

* * * Tobacco License; Electronic Cigarette Endorsement * * *

Sec. 40. 7 V.S.A. § 1002 is amended to read:

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a) No person shall engage in the retail sale of tobacco products, ~~tobacco substitutes,~~ or tobacco paraphernalia or provide a vending machine for their sale in his or her place of business without a tobacco license obtained from the Department of Liquor Control.

Tobacco licenses shall expire at midnight, April 30, of each year. No person shall engage in the retail sale of electronic cigarettes without first obtaining an electronic cigarette endorsement in addition to a tobacco license from the Department of Liquor Control. Electronic cigarette endorsements shall expire at midnight, April 30, of each year.

(b) The Board shall prepare and issue tobacco license and electronic cigarette endorsement forms and applications. These shall be incorporated into the liquor license forms and applications prepared and issued under this title. The licenses issued under this section shall be entitled “LIQUOR LICENSE,” “LIQUOR—TOBACCO LICENSE” or “TOBACCO LICENSE,” as applicable. The endorsements issued under this section shall be entitled “ELECTRONIC CIGARETTE ENDORSEMENT”. The Board shall also provide simple instructions for licensees designed to assist them in complying with the provisions of this chapter.

(c) Each tobacco license and electronic cigarette endorsement shall be prominently displayed on the premises identified in the license.

(d) A person applying simultaneously for a tobacco license and a liquor license shall apply to the legislative body of the municipality and shall pay to the Department only the fee required to obtain the liquor license. A person applying for a tobacco license only

shall submit a fee of ~~\$100.00~~ \$110.00 to the legislative body of the municipality for each tobacco license or renewal. A person applying for an electronic cigarette endorsement in addition to a tobacco license shall submit an additional fee of \$25.00 to the legislative body of the municipality for each electronic cigarette endorsement or renewal. The municipal clerk shall forward the application to the Department, and the Department shall issue the tobacco license and the electronic cigarette endorsement, where applicable. The tobacco license fee and the electronic cigarette endorsement fee, where applicable, shall be forwarded to the Commissioner for deposit in the Liquor Control Enterprise Fund.

(e) A person who sells tobacco products, tobacco substitutes, or tobacco paraphernalia without obtaining a tobacco license and an electronic cigarette endorsement, where applicable, in violation of this section shall be guilty of a misdemeanor and fined not more than \$200.00 for the first offense and not more than \$500.00 for each subsequent offense.

(f) No individual under ~~the age of~~ 16 years of age may sell tobacco products, tobacco substitutes, or tobacco paraphernalia.

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* * * Manufacturer Registration Fee; Electronic Cigarettes * * *

Sec. 41. 7 V.S.A. § 1013 is added to read:

§ 1013. MANUFACTURER REGISTRATION FEE; TOBACCO SUBSTITUTES

(a) As used in this section:

(1) “Tobacco substitute” means products including electronic cigarettes or other electronic or battery powered devices as defined in 7 V.S.A. § 1001.

(2) “Manufacturer” means any person or a successor that manufactures or produces tobacco substitutes or causes tobacco substitutes to be manufactured or produced, whether in State or out of State, and intends to sell the tobacco substitutes in Vermont directly or through an importer, including any first purchaser that intends to resell tobacco substitutes.

(b) No person shall manufacture tobacco substitutes for sale in this State unless that person has first paid an annual registration fee of \$1,000.00 per product and filed with the Department of Liquor Control, in a form and manner prescribed by the Commissioner:

(1) the name of the manufacturer;

(2) the manufacturer’s place of business;

(3) the location of each manufacturing facility; and

(4) any other information that the Commissioner considers to be necessary.

(c) Fees collected under this section shall be deposited in the Liquor Control Enterprise Fund.