4. Definitions.**

22 As used in this chapter:

23 (1) "Bidi cigarette" means any product that (i) contains tobacco that is wrapped in temburni
24 or tender leaf, or that is wrapped in any other material identified by rules of the Department of
25 Health that is similar in appearance or characteristics to the temburni or tender leaf, and (ii) does
26 not contain a smoke filtering device.

27 (2) "Court" means any appropriate district court of the state of Rhode Island.

28 (3) "Dealer" is synonymous with the term "retail tobacco products dealer".

29 (4) "Department of behavioral healthcare, developmental disabilities and hospitals " means
30 the state of Rhode Island behavioral healthcare, developmental disabilities and hospitals
31 department, its employees, agents or assigns.

32 (5) "Department of taxation" means the state of Rhode Island taxation division, its
33 employees, agents, or assigns.

1 (6) "License" is synonymous with the term "retail tobacco products dealer license" or
2 "electronic nicotine-delivery system license" [or any license issued under Title 44 of Chapter 20.](#)

3 (7) "License holder" is synonymous with the term "retail tobacco products dealer" or
4 "electronic nicotine-delivery system license."

5 (8) "Person" means any individual person, firm, association, or corporation licensed as a
6 retail dealer to sell tobacco products within the state.

7 (9) "Retail tobacco products dealer" means the holder of a license to sell tobacco products
8 at retail [and shall include holders of all other licenses issued under title 44 of chapter 20.](#)

9 (10) "Retail tobacco products dealer license" means a license to sell tobacco products [and](#)
10 [ENDS Products as defined in section 44-20-1](#) at retail as issued by the department of taxation.

11 (11) "Spitting tobacco" also means snuff, powdered tobacco, chewing tobacco, dipping
12 tobacco, pouch tobacco, or smokeless tobacco.

13 (12) "Tobacco product(s)" means any product containing tobacco, including bidi cigarettes,
14 as defined in subdivision (1) of this section, that can be used for, but whose use is not limited to,
15 smoking, sniffing, chewing, or spitting of the product.

16 (13) "Underage individual" or "underage individuals" means any ~~child~~ [person](#) under the
17 age of ~~eighteen~~ [twenty-one \(18-21\)](#) years of age.

18 (14) "Little cigars" means and includes any roll, made wholly or in part of tobacco,
19 irrespective of size or shape, and irrespective of whether the tobacco is flavored, adulterated, or
20 mixed with any other ingredient, where such roll has a wrapper or cover made of tobacco wrapped
21 in leaf tobacco or any substance containing tobacco paper or any other material, except where such
22 wrapper is wholly or in greater part made of tobacco and such roll weighs over three (3) pounds
23 per thousand (1,000).

24 (15) "Electronic nicotine-delivery system" means an electronic device that may be used to
25 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,
26 and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,
27 electronic pipe, or electronic hookah and any related device and any cartridge or other component
28 of such device.

29 **11-9-13.5. Responsibility for tobacco or health issues.**

30 The Rhode Island department of behavioral healthcare, developmental disabilities and
31 hospitals shall develop, monitor and aggressively enforce health rules and regulations pertaining to
32 stopping the illegal sale of tobacco products [and electronic nicotine delivery systems, or any](#)
33 [separate electronic nicotine-delivery system product as defined in § 44-20-1 \(7\) that is being offered](#)
34 [for sale separately from a system, to children persons under twenty-one \(21\) years of age.](#)

1 11-9-13.6. Duties of the department of behavioral healthcare, developmental
2 disabilities and hospitals.

3 The department of behavioral healthcare, developmental disabilities and hospitals shall:

4 (1) Coordinate and promote the enforcement of the provisions of this chapter and serve as
5 the primary liaison from this department to other state or local agencies, departments, or divisions
6 on issues pertaining to stopping ~~children's~~ access to tobacco and electronic nicotine-delivery
7 system dealers to persons under twenty-one (21) years of age.

8 (2) Provide retail tobacco products dealers and electronic nicotine-delivery system dealers
9 signs concerning the prohibition of sales to ~~children~~ persons under ~~eighteen~~ twenty-one (18-21)
10 years of age. The signs, conforming to the requirements of this chapter, shall be sold at cost. This
11 sign, or an exact duplicate of it made privately, shall be displayed in all locations where tobacco
12 products and/or electronic nicotine-delivery systems are sold.

13 (3) Investigate concurrently with other state and local officials violations of this chapter.

14 (4)(i) Utilize unannounced statewide compliance checks of tobacco product sales and/or
15 electronic nicotine-delivery system sales including retail tobacco and/or electronic nicotine-
16 delivery system over-the-counter sales, mail-order sales initiated via mail, facsimile, telephone or
17 internet ordering or other types of electronic communications, and tobacco and/or electronic
18 nicotine-delivery systems vending machine sales as part of investigating compliance with the
19 provisions of this chapter. Persons under the age of twenty-one (21) ~~Underage individuals~~, acting
20 as agents for the department of behavioral healthcare, developmental disabilities and hospitals ~~and~~
21 ~~with the written permission of a parent or guardian~~, may purchase, with impunity from prosecution,
22 tobacco products and electronic nicotine-delivery systems for the purposes of law enforcement or
23 government research involving monitoring compliance with this chapter, provided that the
24 underage individuals are supervised by an adult law enforcement official and that persons under
25 the age of eighteen (18) have the written permission of a parent or guardian. Any individual
26 participating in an unannounced compliance check of over-the-counter or vending machine sales,
27 must state his or her accurate age if asked by the sales representative of the retail establishment
28 being checked.

29 (ii) In fulfilling the requirement of unannounced statewide compliance checks, the
30 department of behavioral healthcare, developmental disabilities and hospitals shall maintain
31 complete records of the unannounced compliance checks, detailing, at least, the date of the
32 compliance check; the name and address of the retail establishment checked or the mail order
33 company; the results of the compliance check (sale/no sale); whether the sale was made as an over-
34 the-counter sale, a mail-order purchase or a tobacco and/or or electronic nicotine-delivery systems

1 vending machine sale; and if a citation was issued for any violation found. The records shall be
2 subject to public disclosure. Further, the department of behavioral healthcare, developmental
3 disabilities and hospitals shall report to the owner of each retail establishment checked or mail-
4 order company the results of any compliance check (sale/no sale) whether the sale was made as an
5 over-the-counter sale, a mail-order purchase, or a tobacco and/or electronic nicotine-delivery
6 systems vending machine sale, and if a citation was issued for any violation found.

7 (5) Seek enforcement, concurrently with other state and local officials, of the penalties as
8 detailed in this chapter.

9 (6) Develop and disseminate community health education information and materials
10 relating to this chapter.

11 **11-9-13.7. Signs concerning sales to individuals under age ~~eighteen~~ twenty-one (~~18~~**
12 **21).**

13 Signs provided by the department of behavioral healthcare, developmental disabilities and
14 hospitals, or an exact duplicate of it made privately, shall:

15 (1) Contain in red bold lettering a minimum of three-eighths (3/8") inch high on a white
16 background the following wording in both English and Spanish:

17 THE SALE OF CIGARETTES, TOBACCO AND ELECTRONIC NICOTINE-
18 DELIVERY SYSTEM PRODUCTS TO PERSONS UNDER THE AGE OF ~~18~~ 21 IS AGAINST
19 RHODE ISLAND LAW (§ 11-9-13.8(1), Rhode Island Statutes) PHOTO ID FOR PROOF OF
20 AGE IS REQUIRED FOR PURCHASE.

21 (2) Contain the phone number at the department of behavioral healthcare, developmental
22 disabilities and hospitals, where violations of §§ 11-9-13.2 – 11-9-13.~~19~~ 20 can be reported, in
23 addition to any other information required by the department of behavioral healthcare,
24 developmental disabilities and hospitals.

25 (3) Be displayed prominently for public view, wherever tobacco products and or electronic
26 nicotine delivery systems are sold at each cash register, each tobacco and/or electronic nicotine-
27 delivery systems vending machine, or any other place from which tobacco products and/or
28 electronic nicotine delivery systems are sold. The signs shall be electronically available in both
29 English and Spanish online at the department of behavioral healthcare, developmental disabilities
30 and hospitals' website.

31 **11-9-13.8. Prohibitions applicable to license holders and their employees and agents.**

32 A person holding a license issued under chapter 20 of title 44 ~~and/or § 23-1-56~~, or an
33 employee or agent of that person, is prohibited from selling, distributing, or delivering a tobacco
34 and/or electronic nicotine-delivery system product:

1 (1) To any individual who is under ~~eighteen~~-twenty-one (~~18~~21) years of age; or

2 (2) In any form other than an original, factory-wrapped package as sealed and certified by
3 the manufacturer; or

4 (3) As a single-cigarette sale (§ 44-20-31) or as a sale of cigarettes by the individual piece
5 known as "loosies."

6 **11-9-13.8.1. Signs concerning the health effects of tobacco and electronic nicotine**
7 **delivery systems.**

8 Signs provided by the department of behavioral healthcare, developmental disabilities and
9 hospitals, or an exact duplicate of it made privately, shall:

10 (1) Contain red bold lettering a minimum of one-quarters of an inch (1/4") high on a white
11 background the following wording, in both English and Spanish: WARNING: SMOKING
12 CIGARETTES CONTRIBUTES TO LUNG DISEASE, CANCER, HEART DISEASE, STROKE
13 AND RESPIRATORY ILLNESS AND DURING PREGNANCY MAY RESULT IN LOW
14 BIRTH WEIGHT AND PREMATURE BIRTH.

15 (2) The signs shall also include information regarding resources available to Rhode Island
16 residents who would like to quit smoking.

17 (3) The signs shall be displayed prominently for public view wherever tobacco products
18 are sold at each cash register, each tobacco vending machine, or any other place from which tobacco
19 products are sold. The signs shall be electronically available in both English and Spanish online at
20 the department of behavioral healthcare, developmental disabilities and hospitals' website.

21 (4) The department of behavioral healthcare, developmental disabilities and hospitals shall
22 have the power and authority to develop and disseminate signs pursuant to the requirements of this
23 section for other tobacco products and electronic nicotine delivery systems, in addition to cigarettes.
24 The messaging included in the signs shall be based on the most current scientific evidence.

25 **11-9-13.10. Prohibition on the distribution and redemption of free and discounted**
26 **tobacco products and electronic nicotine delivery systems.**

27 The distribution and/or redemption of free tobacco products, and electronic nicotine-
28 delivery systems or coupons or vouchers redeemable for free or discounted cigarettes, other tobacco
29 products, or electronic nicotine-delivery system products to any person ~~under eighteen (18) years~~
30 ~~of age~~ shall be prohibited. Further, the distribution and/or redemption of free tobacco products or
31 electronic nicotine-delivery systems or coupons or vouchers redeemable for free tobacco or
32 electronic nicotine-delivery systems products shall be prohibited, regardless of the age of the person
33 to whom the products, coupons, or vouchers are distributed, within five hundred feet (500') of any
34 school. The attorney general, or any local or state of Rhode Island police department, or their

1 officers or agents, shall bring an action for any violation of this section. Every separate, free or
2 discounted tobacco product or electronic nicotine-delivery system or coupon or voucher
3 redeemable for a free or discounted tobacco or electronic nicotine-delivery system or product in
4 violation of this section shall constitute a separate offense subject to a fine of five hundred dollars
5 (\$500). The penalty shall be assessed against the business or individual responsible for initiating
6 the Rhode Island distribution and/or redemption of the free or discounted tobacco products or
7 electronic nicotine-delivery systems or coupons or vouchers redeemable for free or discounted
8 tobacco products or electronic nicotine-delivery systems.

9 **11-9-13.11. Prohibition on the sale or distribution of tobacco products through the**
10 **mail conveyance of tobacco products and electronic nicotine delivery system through the mail**
11 **to ~~children-persons~~ under ~~eighteen-twenty-one~~ (~~18-21~~) – Proof of age of purchaser required –**
12 **General rule.**

13 (a) The distribution, or sale or conveyance of tobacco products and/or electronic nicotine
14 delivery systems products as defined in chapter 20 of Title 44 to ~~children-persons~~ under the age of
15 ~~eighteen-twenty-one~~ (~~18-21~~) via the United States Postal Service, or by any other public or private
16 postal or package delivery service, shall be prohibited.

17 (b) Any person, including but not limited to online retailers, selling or distributing tobacco
18 products in the form of cigars, pipe tobacco, chewing tobacco, ~~or snuff~~, or electronic nicotine
19 delivery systems directly to a consumer via the United States Postal Service, or by any other public
20 or private postal or package delivery service, including orders placed by mail, telephone, facsimile,
21 or internet, shall: (1) before distributing or selling the tobacco product through any of these means,
22 receive both a copy of a valid form of government identification showing date of birth to verify the
23 purchaser is age ~~eighteen-twenty-one~~ (~~18-21~~) years or over and an attestation from the purchaser
24 certifying that the information on the government identification truly and correctly identifies the
25 purchaser and the purchaser's current address, and (2) deliver the tobacco product to the address of
26 the purchaser given on the valid form of government identification and by a postal or package
27 delivery service method that either limits delivery to that purchaser and requires the purchaser to
28 sign personally to receive the delivery or requires a signature of an adult at the purchaser's address
29 to deliver the package.

30 (c) The attorney general shall bring an action for any violation of this chapter. Any
31 distribution, ~~or sale~~, or conveyance of a tobacco product or electronic nicotine delivery system to a
32 ~~child-person~~ under ~~eighteen-twenty-one~~ (~~18-21~~) years of age via the United States Postal Service,
33 or by any other public or private postal or package delivery service, shall be subject to an action
34 against the distributor, ~~or seller~~, or conveyor by the attorney general of the state of Rhode Island.

1 A minimum fine of one thousand dollars (\$1,000) shall be assessed against any distributor, or seller
2 or conveyor convicted of distributing, or selling or conveying tobacco products via the United
3 States postal service, or by any other public or private postal or package delivery service, for each
4 delivery, ~~or~~ sale or conveyance of a tobacco product to a ~~child-person~~ under ~~eighteen~~twenty-one
5 (~~18-21~~) years of age.

6 (d) For the purpose of this section, "distribution," "distributing," "selling" and "sale" do not
7 include the acts of the United States Postal Service or other common carrier when engaged in the
8 business of transporting and delivering packages for others or the acts of a person, whether
9 compensated or not, who transports or delivers a package for another person without any reason to
10 know of the package's contents.

11 (e) Any delivery sale of cigarettes shall be made pursuant to the provisions of chapter 20.1
12 of title 44. The provisions of this section shall apply to each tobacco product listed in subsection
13 (b) herein, but shall not apply to any delivery sale of cigarettes.

14 **11-9-13.13. Nature and size of penalties.**

15 (a) Any person or individual who violates a requirement of § 11-9-13.6(2), display of
16 specific signage, shall be subject to a fine in court of not less than ~~thirty-five~~one hundred dollars
17 (~~\$35.00-100.00~~), nor more than five hundred dollars (\$500), per civil violation.

18 (b) The license holder is responsible for all violations of this section that occur at the
19 location for which the license is issued. Any license holder who or that violates the prohibition of
20 § 11-9-13.8(1) and/or (2) or § 11-9-13.20 shall be subject to civil fines as follows:

21 (1) A fine of ~~two hundred fifty~~five hundred dollars (~~\$250~~500) for the first violation within
22 any thirty-six-month (36) period;

23 (2) A fine of ~~five hundred~~one thousand dollars (~~\$500~~1,000) for the second violation within
24 any thirty-six-month (36) period;

25 (3) A fine of ~~one~~two thousand dollars (~~\$1,000~~2,000) and a fourteen-day (14) suspension
26 of the license to sell tobacco products or electronic nicotine-delivery systems for the third violation
27 within any thirty-six-month (36) period;

28 (4) A fine of ~~one thousand five hundred~~three thousand dollars (~~\$1,500~~3,000) and a ninety-
29 day (90) suspension of the license to sell tobacco products or electronic nicotine-delivery systems
30 for each violation in excess of three (3).

31
32

1 (c) Any person who or that violates a prohibition of § 11-9-13.8(3), sale of single cigarettes;
2 or § 11-9-13.8(2), regarding factory-wrapped packs as sealed and certified by the manufacturer;
3 shall be subject to a penalty of ~~five hundred~~ one thousand dollars (~~\$500~~1,000) for each violation.

4 (d) The department of taxation ~~and/or the department of health~~ shall not issue a license to
5 any individual, business, firm, association, or corporation, the license of which has been revoked
6 or suspended; to any corporation, an officer of which has had his or her license revoked or
7 suspended; or to any individual who is, or has been, an officer of a corporation the license of which
8 has been revoked or suspended so long as such revocations or suspensions are in effect.

9 (e) The court shall suspend the imposition of a license suspension of the license secured
10 from the Rhode Island tax administrator for violation of subsections (b)(3) and (b)(4) of this section
11 if the court finds that the license holder has taken measures to prevent the sale of tobacco and/or
12 electronic nicotine-delivery systems to ~~minors~~ persons under the age of twenty-one (21) and the
13 license holder can demonstrate to the court that those measures have been taken and that employees
14 have received training. No person shall sell tobacco products and/or electronic nicotine-delivery
15 system products at retail without first being trained in the legal sale of tobacco and/or electronic
16 nicotine-delivery system products. Training shall teach employees what constitutes a tobacco
17 and/or electronic nicotine-delivery system product; legal age of purchase; acceptable identification;
18 how to refuse a direct sale to a person under twenty-one (21) years of age ~~minor~~ or secondary sale
19 to an adult; and all applicable laws on tobacco sales and distribution. Dealers shall maintain records
20 indicating that the provisions of this section were reviewed with all employees who conduct, or
21 will conduct, tobacco and/or electronic nicotine-delivery systems sales. Each employee who sells
22 or will sell tobacco and/or electronic nicotine-delivery system products shall sign an
23 acknowledgement form attesting that the provisions of this section were reviewed with him or her.
24 Each form shall be maintained by the retailer for as long as the employee is so employed and for
25 no less than one year after termination of employment. The measures to prevent the sale of tobacco
26 and/or electronic nicotine-delivery systems to persons under twenty-one (21) years of age ~~minors~~
27 shall be defined by the department of behavioral healthcare, developmental disabilities and
28 hospitals in rules and regulations.

29 **11-9-13.15. Penalty for operating without a dealer license.**

30 (a) Any individual or business who or that violates this chapter by selling or conveying a
31 tobacco product or electronic nicotine delivery systems product without a ~~retail tobacco products~~
32 dealer license shall be cited for that violation and shall be required to appear in court for a hearing
33 on the citation.

34 (b) Any individual or business cited for a violation under this section of this chapter shall:

1 (1) Either post a two-thousand-five-hundred-dollar (\$2,500) bond with the court within ten
2 (10) days of the citation; or

3 (2) Sign and accept the citation indicating a promise to appear in court.

4 (c) An individual or business who or that has accepted the citation may:

5 (1) Pay a ten-thousand-dollar (\$10,000) fine, either by mail or in person, within ten (10)
6 days after receiving the citation; or

7 (2) If that individual or business has posted a bond, forfeit the bond by not appearing at the
8 scheduled hearing. If the individual or business cited pays the ten-thousand-dollar (\$10,000) fine
9 or forfeits the bond, that individual or business is deemed to have admitted the cited violation and
10 to have waived the right to a hearing on the issue of commission on the violation.

11 (d) The court after a hearing on a citation shall make a determination as to whether a
12 violation has been committed. If it is established that the violation did occur, the court shall impose
13 a ten-thousand-dollar (\$10,000) fine, in addition to any court costs or other court fees.

14 **11-9-13.20. Packaging of electronic nicotine-delivery system liquid.**

15 (a) No liquid, whether or not such liquid contains nicotine, that is intended for human
16 consumption and used in an electronic nicotine-delivery system, as defined in § 11-9-13.4, shall be
17 sold unless the liquid is contained in child-resistant packaging.

18 (b) Any liquid nicotine container that is sold at retail in this state must satisfy the child-
19 resistant effectiveness standards set forth in 16 C.F.R. § 1700.15(b), when tested in accordance
20 with the method described in 16 C.F.R. § 1700.20. All licensees under ~~§ 23-1-56~~ [§ 44-20-2](#) shall
21 ensure that any liquid sold by the licensee intended for human consumption and used in an
22 electronic-nicotine delivery system, as defined in § 11-9-13.4, is sold in a liquid nicotine container
23 that meets the requirements described and referenced in this subsection.

24 (c) For the purposes of this section, "liquid nicotine container" means a bottle or other
25 container of a liquid or other substance where the liquid or substance is sold, marketed, or intended
26 for use in a vapor product. A "liquid nicotine container" does not include a liquid or other substance
27 in a cartridge that is sold, marketed, or intended for use in a vapor product, provided that such
28 cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer.

29 (d) Any licensee or any person required to be licensed under ~~§ 23-1-56~~ [§ 44-20-2](#) who or
30 that fails to comply with this section shall be subject to the penalties provided in § 11-9-13.13.

31 (e) The licensee is responsible for all violations of this section that occur at the location for
32 which the license is issued.

1 (f) No licensee or person shall be found in violation of this section if the licensee or person
2 relied in good faith on documentation provided by or attributed to the manufacturer of the
3 packaging of the aforementioned liquid that such packaging meets the requirements of this section.

4 (g) Any product found to be in violation of this chapter shall be considered contraband and
5 subject to the confiscation provisions outlined in § 44-20-15.

6 **11-9-14. Use of tobacco by ~~minors~~ persons under the age of twenty-one.**

7 No person under ~~eighteen~~ twenty-one (~~18~~ 21) years of age shall use or possess, when such
8 possession is clearly visible, tobacco in any public street, place, or resort, any tobacco and/or
9 electronic nicotine delivery system in any form whatsoever. Any person under ~~eighteen~~ twenty-one
10 (~~18~~ 21) years of age violating the provisions of this section shall be required to perform up to thirty
11 (30) hours of community service or shall be required to enter into a tobacco treatment program,
12 approved by any local substance abuse prevention task force, at the option of a ~~minor~~ person
13 charged with a violation of this section.

14 SECTION 2. Sections 23-1-55, 23-1-56, 23-1-57, and 23-1-58 of the General Laws in
15 Chapter 23-1 entitled "Department of Health" are hereby repealed.

16 ~~§ 23-1-55. Electronic nicotine delivery system distributor, and dealer licenses~~
17 ~~required~~

18 **~~Definitions.~~**

19 ~~Definitions. Whenever used in §§ 23-1-56 to 23-1-58, unless the context requires otherwise:~~

20 ~~(1) "Dealer" means any person, whether located within or outside of this state, who sells~~
21 ~~or distributes electronic nicotine delivery system products to a consumer in this state;~~

22 ~~(2) "Distributor" means any person:~~

23 ~~(i) Whether located within or outside of this state, other than a dealer, who sells or~~
24 ~~distributes electronic nicotine delivery system products within or into this state. Such term shall~~
25 ~~not include any electronic nicotine delivery system products manufacturer, export warehouse~~
26 ~~proprietor, or importer with a valid permit, if such person sells or distributes electronic nicotine~~
27 ~~delivery system products in this state only to licensed distributors or to an export warehouse~~
28 ~~proprietor or another manufacturer with a valid permit;~~

29 ~~(ii) Selling electronic nicotine delivery system products directly to consumers in this state~~
30 ~~by means of at least twenty five (25) electronic nicotine delivery system product vending~~
31 ~~machines;~~

32 ~~(iii) Engaged in this state in the business of manufacturing electronic nicotine delivery~~
33 ~~system products or any person engaged in the business of selling electronic nicotine delivery~~
34 ~~system products to dealers, or to other persons, for the purpose of resale only; provided that seventy-~~

1 ~~five percent (75%) of all electronic nicotine delivery system products sold by that person in this~~
2 ~~state are sold to dealers or other persons for resale and selling electronic nicotine delivery system~~
3 ~~products directly to at least forty (40) dealers or other persons for resale; or~~

4 ~~(iv) Maintaining one or more regular places of business in this state for that purpose;~~
5 ~~provided, that seventy five percent (75%) of the sold electronic nicotine delivery system products~~
6 ~~are purchased directly from the manufacturer and selling electronic nicotine delivery system~~
7 ~~products directly to at least forty (40) dealers or other persons for resale;~~

8 ~~(3) "Electronic nicotine delivery system" means the products as defined in § 11-9-13.4(15).~~

9 ~~**§ 23-1-56. License.**~~

10 ~~(a) Each person engaging in the business of selling electronic nicotine delivery system~~
11 ~~products in the state, including any distributor or dealer, shall secure a license annually from the~~
12 ~~department before engaging in that business or continuing to engage in it. A separate application~~
13 ~~and license is required for each place of business operated by a distributor or dealer. If the applicant~~
14 ~~for a license does not have a place of business in this state, the license shall be issued for such~~
15 ~~applicant's principal place of business, wherever located. A licensee shall notify the department~~
16 ~~within thirty (30) days in the event that it changes its principal place of business. A separate license~~
17 ~~is required for each class of business if the applicant is engaged in more than one of the activities~~
18 ~~required to be licensed by this section. No person shall maintain or operate, or cause to be operated,~~
19 ~~a vending machine for electronic nicotine delivery systems without procuring a dealer's license for~~
20 ~~each machine.~~

21 ~~(b) The director shall have authority to set a reasonable fee not to exceed twenty five~~
22 ~~dollars (\$25.00) for the issuance of the license.~~

23 ~~(c) Each issued license shall be prominently displayed on the premises, if any, covered by~~
24 ~~the license.~~

25 ~~(d) The director shall create and maintain a website setting forth the identity of all licensed~~
26 ~~persons under this section, itemized by type of license possessed, and shall update the site no less~~
27 ~~frequently than six (6) times per year.~~

28 ~~(e) A manufacturer or importer may sell or distribute electronic nicotine delivery systems~~
29 ~~to a person located or doing business within the state only if such person is a licensed distributor.~~
30 ~~An importer may obtain electronic nicotine delivery systems only from a licensed manufacturer. A~~
31 ~~distributor may sell or distribute electronic nicotine delivery systems to a person located or doing~~
32 ~~business within this state only if such person is a licensed distributor or dealer. A distributor may~~
33 ~~obtain electronic nicotine delivery systems only from a licensed manufacturer, importer, or~~

1 ~~distributor. A dealer may obtain electronic nicotine delivery systems only from a licensed~~
2 ~~distributor.~~

3 ~~(f)(1) No license under this chapter may be granted, maintained, or renewed if the~~
4 ~~applicant, or any combination of persons owning directly or indirectly any interests in the applicant:~~

5 ~~(i) Is delinquent in any tax filings for one month or more; or~~

6 ~~(ii) Had a license under this chapter revoked within the past two (2) years.~~

7 ~~(2) No person shall apply for a new license, or renewal of a license and no license shall be~~
8 ~~issued or renewed for any person, unless all outstanding fines, fees, or other charges relating to any~~
9 ~~license held by that person have been paid.~~

10 ~~(3) No license shall be issued relating to a business at any specific location until all prior~~
11 ~~licenses relating to that location have been officially terminated and all fines, fees, or charges~~
12 ~~relating to the prior licenses have been paid or otherwise resolved or if the director has found that~~
13 ~~the person applying for the new license is not acting as an agent for the prior licensee who is subject~~
14 ~~to any such related fines, fees, or charges that are still due. Evidence of such agency status includes,~~
15 ~~but is not limited to, a direct familial relationship and/or employment, contractual, or other formal~~
16 ~~financial or business relationship with the prior licensee.~~

17 ~~(4) No person shall apply for a new license pertaining to a specific location in order to~~
18 ~~evade payment of any fines, fees, or other charges relating to a prior license for that location.~~

19 ~~(5) No new license shall be issued for a business at a specific location for which a license~~
20 ~~has already issued unless there is a bona fide, good faith change in ownership of the business at~~
21 ~~that location.~~

22 ~~(6) No license or permit shall be issued, renewed or maintained for any person, including~~
23 ~~the owners of the business being licensed, who has been convicted of violating any criminal law~~
24 ~~relating to tobacco products and/or electronic nicotine delivery system products, the payment of~~
25 ~~taxes, or fraud, or has been ordered to pay civil fines of more than twenty five thousand dollars~~
26 ~~(\$25,000) for violations of any civil law relating to tobacco products and/or electronic nicotine~~
27 ~~delivery system products, the payment of taxes, or fraud.~~

28 ~~**§ 23-1-57. Penalties for unlicensed business.**~~

29 ~~Any distributor or dealer who sells, offers for sale, or possesses with intent to sell,~~
30 ~~electronic nicotine delivery system products without a license as provided in § 23-1-56, shall be~~
31 ~~fined in accordance with the provisions of, and the penalties contained in, § 23-1-58.~~

32 ~~**§ 23-1-58. Penalty for operating without a dealer license.**~~

1 ~~(a) Any individual or business who violates this chapter by selling or conveying an~~
2 ~~electronic nicotine delivery system product without a retail license shall be cited for that violation~~
3 ~~and shall be required to appear in district court for a hearing on the citation.~~

4 ~~(b) Any individual or business cited for a violation hereunder shall:~~

5 ~~(1) Either post a five hundred dollar (\$500) bond with the district court within ten (10) days~~
6 ~~of the citation; or~~

7 ~~(2) Sign and accept the citation indicating a promise to appear in court.~~

8 ~~(c) An individual or business who or that has accepted the citation may:~~

9 ~~(1) Pay the five hundred dollar (\$500) fine, either by mail or in person, within ten (10) days~~
10 ~~after receiving the citation; or~~

11 ~~(2) If that individual or business has posted a bond, forfeit the bond by not appearing at the~~
12 ~~scheduled hearing. If the individual or business cited pays the five hundred dollar (\$500) fine or~~
13 ~~forfeits the bond, that individual or business is deemed to have admitted the cited violation and to~~
14 ~~have waived the right to a hearing on the issue of commission on the violation.~~

15 ~~(d) The court, after a hearing on a citation, shall make a determination as to whether a~~
16 ~~violation has been committed. If it is established that the violation did occur, the court shall impose~~
17 ~~a five hundred dollar (\$500) fine in addition to any court costs or fees.~~

18 SECTION 3. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby
19 amended by adding thereto the following sections:

20 **23-1-55 Product restrictions on Electronic Nicotine Delivery Systems – Definitions**

21 (1) "Characterizing flavor" means a distinguishable taste or aroma imparted either prior to,
22 or during, consumption of an electronic nicotine delivery system product or component part thereof,
23 including, but not limited to, tastes or aromas relating to any fruit, mint, menthol, wintergreen,
24 chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, herb or spice. The
25 determination of whether an electronic nicotine delivery system product has a characterizing flavor
26 shall not be based solely on the use of additives, flavorings, or particular ingredients, but shall
27 instead consider all aspects of a final product including, but not limited to, taste, flavor and aroma,
28 product labeling, and advertising statements. A flavor shall be presumed to be a characterizing
29 flavor if a dealer or distributor has made a statement or claim directed to consumers or the public
30 about such flavor, whether expressed or implied, that it has a distinguishable taste or aroma (other
31 than the taste or aroma of tobacco).

32 (2) "Contraband" means any electronic nicotine delivery system product found to be in
33 violation of any provision of this chapter and/or as defined title 44 chapter 20 of the general laws.

34 (3) "Electronic nicotine delivery system" means as defined § 11-9-13.4.

1 (4) “Flavored electronic nicotine delivery system” means any electronic nicotine delivery
2 system that imparts a characterizing flavor.

3 **23-1-56 Product restrictions on Electronic Nicotine Delivery Systems**

4 (a) Prohibition on flavored electronic nicotine delivery systems. The sale, or offer for sale
5 of, or the possession with intent to sell or to offer for sale, flavored electronic nicotine delivery
6 systems to consumers within the State of Rhode Island is hereby prohibited. Compassion centers
7 and licensed cultivators registered with the State of Rhode Island Department of Business
8 Regulations shall be exempt from this provision.

9 (b) Testing and labeling requirements. The department, in consultation with the division
10 of taxation, may promulgate regulations that specify how nicotine and other ingredients in
11 electronic nicotine delivery systems and liquids shall be labeled and tested, including, but not
12 limited to, labeling such products and liquids with nicotine content. The department shall have the
13 authority to require that each of the following be performed by a laboratory that meets its approval:
14 (1) demonstration of nicotine content through testing; and (2) confirmation that the ingredient
15 content through testing and the product labeling are accurate.

16 (c) Restrictions on ingredients. The department, in consultation with the division of
17 taxation, may impose restrictions on the ingredients used in electronic nicotine-delivery systems as
18 set forth in rules and regulations, not inconsistent with law, that carry into effect the provisions of
19 this chapter.

20 (d) Restriction on nicotine content. No person shall sell, distribute, cause to be sold or
21 distributed, or offer for sale to a customer located in the state an electronic nicotine-delivery system
22 product with nicotine content greater than 35 milligrams per milliliter.

23 (e) Exemptions. The provisions of this chapter shall not apply to any product used for
24 research purposes by a bona fide educational or governmental organization. The director may
25 recommend to the general assembly that any electronic nicotine delivery systems proven to be
26 effective for tobacco cessation by the U.S. Food and Drug Association be exempt from the
27 provisions of § 44-20-13.2 and this chapter.

28 (f) Any product found to be in violation of this chapter shall be considered contraband and
29 subject to the confiscation provisions outlined in § 44-20-15.

30 (g) Any person found to be selling a product found to be in violation of this chapter shall
31 be subject to the penalties outlined in § 44-20-35 and/or 44-20-51 and/or 44-20-51.1.

32 SECTION 4. The title of the General Laws in Chapter 44-20 entitled “Cigarette and Other
33 Tobacco Products Tax” is hereby amended to read as follows:

34 CHAPTER 20

1 CIGARETTE, OTHER TOBACCO PRODUCTS, [AND E-LIQUID PRODUCTS TAX](#)

2 SECTION 5. Sections 44-20-1 44-20-2, 44-20-3, 44-20-4, 44-20-5, and 44-20-8.2 of the
3 General Laws in Chapter 44-20 entitled “Cigarette and Other Tobacco Products Tax” are hereby
4 amended to read as follows:

5 [44-20-1. Definitions](#)

6 Whenever used in this chapter, unless the context requires otherwise:

7 (1) "Administrator" means the tax administrator;

8 (2) "Cigarettes" means and includes any cigarettes suitable for smoking in cigarette form,
9 and each sheet of cigarette rolling paper, including but not limited to, paper made into a hollow
10 cylinder or cone, made with paper or any other material, with or without a filter suitable for use in
11 making cigarettes;

12 (3) "Dealer" means any person whether located within or outside of this state, who sells or
13 distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
14 [products](#) to a consumer in this state;

15 (4) "Distributor" means any person:

16 (A) Whether located within or outside of this state, other than a dealer, who sells or
17 distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
18 [products](#) within or into this state. Such term shall not include any cigarette or other tobacco product
19 manufacturer, export warehouse proprietor, or importer with a valid permit under 26 U.S.C. § 5712,
20 if such person sells or distributes cigarettes and/or other tobacco products [and/or electronic](#)
21 [nicotine-delivery system products](#) in this state only to licensed distributors, or to an export
22 warehouse proprietor or another manufacturer with a valid permit under 26 U.S.C. § 5712;

23 (B) Selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery](#)
24 [system products](#) directly to consumers in this state by means of at least twenty-five (25) vending
25 machines;

26 (C) Engaged in this state in the business of manufacturing cigarettes and/or other tobacco
27 products [and/or electronic nicotine-delivery system products and/or](#) any person engaged in the
28 business of selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery](#)
29 [system products](#) to dealers, or to other persons, for the purpose of resale only; provided, that
30 seventy-five percent (75%) of all cigarettes and/or other tobacco products [and/or electronic](#)
31 [nicotine-delivery system products](#) sold by that person in this state are sold to dealers or other
32 persons for resale and selling cigarettes and/or other tobacco products [and/or electronic nicotine-](#)
33 [delivery system products](#) directly to at least forty (40) dealers or other persons for resale; or

1 (D) Maintaining one or more regular places of business in this state for that purpose;
2 provided, that seventy-five percent (75%) of the sold cigarettes and/or other tobacco products
3 and/or electronic nicotine-delivery system products are purchased directly from the manufacturer
4 and selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
5 products directly to at least forty (40) dealers or other persons for resale;

6 (5) "E-liquid" and "e-liquid products" mean any liquid or substance placed in or sold for
7 use in an electronic nicotine-delivery system which generally utilizes a heating element that
8 vaporizes or combusts a liquid or other substance containing nicotine or nicotine derivative;

9 (a) whether the liquid or substance contains nicotine or a nicotine derivative; or,

10 (b) whether sold separately or sold in combination with a personal vaporizer, electronic
11 nicotine delivery system or an electronic inhaler.

12 (6) "Electronic nicotine-delivery system" means an electronic device that may be used to
13 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,
14 and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,
15 electronic pipe, electronic hookah, or any related device or any cartridge or other component of
16 such device.

17 (7) "Electronic nicotine-delivery system products" means any combination of electronic
18 nicotine-delivery system and/or e-liquid and/or any derivative thereof, that is not a flavored
19 electronic nicotine delivery system product as defined in § 23-1-56 or an electronic nicotine-
20 delivery system product with nicotine content greater than 35 milligrams per milliliter. Electronic
21 nicotine-delivery system products shall not include Hemp-derived consumable CBD products as
22 defined in § 2-26-3.

23 (8) "Importer" means any person who imports into the United States, either directly or
24 indirectly, a finished cigarette or other tobacco product and/or electronic nicotine-delivery system
25 product for sale or distribution;

26 (9) "Licensed", when used with reference to a manufacturer, importer, distributor or
27 dealer, means only those persons who hold a valid and current license issued under § 44-20-2 for
28 the type of business being engaged in. When the term "licensed" is used before a list of entities,
29 such as "licensed manufacturer, importer, wholesale dealer, or retailer dealer," such term shall be
30 deemed to apply to each entity in such list;

31 (10) "Manufacturer" means any person who manufactures, fabricates, assembles,
32 processes, or labels a finished cigarette and/or other tobacco products and/or electronic nicotine-
33 delivery system products;

1 ~~(811)~~ "Other tobacco products" (OTP) means any cigars (excluding Little Cigars, as
2 defined in § 44-20.2-1, which are subject to cigarette tax), cheroots, stogies, smoking tobacco
3 (including granulated, plug cut, crimp cut, ready rubbed and any other kinds and forms of tobacco
4 suitable for smoking in a pipe or otherwise), chewing tobacco (including Cavendish, twist, plug,
5 scrap and any other kinds and forms of tobacco suitable for chewing), any and all forms of hookah,
6 shisha and "mu'assel" tobacco, snuff, and shall include any other articles or products made of or
7 containing tobacco, in whole or in part, or any tobacco substitute, except cigarettes;

8 ~~(912)~~ "Person" means any individual, including an employee or agent, firm, fiduciary,
9 partnership, corporation, trust, or association, however formed;

10 ~~(1013)~~ "Pipe" means an apparatus made of any material used to burn or vaporize products
11 so that the smoke or vapors can be inhaled or ingested by the user;

12 ~~(1114)~~ "Place of business" means any location where cigarettes and/or other tobacco
13 products [and/or electronic nicotine-delivery system products](#) are sold, stored, or kept, including,
14 but not limited to; any storage room, attic, basement, garage or other facility immediately adjacent
15 to the location. It also includes any receptacle, hide, vessel, vehicle, airplane, train, or vending
16 machine;

17 ~~(1215)~~ "Sale" or "sell" means gifts, exchanges, and barter of cigarettes and/or other tobacco
18 products [and/or electronic nicotine-delivery system products](#). The act of holding, storing, or
19 keeping cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
20 [products](#) at a place of business for any purpose shall be presumed to be holding the cigarettes and/or
21 other tobacco products [and/or electronic nicotine-delivery system products](#) for sale. Furthermore,
22 any sale of cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
23 [products](#) by the servants, employees, or agents of the licensed dealer during business hours at the
24 place of business shall be presumed to be a sale by the licensee;

25 ~~(1316)~~ "Stamp" means the impression, device, stamp, label, or print manufactured, printed,
26 or made as prescribed by the administrator to be affixed to packages of cigarettes, as evidence of
27 the payment of the tax provided by this chapter or to indicate that the cigarettes are intended for a
28 sale or distribution in this state that is exempt from state tax under the provisions of state law; and
29 also includes impressions made by metering machines authorized to be used under the provisions
30 of this chapter.

31 **44-20-2. [Manufacturer, Importer, distributor, dealer, and licenses required](#)-Licenses**
32 **required.**

33 [\(a\) Each manufacturer engaging in the business of selling any electronic nicotine-](#)
34 [delivery system products in this state, to the extent not prohibited by federal law, shall secure a](#)

1 [license, unless otherwise prohibited by federal law, from the administrator before engaging in that](#)
2 [business, or continuing to engage in it.](#)

3 (b) Each person engaging in the business of selling cigarette and/or any tobacco products
4 [and/or any electronic nicotine-delivery system products](#) in this state, including any distributor or
5 dealer, shall secure a license from the administrator before engaging in that business, or continuing
6 to engage in it. A separate application and license is required for each place of business operated
7 by a distributor or dealer; provided, that an operator of vending machines for cigarette products is
8 not required to obtain a distributor's license for each machine. If the applicant for a license does not
9 have a place of business in this state, the license shall be issued for such applicant's principal place
10 of business, wherever located. A licensee shall notify the administrator within thirty (30) days in
11 the event that it changes its principal place of business. A separate license is required for each class
12 of business if the applicant is engaged in more than one of the activities required to be licensed by
13 this section. No person shall maintain or operate or cause to be operated a vending machine for
14 cigarette products without procuring a dealer's license for each machine.

15 **44-20-3. Penalties for unlicensed business.**

16 Any distributor or dealer who sells, offers for sale, or possesses with intent to sell, cigarettes
17 and/or any other tobacco products [and/or any electronic nicotine-delivery system products, or](#)
18 [manufacturer who sells, offers for sale, or possesses with intent to sell, electronic nicotine-delivery](#)
19 [system products,](#) without a license as provided in § 44-20-2, shall be guilty of a misdemeanor, and
20 shall be fined not more than ten thousand dollars (\$10,000) for each offense, or be imprisoned for
21 a term not to exceed one (1) year, or be punished by both a fine and imprisonment. [Immediately](#)
22 [following the enactment of this chapter, any electronic nicotine-delivery system products](#)
23 [distributor or dealer, licensed by the department of health pursuant to chapter 1 of title 23 of the](#)
24 [Rhode Island general laws, shall be considered licensed for purposes of compliance with this](#)
25 [chapter until the renewal date for such distributor or dealer license pursuant to chapter 1 of title 23](#)
26 [of the Rhode Island general laws occurs; thereafter, such distributors and dealers shall be required](#)
27 [to comply with the license requirements in this chapter.](#)

28 **44-20-4. Application for license – Display.**

29 All licenses are issued by the tax administrator upon approval of application, stating, on
30 forms prescribed by the tax administrator, the information he or she may require for the proper
31 administration of this chapter. Each application for a ~~an~~ [manufacturer](#), importer's, or distributor's
32 license shall be accompanied by a fee of one thousand dollars (\$1,000); provided, that for a
33 distributor who does not affix stamps, the fee shall be ~~one-four~~ hundred dollars (~~\$100~~[400](#)); each
34 application for a dealer's license shall be accompanied by an [application](#) fee of ~~twenty-seventy-five~~

1 dollars (~~\$275.00~~) and a license fee of four-hundred dollars (\$400.00). Each issued license shall be
2 prominently displayed on the premises within this state, if any, covered by the license. In the
3 instance of an application for a distributor's license, the administrator shall require, in addition to
4 other information as may be deemed necessary, the filing of affidavits from three (3) cigarette
5 manufacturers with national distribution stating that the manufacturer will supply the distributor if
6 the applicant is granted a license.

7 **44-20-5. Duration of manufacturer's, importer's, distributor's ~~and dealer's~~ licenses**
8 **– Renewal.**

9 (a) Any manufacturer, importer, or distributor license and any license issued by the tax
10 administrator authorizing a dealer to sell cigarettes and/or other tobacco products and/or electronic
11 nicotine-delivery system products or a manufacturer to sell electronic nicotine-delivery system
12 products in this state shall expire at midnight on June 30 next succeeding the date of issuance unless
13 (1) suspended or revoked by the tax administrator, (2) the business with respect to which the license
14 was issued changes ownership, (3) the manufacturer, importer, distributor or dealer ceases to
15 transact the business for which the license was issued, or (4) after a period of time set by the
16 administrator; provided such period of time shall not be longer than three (3) years, in any of which
17 cases the license shall expire and terminate and the holder shall immediately return the license to
18 the tax administrator.

19 (b) Every holder of a dealer's license shall annually, on or before February 1 of each year,
20 renew its license by filing an application for renewal along with a ~~twenty-five-four hundred~~ dollar
21 ~~(\$25.00)~~ (\$400) renewal fee. The renewal license is valid for the period July 1 of that calendar year
22 through June 30 of the subsequent calendar year.

23 **44-20-8.2. Transactions only with licensed manufacturers, importers, distributors,**
24 **and dealers.**

25 A manufacturer or importer may sell or distribute cigarettes and/or other tobacco products
26 to a person located or doing business within this state, only if such person is a licensed importer or
27 distributor. A manufacturer may sell or distribute electronic nicotine-delivery system products to a
28 person located or doing business within this state only if such person is a licensed manufacturer.
29 An importer may obtain cigarettes and/or other tobacco products and/or e-liquid products only from
30 a licensed manufacturer. A distributor may sell or distribute cigarettes and/or other tobacco
31 products and/or e-liquid products to a person located or doing business within this state, only if
32 such person is a licensed distributor or dealer. A distributor may obtain cigarettes and/or other
33 tobacco products and/or e-liquid products only from a licensed manufacturer, importer, or

1 distributor. A dealer may obtain cigarettes and/or other tobacco products and/or e-liquid products
2 only from a licensed distributor.

3 SECTION 6. Effective August 1, 2020 unless otherwise specified herein, sections 44-20-
4 12 444-20-12.7, 4-20-13, 44-20-13.2, 44-20-15, 44-20-33, 44-20-35, 44-20-40, 44-20-40.1, 44-20-
5 43, 44-20-45, 44-20-47, and 44-20-51.1 of the General Laws in Chapter 44-20 entitled “Cigarette
6 and Other Tobacco Products Tax” are hereby amended to read as follows:

7 **44-20-12. Tax imposed on cigarettes sold.**

8 A tax is imposed on all cigarettes sold or held for sale in the state. The payment of the tax
9 to be evidenced by stamps, which may be affixed only by licensed distributors to the packages
10 containing such cigarettes. Any cigarettes on which the proper amount of tax provided for in this
11 chapter has been paid, payment being evidenced by the stamp, is not subject to a further tax under
12 this chapter. The tax is at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred thirty
13 (230) mills for each cigarette.

14 **44-20-12.7. Floor stock tax on cigarettes and stamps**

15 (a) Each person engaging in the business of selling cigarettes at retail in this state shall pay
16 a tax or excise to the state for the privilege of engaging in that business during any part of the
17 calendar year 2020. In calendar year 2020, the tax shall be measured by the number of cigarettes
18 held by the person in this state at 12:01 a.m. on August 1, 2020 and is computed at the rate of
19 seventeen and one-half (17.5) mills for each cigarette on August 1, 2020.

20 (b) Each distributor licensed to do business in this state pursuant to this chapter shall pay a
21 tax or excise to the state for the privilege of engaging in that business during any part of the calendar
22 year 2020. The tax is measured by the number of stamps, whether affixed or to be affixed to
23 packages of cigarettes, as required by § 44-20-28. In calendar year 2020 the tax is measured by the
24 number of stamps, whether affixed or to be affixed, held by the distributor at 12:01 a.m. on August
25 1, 2020, and is computed at the rate of seventeen and one-half (17.5) mills per cigarette in the
26 package to which the stamps are affixed or to be affixed.

27 (c) Each person subject to the payment of the tax imposed by this section shall, on or before
28 August 15, 2020, file a return, under oath or certified under the penalties of perjury, with the tax
29 administrator on forms furnished by him or her, showing the amount of cigarettes and the number
30 of stamps in that person's possession in this state at 12:01 a.m. on August 1, 2020, as described in
31 this section above, and the amount of tax due, and shall at the time of filing the return pay the tax
32 to the tax administrator. Failure to obtain forms shall not be an excuse for the failure to make a
33 return containing the information required by the tax administrator.

1 (d) The tax administrator may prescribe rules and regulations, not inconsistent with law
2 regarding the assessment and collection of the tax imposed by this section.

3 **44-20-13. Tax imposed on unstamped cigarettes.**

4 A tax is imposed at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred thirty
5 (230) mills for each cigarette upon the storage or use within this state of any cigarettes not stamped
6 in accordance with the provisions of this chapter in the possession of any consumer within this
7 state.

8 **44-20-13.2. Tax imposed on other tobacco products, smokeless tobacco, cigars, ~~and~~**
9 **pipe tobacco products, and e-liquid products.**

10 (a) A tax is imposed on all other tobacco products, smokeless tobacco, cigars, ~~and~~ pipe
11 tobacco products, and e-liquid products sold, or held for sale in the state by any person, the payment
12 of the tax to be accomplished according to a mechanism established by the administrator, division
13 of taxation, department of revenue. The tax imposed by this section shall be as follows:

14 (1) At the rate of eighty percent (80%) of the wholesale cost of other tobacco products,
15 cigars, pipe tobacco products, and smokeless tobacco other than snuff.

16 (2) Notwithstanding the eighty percent (80%) rate in subsection (a) above, in the case of
17 cigars, the tax shall not exceed ~~fifty-eighty~~ fifty-eighty cents (~~\$.580~~) for each cigar.

18 (3) At the rate of one dollar (\$1.00) per ounce of snuff, and a proportionate tax at the like
19 rate on all fractional parts of an ounce thereof. Such tax shall be computed based on the net weight
20 as listed by the manufacturer; provided, however, that any product listed by the manufacturer as
21 having a net weight of less than 1.2 ounces shall be taxed as if the product has a net weight of 1.2
22 ounces.

23 (4) Effective September 1, 2020, at the rate of eighty percent (80%) of the wholesale cost
24 of e-liquid products as defined herein.

25 (b) Any dealer having in his or her possession any other tobacco products with respect to
26 the storage or use of which a tax is imposed by this section shall, within five (5) days after coming
27 into possession of the other tobacco products in this state, file a return with the tax administrator in
28 a form prescribed by the tax administrator. The return shall be accompanied by a payment of the
29 amount of the tax shown on the form to be due.

30 (c) Records required under this section shall be preserved on the premises described in the
31 relevant license in such a manner as to ensure permanency and accessibility for inspection at
32 reasonable hours by authorized personnel of the administrator.

33 ~~(d)~~ The proceeds collected are paid into the general fund.

1 **44-20-15. Confiscation of contraband cigarettes, other tobacco products, e-liquid**
2 **products, and other property.**

3 (a) All cigarettes, ~~and~~ other tobacco products, and/or e-liquid products that are held for sale
4 or distribution within the borders of this state in violation of the requirements of this chapter are
5 declared to be contraband goods and may be seized by the tax administrator or his or her agents, or
6 employees, or by any sheriff, or his or her deputy, or any police officer when directed by the tax
7 administrator to do so, without a warrant. All contraband goods seized by the state under this
8 chapter shall be destroyed.

9 (b) All fixtures, equipment, and all other materials and personal property on the premises
10 of any distributor or dealer who, with the intent to defraud the state, fails to keep or make any
11 record, return, report, or inventory; keeps or makes any false or fraudulent record, return, report, or
12 inventory required by this chapter; refuses to pay any tax imposed by this chapter; or attempts in
13 any manner to evade or defeat the requirements of this chapter shall be forfeited to the state.

14 **44-20-33. Sale of contraband cigarettes, ~~or~~ contraband other tobacco products or**
15 **contraband e-liquid products prohibited.**

16 No distributor shall sell, and no other person shall sell, offer for sale, display for sale, or
17 possess with intent to sell any contraband other tobacco products without written record of the
18 payment of tax imposed by this chapter, or contraband e-liquid products without written record of
19 the payment of tax imposed by this chapter or contraband cigarettes, the packages or boxes of which
20 do not bear stamps evidencing the payment of the tax imposed by this chapter.

21 **44-20-35. Penalties for violations as to unstamped contraband cigarettes, ~~or~~**
22 **contraband other tobacco products, or contraband e-liquid products.**

23 (a) Any person who violates any provision of §§ 44-20-33, ~~and~~ 44-20-34 and/or 23-1-56
24 shall be fined or imprisoned, or both fined and imprisoned, as follows:

25 (1) For a first offense in a twenty-four-month (24) period, fined not more than ten (10)
26 times the retail value of the contraband cigarettes, contraband e-liquid products, and/or contraband
27 other tobacco products, or be imprisoned not more than one (1) year, or be both fined and
28 imprisoned;

29 (2) For a second or subsequent offense in a twenty-four-month (24) period, fined not more
30 than twenty-five (25) times the retail value of the contraband cigarettes, contraband e-liquid
31 products and/or contraband other tobacco products, or be imprisoned not more than three (3) years,
32 or be both fined and imprisoned.

33 (b) When determining the amount of a fine sought or imposed under this section, evidence
34 of mitigating factors, including history, severity, and intent shall be considered.

1 Any person who fails to submit the reports required in this chapter or by the tax
2 administrator under this chapter, or who makes any incomplete, false, or fraudulent report, or who
3 refuses to permit the tax administrator or his or her authorized agent to examine any books, records,
4 papers, or stocks of cigarettes, ~~or~~ other tobacco products [or electronic nicotine-delivery system](#)
5 [products](#) as provided in this chapter, or who refuses to supply the tax administrator with any other
6 information which the tax administrator requests for the reasonable and proper enforcement of the
7 provisions of this chapter, shall be guilty of a misdemeanor punishable by imprisonment up to one
8 (1) year, or a fine of not more than five thousand dollars (\$5,000), or both, for the first offense, and
9 for each subsequent offense, shall be fined not more than ten thousand dollars (\$10,000), or be
10 imprisoned not more than five (5) years, or both.

11 **44-20-45. Importation of cigarettes, ~~and/or~~ other tobacco products, [and/or e-liquid](#)**
12 **[products](#) with intent to evade tax.**

13 Any person, firm, corporation, club, or association of persons who or that orders any
14 cigarettes, ~~and/or~~ other tobacco products, [and/or electronic nicotine-delivery system products](#) for
15 another; or pools orders for cigarettes, ~~and/or~~ other tobacco products, [and/or electronic nicotine-](#)
16 [delivery system products](#) from any persons; or conspires with others for pooling orders; or receives
17 in this state any shipment of contraband cigarettes, ~~and/or~~ contraband other tobacco products,
18 [and/or contraband e-liquid products](#) on which the tax imposed by this chapter has not been paid,
19 for the purpose and intention of violating the provisions of this chapter or to avoid payment of the
20 tax imposed in this chapter, is guilty of a felony and shall be fined one hundred thousand dollars
21 (\$100,000) or five (5) times the retail value of the cigarettes, [other tobacco products, and/or e-liquid](#)
22 [products](#) involved, whichever is greater, or imprisoned not more than fifteen (15) years, or both.

23 **44-20-47. Hearings by tax administrator.**

24 Any person aggrieved by any action under this chapter of the tax administrator or his or
25 her authorized agent for which a hearing is not elsewhere provided may apply to the tax
26 administrator, in writing, within thirty (30) days of the action for a hearing, stating the reasons why
27 the hearing should be granted and the manner of relief sought. The tax administrator shall notify
28 the applicant of the time and place fixed for the hearing. After the hearing, the tax administrator
29 may make the order in the premises as may appear to the tax administrator just and lawful and shall
30 furnish a copy of the order to the applicant. The tax administrator may, by notice in writing, at any
31 time, order a hearing on his or her own initiative and require the taxpayer or any other individual
32 whom the tax administrator believes to be in possession of information concerning any
33 manufacture, importation, or sale of: cigarettes, [other tobacco products, and/or e-liquid products](#) to

1 appear before the tax administrator or his or her authorized agent with any specific books of
2 account, papers, or other documents, for examination relative to the hearing.

3 **44-20-51.1. Civil penalties.**

4 (a) Whoever omits, neglects, or refuses to comply with any duty imposed upon him/her by
5 this chapter, or to do, or cause to be done, any of the things required by this chapter, or does
6 anything prohibited by this chapter, shall, in addition to any other penalty provided in this chapter,
7 be liable as follows:

8 (1) For a first offense in a twenty-four-month (24) period, a penalty of not more than ten
9 (10) times the retail value of the cigarettes, ~~and/or~~ other tobacco products [and/or e-liquid products](#)
10 involved; and

11 (2) For a second or subsequent offense in a twenty-four-month (24) period, a penalty of
12 not more than twenty-five (25) times the retail value of the cigarettes, ~~and/or~~ other tobacco products
13 [and/or contraband e-liquid products](#) involved.

14 (b) Whoever fails to pay any tax imposed by this chapter at the time prescribed by law or
15 regulations, shall, in addition to any other penalty provided in this chapter, be liable for a penalty
16 of one thousand dollars (\$1,000) or not more than five (5) times the tax due but unpaid, whichever
17 is greater.

18 (c) When determining the amount of a penalty sought or imposed under this section,
19 evidence of mitigating or aggravating factors, including history, severity, and intent, shall be
20 considered.

21 SECTION 7. Effective July 1, 2020, section 44-20.1-3 of the General Laws in Chapter 44-
22 20.1 entitled "Delivery Sales of Cigarettes" is hereby amended to read as follows:

23 **44-20.1-3. Age Verification requirements.**

24 (a) No person, [including but not limited to online retailers](#), shall mail, ship, or otherwise
25 deliver cigarettes, [other tobacco products, or electronic nicotine delivery systems](#) in connection
26 with a delivery sale unless such person prior to the first delivery sale to such consumer:

27 (1) Obtains from the prospective consumer a certification that includes:

28 (i) A reliable confirmation that the consumer is at least the legal minimum purchase age;
29 and

30 (ii) A statement signed by the prospective consumer in writing that certifies the prospective
31 consumer's address and that the consumer is at least ~~eighteen~~ [twenty-one \(21\)](#) years of age. Such
32 statement shall also confirm:

33 (A) That the prospective consumer understands that signing another person's name to such
34 certification is illegal;

1 (B) That the sale of cigarettes to individuals under the legal minimum purchase age is
2 illegal;

3 (C) That the purchase of cigarettes by individuals under the legal minimum purchase age
4 is illegal under the laws of the state; and

5 (D) That the prospective consumer wants to receive mailings from a tobacco company;

6 (2) Makes a good faith effort to verify the information contained in the certification
7 provided by the prospective consumer pursuant to subsection (1) against a commercially available
8 database, or obtains a photocopy or other image of the valid, government-issued identification
9 stating the date of birth or age of the individual placing the order;

10 (3) Provides to the prospective consumer, via e-mail or other means, a notice that meets
11 the requirements of § 44-20.1-4; and

12 (4) In the case of an order for cigarettes pursuant to an advertisement on the Internet,
13 receives payment for the delivery sale from the prospective consumer by a credit or debit card that
14 has been issued in such consumer's name or by check.

15 (b) Persons accepting purchase orders for delivery sales may request that the prospective
16 consumers provide their e-mail addresses.

17 (c) The division of taxation, in consultation with the department of health, may promulgate
18 rules and regulations pertaining to this section.

19 SECTION 8. Section 45-6-1 of the General Laws in Chapter 45-6 entitled "Ordinances" is
20 hereby amended to read as follows:

21 **45-6-1. Scope of ordinances permissible.**

22 (a) Town and city councils may, from time to time, make and ordain all ordinances and
23 regulations for their respective towns and cities, not repugnant to law, which they deem necessary
24 for the safety of their inhabitants from fire, firearms, and fireworks; to regulate the use and sale of
25 cigarettes, other tobacco products, and electronic nicotine delivery systems; to prevent persons
26 standing on any footwalk, sidewalk, doorstep, or in any doorway, or riding, driving, fastening, or
27 leaving any horse or other animal or any carriage, team, or other vehicle on any footwalk, sidewalk,
28 doorstep, or doorway within the town or city, to the obstruction, hindrance, delay, disturbance, or
29 annoyance of passersby or of persons residing or doing business in this vicinity; to regulate the
30 putting up and maintenance of telegraph and other wires and their appurtenances; to prevent the
31 indecent exposure of any one bathing in any of the waters within their respective towns and cities;
32 against breakers of the Sabbath; against habitual drunkenness; respecting the purchase and sale of
33 merchandise or commodities within their respective towns and cities; to protect burial grounds and
34 the graves in these burial grounds from trespassers; and, generally, all other ordinances, regulations

1 and bylaws for the well ordering, managing, and directing of the prudential affairs and police of
2 their respective towns and cities, not repugnant to the constitution and laws of this state, or of the
3 United States.

4 (b) Town and city councils shall furnish to their senators and representatives, upon request
5 and at no charge, copies and updates of all ordinances and regulations.

6 (c) In lieu of newspaper publication, advance notice of proposed adoption, amendment, or
7 repeal of any ordinance or regulation by a municipality may be provided via electronic media on a
8 website maintained by the office of the secretary of state.

9 SECTION 9. SECTIONS 1 and 7 shall be effective July 1, 2020. SECTION 6 shall be
10 effective August 1, 2020. All other sections of this article shall take effect upon passage.