After consideration on the merits, the Committee recommends the following:

HB20-1001 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

Amend printed bill, page 6, line 3, strike "(4)" and substitute "(4); and repeal (3)(b)".

Page 6, after line 14 insert:

"(3) As used in this section, unless the context otherwise requires:
   (b) "Possession" means that a person:
      (I) Has or holds any amount of cigarettes or tobacco products anywhere on his or her person;
      (II) Owns or has custody of cigarettes or tobacco products; or
      (III) Has cigarettes or tobacco products within his or her immediate presence and control."

Page 6, line 17, strike "possession" and substitute "possession SALE".

Page 9, strike lines 14 and 15 and substitute "other coin-operated machine; except that cigarettes may be sold at retail through vending machines only in a LICENSED GAMING ESTABLISHMENT, AS DEFINED IN SECTION 44-30-103 (18).".

Page 9, strike line 26 and substitute "place in the building and on any vending or coin-operated machine at all".

Page 10, line 11, after the period add "THIS SECTION DOES NOT PROHIBIT AN EMPLOYEE OF A RETAILER WHO IS EIGHTEEN YEARS OF AGE OR OLDER
BUT UNDER TWENTY-ONE YEARS OF AGE FROM HANDLING OR OTHERWISE
HAVING ANY CONTACT WITH CIGARETTES, TOBACCO PRODUCTS, OR
NICOTINE PRODUCTS THAT ARE OFFERED FOR SALE AT THE RETAILER'S
BUSINESS.".

Page 10, strike line 16 and substitute "the division shall perform, CAUSE
TO BE PERFORMED, OR COORDINATE WITH A LOCAL AUTHORITY IN THE
PERFORMANCE OF at least TWO".

Page 11, line 2, strike "(4)(c)(I)," and substitute "(4)(c)".

Page 11, line 26, strike the second "AND".

Page 12, strike lines 2 and 3 and substitute "OF RETAIL LOCATIONS THAT
THE DIVISION SHALL PERFORM, CAUSE TO BE PERFORMED, OR COORDINATE
WITH A LOCAL AUTHORITY IN THE PERFORMANCE OF EACH YEAR. THE
RULES MUST ENSURE THAT ANY COORDINATION BETWEEN THE DIVISION
AND A LOCAL AUTHORITY ON THE PERFORMANCE OF COMPLIANCE CHECKS
SATISFIES FEDERAL REQUIREMENTS.

(III) TO ENSURE THAT COMPLAINTS RECEIVED BY THE DIVISION
ARE FORWARDED TO THE APPROPRIATE LOCAL AUTHORITY AND THAT
COMPLAINTS RECEIVED BY THE LOCAL AUTHORITY ARE FORWARDED TO
THE DIVISION FOR THE TIMELY INVESTIGATION INTO AND ACTION TAKEN
ON THE COMPLAINTS.".

Page 14, strike lines 24 through 27.

Page 15, strike lines 1 through 13 and substitute "LICENSING
REQUIREMENTS ON RETAILERS, THE DIVISION SHALL:

(I) ISSUE A STATE LICENSE TO THE RETAILER UPON THE RETAILER
DEMONSTRATING TO THE DIVISION THAT THE RETAILER HAS OBTAINED A
LOCAL LICENSE AND PAYING THE STATE LICENSE FEE; AND

(II) (A) EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(II)(B) OF THIS
SECTION, SET THE STATE LICENSE RENEWAL DATE ON THE SAME DATE AS
THE LOCAL LICENSE RENEWAL DATE. THE DIVISION SHALL PRORATE THE
INITIAL STATE LICENSE FEE IF SETTING THE STATE LICENSE RENEWAL DATE
IN LINE WITH THE LOCAL LICENSE RENEWAL DATE REQUIRES RENEWAL
WITHIN LESS THAN TWELVE MONTHS AFTER THE INITIAL STATE LICENSE
WAS ISSUED.

(B) IF A LOCAL GOVERNMENT FIRST IMPOSES A LOCAL LICENSING
REQUIREMENT ON CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
PRODUCTS ON OR AFTER JULY 1, 2021, THE LOCAL GOVERNMENT SHALL SET THE LOCAL LICENSE RENEWAL DATE FOR A RETAILER ON THE SAME DATE AS THE STATE LICENSE RENEWAL DATE.

(c) The division shall collaborate with any local authority regarding the performance of compliance checks and complaints received in accordance with rules promulgated by the executive director pursuant to section 44-7-104 (5)(a)(III)."

Page 15, strike lines 23 through 27.

Page 16, strike lines 1 through 18 and substitute:

"(b) If the state license concerns a retail location that is located within the jurisdiction of a local authority that imposes licensing requirements on retailers, the division shall renew the licensee's state license upon the licensee demonstrating to the division that the licensee is operating under a valid local license and paying the renewal state license fee.".

Page 18, strike line 27 and substitute "limitations contained in section".

Page 20, strike lines 6 through 8 and substitute:

(b) A retailer that does not claim an affirmative defense pursuant to section 44-7-106 (2) may waive its right to a hearing and pay the appropriate fine."

Page 23, strike lines 19 through 27.

Page 24, strike lines 1 through 13 and substitute:

"(2) Notwithstanding subsection (1) of this section, no fine for a violation of section 44-7-103 (1) shall not be imposed upon a retailer that can establish an affirmative defense to the satisfaction of the division or the hearing officer that, prior to the date of the violation, it:

(a) Had adopted and enforced a written policy against selling cigarettes, tobacco products, or nicotine products to persons under eighteen twenty-one years of age;

(b) Had informed its employees of the applicable laws regarding the sale of cigarettes, tobacco products, or nicotine products to persons under eighteen twenty-one years of age;
(c) Required employees to verify the age of cigarette, tobacco product, or nicotine product customers by way of photographic identification; and
(d) Had established and imposed disciplinary sanctions for noncompliance.
(3) The affirmative defense established in subsection (2) of this section may be used by a retailer only twice at each location within any twenty-four-month period.
(4) (a) The penalty for a violation of section 44-7-103 (2) or (3), the penalty shall be as follows: (4.5) is
(a) (I) For a violation of section 44-7-103 (2), a fine of twenty-five dollars for a first violation committed.

Page 25, strike lines 2 through 9.
Renumber succeeding sections accordingly.
Page 26, strike lines 12 through 22.
Renumber succeeding sections accordingly.
Strike "THIRTY-SIX-MONTH" and substitute "TWENTY-FOUR-MONTH" on: Page 21, lines 15, 18, and 25; and Page 22, line 5.
Strike "twenty-four-month THIRTY-SIX-MONTH" and substitute "twenty-four-month" on: Page 22, lines 13, 15, 17, 19, and 22; Page 24, lines 14, 17, 21, 23, and 25; and Page 25, line 1.
Strike "THIRTY-SIX" and substitute "TWENTY-FOUR" on: Page 23, lines 4, 6, and 11.

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