C2, E1, J1 9lr2362 CF SB 708

By: Delegates Carey, Adams, Arentz, Bromwell, Brooks, Kipke, Lisanti, Mautz, Miller, and Wilson

Introduced and read first time: February 8, 2019

Assigned to: Economic Matters and Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

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Electronic Nicotine Delivery Systems - Prohibitions and Requirements

FOR the purpose of requiring the Secretary of Health to adopt certain regulations to set standards for labeling and child resistant packaging for electronic nicotine delivery systems and vaping liquid; requiring an electronic nicotine delivery systems manufacturer to ensure that electronic nicotine delivery systems and vaping liquid are packaged in accordance with the standards adopted by the Secretary and in tamper-evident packaging; providing that prosecution for a certain law precludes a certain civil citation arising out of the same violation; prohibiting a certain licensed person from taking any action directly or indirectly to target minors in the advertising or marketing of electronic nicotine delivery systems or vaping liquid; providing that using certain images in advertising, promoting, packaging, or labeling constitutes a violation against the prohibition on advertising or marketing to minors; requiring electronic nicotine delivery systems retailers and vape shop vendors to display a certain sign on their premises; providing for the content and placement of the sign; requiring electronic nicotine delivery systems retailers and vape shop vendors to place electronic nicotine delivery systems and vaping liquid in a certain display; requiring electronic nicotine delivery systems retailers and vape shop vendors to make a good faith effort to verify that a certain consumer is not a minor; requiring electronic nicotine delivery systems retailers or vape shop vendors to accept full payment through certain methods before shipping certain deliveries; prohibiting certain electronic nicotine delivery systems retailers and vape shop vendors from shipping electronic nicotine delivery systems or vaping liquid to anyone other than a certain purchaser; authorizing electronic nicotine delivery systems retailers and vape shop vendors to request the e-mail address of a certain purchaser; requiring certain licensed persons and certain persons to verify that certain individuals are of legal age by examining a certain identification or, for sales or distributions of electronic nicotine delivery systems made in a certain manner, by attempting to verify the age of certain individuals by using a certain third-party age verification service; increasing the penalties for certain violations of law pertaining



1	to the distribution of tobacco products to minors; providing that examining a certain
2	identification of a purchaser or recipient in a certain manner is a defense against a
3	certain prosecution; providing that it is a defense to a certain prosecution for a
4	certain criminal violation and a certain civil violation if the appearance of a
5	purchaser or recipient was such that a reasonable person would believe the
6	purchaser or recipient was at least a certain age; increasing the penalty amount for
7	certain civil penalties; defining certain terms; and generally relating to the
8	packaging, marketing, and sale of electronic nicotine delivery systems.
9	BY repealing and reenacting, without amendments,
10	Article – Business Regulation
11	Section 16.7–101(a), (c), and (k)
12	Annotated Code of Maryland
13	(2015 Replacement Volume and 2018 Supplement)
14	BY adding to
15	Article – Business Regulation
16	Section 16.7–301 through 16.7–303 to be under the new subtitle "Subtitle 3. General
$\overline{17}$	Prohibited Acts"
18	Annotated Code of Maryland
19	(2015 Replacement Volume and 2018 Supplement)
20	BY repealing and reenacting, with amendments,
21	Article – Criminal Law
22	Section 10–107
23	Annotated Code of Maryland
24	(2012 Replacement Volume and 2018 Supplement)
25	BY repealing and reenacting, with amendments,
26	Article – Health – General
27	Section 22–301 to be under the amended subtitle "Subtitle 3. Child Resistant
28	Packaging of Dangerous Household Substances and Electronic Nicotine
29	Delivery Systems"; and 24–305(b), (c), and (d)
30	Annotated Code of Maryland
31	(2015 Replacement Volume and 2018 Supplement)
32	BY adding to
33	Article – Health – General
34	Section 22–304.1
35	Annotated Code of Maryland
36	(2015 Replacement Volume and 2018 Supplement)
37	BY repealing and reenacting, without amendments,
38	Article – Health – General
39	Section 24–305(a)
40	Annotated Code of Maryland
41	(2015 Replacement Volume and 2018 Supplement)
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$\frac{1}{2}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
3	Article – Business Regulation					
4	16.7–101.					
5	(a)	In thi	s title the following words have the meanings indicated.			
6 7 8	-		"Electronic nicotine delivery system" means an electronic device, a electronic device, or a product used to refill or resupply an electronic used to deliver nicotine to an individual inhaling from the device.			
9 10	an electroni	(2) c cigar	"Electronic nicotine delivery system" includes an electronic cigarette, an electronic cigarillo, an electronic pipe, and vaping liquid.			
11		(3)	"Electronic nicotine delivery system" does not include:			
12 13 14 15		tion for	(i) a nicotine device that contains or delivers nicotine intended for on if the device has been approved by the United States Food and Drug sale as a tobacco cessation product and is being marketed and sold solely			
16			(ii) cannabis oil or any other unlawful substance; or			
17 18	another unl	awfuls	(iii) an electronic device that is being used to deliver cannabis oil or substance.			
19	(k)	"Vapi	ng liquid" means a liquid that:			
20 21	substance;	(1)	consists of propylene glycol, vegetable glycerin, or other similar			
22		(2)	may or may not contain natural or artificial flavors;			
23		(3)	may or may not contain nicotine; and			
24 25	device.	(4)	converts to vapor intended for inhalation when heated in an electronic			
26			SUBTITLE 3. GENERAL PROHIBITED ACTS.			
27	16.7-301.					

- 1 (A) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER SHALL
- 2 ENSURE THAT ELECTRONIC NICOTINE DELIVERY SYSTEMS AND VAPING LIQUID ARE
- 3 PACKAGED:
- 4 (1) WITH THE LABELING AND CHILD RESISTANT PACKAGING
- 5 STANDARDS ADOPTED BY THE SECRETARY OF HEALTH UNDER § 22–304.1 OF THE
- 6 HEALTH GENERAL ARTICLE; AND
- 7 (2) IN TAMPER-EVIDENT PACKAGING.
- 8 (B) PROSECUTION FOR AN IMPROPERLY PACKAGED ELECTRONIC NICOTINE
- 9 DELIVERY SYSTEM UNDER THIS SECTION PRECLUDES THE ISSUANCE OF A CIVIL
- 10 CITATION FOR A VIOLATION OF TITLE 22, SUBTITLE 3 OF THE HEALTH GENERAL
- 11 ARTICLE ARISING OUT OF THE SAME INCIDENT.
- 12 **16.7–302.**
- 13 (A) A PERSON LICENSED UNDER THIS TITLE MAY NOT TAKE ANY ACTION
- 14 DIRECTLY OR INDIRECTLY TO TARGET MINORS IN THE ADVERTISING OR MARKETING
- 15 OF ELECTRONIC NICOTINE DELIVERY SYSTEMS OR VAPING LIQUID.
- 16 (B) BY USING ANY OF THE FOLLOWING IN THE ADVERTISING, PROMOTING,
- 17 PACKAGING, OR LABELING OF AN ELECTRONIC NICOTINE DELIVERY SYSTEM, A
- 18 PERSON LICENSED UNDER THIS TITLE IS IN VIOLATION OF SUBSECTION (A) OF THIS
- 19 **SECTION:**
- 20 **(1)** A CARTOON;
- 21 (2) A TRADEMARK THAT IMITATES OR MIMICS THE TRADEMARK OF A
- 22 PRODUCT THAT HAS BEEN ADVERTISED OR MARKETED PRIMARILY TO MINORS;
- 23 (3) A SYMBOL OR CELEBRITY THAT IS PRIMARILY ASSOCIATED WITH
- 24 MINORS OR MEDIA PRIMARILY DIRECTED TO MINORS; AND
- 25 (4) AN IMAGE OF AN INDIVIDUAL WHO APPEARS TO BE UNDER THE
- 26 AGE OF 27 YEARS.
- 27 **16.7–303**.
- 28 (A) ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILERS AND VAPE
- 29 SHOP VENDORS SHALL DISPLAY A SIGN WITH AT LEAST ONE OF THE FOLLOWING
- 30 MESSAGES ON THEIR PREMISES:

$\begin{array}{c} 1 \\ 2 \end{array}$	(1) "UNACCOMPANIED MINORS ARE NOT ALLOWED ON THE PREMISES";
3	(2) "PRODUCTS ARE NOT FOR SALE TO MINORS"; OR
4	(3) "Underage Sales Prohibited".
5	(B) A SIGN REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL:
6	(1) BE AT LEAST 3 INCHES BY 5 INCHES IN SIZE;
7 8	(2) CONTAIN THE TEXT REQUIRED IN ENGLISH, SPANISH, AND ANY OTHER LANGUAGES REQUIRED BY THE FEDERAL VOTING RIGHTS ACT; AND
9	(3) BE PLACED PROMINENTLY.
10 11 12 13	(C) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER OR VAPE SHOP VENDOR SHALL PLACE ALL ELECTRONIC NICOTINE DELIVERY SYSTEMS AND VAPING LIQUID IN A DISPLAY THAT IS NOT PHYSICALLY ACCESSIBLE TO CUSTOMERS WITHOUT THE ASSISTANCE OF AN EMPLOYEE.
14 15 16 17	(D) (1) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER OF VAPE SHOP VENDOR WHO SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS OF VAPING LIQUID THROUGH ITS WEBSITE SHALL MAKE A GOOD FAITH EFFORT TO VERIFY THAT A CONSUMER IT SELLS TO IS NOT A MINOR.
18 19 20 21	(2) BEFORE AN ELECTRONIC NICOTINE DELIVERY SYSTEM OF VAPING LIQUID IS SHIPPED FOR DELIVERY, AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER OR VAPE SHOP VENDOR SHALL ACCEPT FULL PAYMENT FROM THE PURCHASER THROUGH:
22 23	(I) A CHECK DRAWN ON AN ACCOUNT IN THE PURCHASER'S NAME;
24	(II) A CREDIT CARD ISSUED IN THE PURCHASER'S NAME; OR
25	(III) A DEBIT CARD ISSUED IN THE PURCHASER'S NAME.
26 27 28	(3) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER OF VAPE SHOP VENDOR MAY NOT SHIP AN ELECTRONIC NICOTINE DELIVERY SYSTEM OR VAPING LIQUID TO ANYONE OTHER THAN A PURCHASER PAYING AS REQUIRED BY

PARAGRAPH (2) OF THIS SUBSECTION WHEN OPERATING WITHIN THE SCOPE OF THE

- 1 ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER LICENSE OR VAPE SHOP 2 VENDOR LICENSE. 3 **(4)** AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER OR 4 VAPE SHOP VENDOR MAY REQUEST THE E-MAIL ADDRESS OF A PURCHASER USING 5 ITS WEBSITE. 6 Article - Criminal Law 7 10-107.8 This section does not apply to the distribution of a coupon that is redeemable 9 for a tobacco product, if the coupon is: 10 contained in a newspaper, magazine, or other type of publication in 11 which the coupon is incidental to the primary purpose of the publication; or 12 sent through the mail. (2) 13 This subsection does not apply to the distribution of a tobacco product, tobacco paraphernalia, or an electronic nicotine delivery system to a minor who is acting 14 15 solely as the agent of the minor's employer if the employer distributes tobacco products, tobacco paraphernalia, or electronic nicotine delivery systems for commercial purposes. 16 17 (2) A person who distributes tobacco products for commercial purposes, 18 including a person licensed under Title 16 of the Business Regulation Article, may not distribute to a minor: 19 20 (i) a tobacco product; 21 (ii) tobacco paraphernalia; 22 a coupon redeemable for a tobacco product; or (iii) 23 an electronic nicotine delivery system, as defined in § 16.7–101 (iv) 24of the Business Regulation Article. TO COMPLY WITH THE REQUIREMENTS OF PARAGRAPH (2) OF 25**(3)** 26 THIS SUBSECTION, A PERSON LICENSED UNDER TITLE 16.7 OF THE BUSINESS REGULATION ARTICLE SHALL, BEFORE PROVIDING AN INDIVIDUAL WITH AN 27
- 29 (I) VERIFY THE AGE OF AN INDIVIDUAL WHO APPEARS TO BE 30 UNDER THE AGE OF 27 YEARS BY EXAMINING THE INDIVIDUAL'S DRIVER'S LICENSE 31 OR OTHER VALID IDENTIFICATION ISSUED BY AN EMPLOYER, A GOVERNMENTAL 32 UNIT, OR AN INSTITUTION OF HIGHER EDUCATION; OR

ELECTRONIC NICOTINE DELIVERY SYSTEM:

- (II) IN THE CASE OF A DISTRIBUTION MADE THROUGH A COMPUTER NETWORK, A TELEPHONIC NETWORK, OR ANOTHER ELECTRONIC NETWORK, ATTEMPT TO VERIFY THE AGE OF THE INDIVIDUAL BY USING A THIRD-PARTY AGE VERIFICATION SERVICE THAT USES INFORMATION AVAILABLE FROM PUBLIC RECORDS TO ESTABLISH AN INDIVIDUAL'S AGE.
- 6 (c) A person not described in subsection (b)(2) of this section may not:
- 7 (1) purchase for or sell a tobacco product or an electronic nicotine delivery 8 system to a minor; or
- 9 (2) distribute tobacco paraphernalia to a minor.
- 10 (d) In a prosecution for a violation of this section, it is a defense that the defendant 11 examined the purchaser's or recipient's driver's license or other valid identification issued 12 by an employer, government unit, or institution of higher education that positively 13 identified the purchaser or recipient as at least 18 years of age.
- 14 (e) (1) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding:
- 16 (i) \$300 for a first violation;
- 17 (ii) [\$1,000] **\$2,500** for a second violation occurring within 2 years 18 after the first violation; and
- 19 (iii) [\$3,000] **\$5,000** for each subsequent violation occurring within 20 2 years after the preceding violation.
- 21 (2) Issuance of a civil citation for the sale of a tobacco product or an electronic nicotine delivery system to a minor precludes a prosecution for a violation of § 24–307 of the Health General Article arising out of the same violation.
- 24 (f) For purposes of this section, each separate incident at a different time and 25 occasion is a violation.
- 26 (G) IN A PROSECUTION FOR A VIOLATION OF THIS SECTION, IT IS A DEFENSE 27 THAT:
- 28 (1) THE DEFENDANT EXAMINED THE PURCHASER'S OR RECIPIENT'S
 29 DRIVER'S LICENSE OR OTHER VALID IDENTIFICATION ISSUED BY AN EMPLOYER, A
 30 GOVERNMENTAL UNIT, OR AN INSTITUTION OF HIGHER EDUCATION THAT
 31 POSITIVELY IDENTIFIED THE PURCHASER OR RECIPIENT AS AT LEAST 18 YEARS
 32 OLD; OR

31

substance to retail consumers.

1 2 3	2 A REASONABLE PERSON WOULD BELIEVE THE PURCHASER OR RECIPIENT W				
4	4 Article – Health – General				
5 6	Subtitle 3. Child Resistant Packaging of Dangerous Household Substances AND ELECTRONIC NICOTINE DELIVERY SYSTEMS.				
7	7 22–301.				
8	8 (a) In this subtitle the following words have the meanings indicated.				
9 10 11 12	average child under the age of 5 years finds it significantly difficult to open the pack to obtain a harmful amount of the contents of the package within a reasonable time,	xage or			
13 14		ANING			
15 16		y used			
17 18		tances			
19 20	, ,	e, and			
21 22		g, and			
23	3 (4) A fuel that is:				
$\begin{array}{c} 24 \\ 25 \end{array}$		system			
26	6 (ii) Stored in a portable container.				
27 28		that is			
29 30		_			

- 1 (2) "Package" does not include any container or wrapping that is used only 2 for:
- 3 (i) Transportation of a household substance in bulk or quantity to a 4 manufacturer, packer, processor, or wholesale or retail distributor; or
- 5 (ii) Shipment or delivery of a household substance to a retail 6 consumer, unless the container or wrapping is the only package or wrapping of the 7 household substance.
- 8 **[(f)] (G)** "State adopted federal regulation" means any rule or regulation 9 adopted by the federal government under the federal Poison Prevention Packaging Act that 10 becomes a rule or regulation of this State by automatic adoption under § 22–303 of this 11 subtitle.
- 12 (H) "VAPING LIQUID" HAS THE MEANING STATED IN § 16.7–101 OF THE 13 BUSINESS REGULATION ARTICLE.
- 14 **22–304.1.**
- 15 (A) THE SECRETARY SHALL ADOPT REGULATIONS TO SET STANDARDS FOR
- 16 LABELING AND CHILD RESISTANT PACKAGING FOR ELECTRONIC NICOTINE
- 17 DELIVERY SYSTEMS AND VAPING LIQUID.
- 18 **(B)** THE STANDARDS FOR CHILD RESISTANT PACKAGING SET UNDER 19 SUBSECTION (A) OF THIS SECTION SHALL:
- 20 (1) BE SIMILAR TO THE STANDARDS ADOPTED FOR HOUSEHOLD 21 SUBSTANCES UNDER § 22–303(A)(2) OF THIS SUBTITLE; AND
- 22 (2) PROTECT CHILDREN FROM USING AN ELECTRONIC NICOTINE 23 DELIVERY SYSTEM OR INGESTING VAPING LIQUID.
- 24 (C) THE STANDARDS FOR LABELING ADOPTED UNDER SUBSECTION (A) OF 25 THIS SECTION SHALL BE IN COMPLIANCE WITH THE FEDERAL WARNING
- 26 REQUIREMENTS FOR TOBACCO PRODUCTS UNDER 21 C.F.R. 1143.3.
- 27 24–305.
- 28 (a) This section does not apply to a tobacco product that is regulated under Title 29 16 of the Business Regulation Article.

- 1 (b) (1) **(I)** Except as provided in paragraph (2) of this subsection, a person 2 may not sell, distribute, or offer for sale to a minor an electronic nicotine delivery system, 3 as defined in § 16.7–101(c) of the Business Regulation Article.
- 4 (II) TO COMPLY WITH THE REQUIREMENTS OF SUBPARAGRAPH
 5 (I) OF THIS PARAGRAPH, A PERSON LICENSED UNDER TITLE 16.7 OF THE BUSINESS
 6 REGULATION ARTICLE SHALL, BEFORE PROVIDING AN INDIVIDUAL WITH AN
 7 ELECTRONIC NICOTINE DELIVERY SYSTEM:
- 1. VERIFY THE AGE OF AN INDIVIDUAL WHO APPEARS TO
 9 BE UNDER THE AGE OF 27 YEARS BY EXAMINING THE INDIVIDUAL'S DRIVER'S
 10 LICENSE OR OTHER VALID IDENTIFICATION ISSUED BY AN EMPLOYER, A
 11 GOVERNMENTAL UNIT, OR AN INSTITUTION OF HIGHER EDUCATION; OR
- 2. IN THE CASE OF A DISTRIBUTION MADE THROUGH A
 COMPUTER NETWORK, A TELEPHONIC NETWORK, OR ANOTHER ELECTRONIC
 NETWORK, ATTEMPT TO VERIFY THE AGE OF THE INDIVIDUAL BY USING A
 THIRD-PARTY AGE VERIFICATION SERVICE THAT USES INFORMATION AVAILABLE
 FROM PUBLIC RECORDS TO ESTABLISH AN INDIVIDUAL'S AGE.
- 17 (2) This subsection does not apply to an electronic nicotine delivery system 18 that contains or delivers nicotine intended for human consumption if the device has been 19 approved by the United States Food and Drug Administration for sale as a tobacco cessation 20 product and is being marketed and sold solely for this purpose.
- 21 (c) (1) A person that violates this section is subject to a civil penalty not 22 exceeding:
- 23 (i) \$300 for a first violation;
- 24 (ii) [\$1,000] **\$2,500** for a second violation occurring within 24 25 months after the first violation; and
- 26 (iii) [\$3,000] **\$5,000** for each subsequent violation occurring within 27 24 months after the preceding violation.
- 28 (2) Issuance of a civil citation for a violation of this section precludes 29 prosecution under § 10–107 of the Criminal Law Article arising out of the same violation.
- 30 (d) In a prosecution for a violation of this section, it is a defense that [the]:
- 31 **(1) THE** defendant examined the purchaser's or recipient's driver's license 32 or other valid identification issued by an employer, government unit, or institution of 33 higher education that positively identified the purchaser or recipient as at least 18 years 34 **[of age] OLD; OR**

- 1 (2) THE PURCHASER'S OR RECIPIENT'S APPEARANCE WAS SUCH THAT
- 2 A REASONABLE PERSON WOULD BELIEVE THE PURCHASER OR RECIPIENT WAS AT
- 3 LEAST 27 YEARS OLD.
- 4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 5 October 1, 2019.