## SENATE BILL 6457

State of Washington 54th Legislature 1996 Regular Session

**By** Senators Quigley, McAuliffe, Moyer, Oke, Pelz, Long, Heavey and Kohl; by request of Governor Lowry

Read first time 01/15/96. Referred to Committee on Health & Long-Term Care.

AN ACT Relating to regulation and control of tobacco products; amending RCW 70.155.010, 70.155.030, 70.155.040, 70.155.050, 70.155.100, 70.155.110, 82.24.500, and 82.24.550; repealing RCW 70.155.060 and 82.24.270; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 70.155.010 and 1993 c 507 s 2 are each amended to read 7 as follows:

8 The definitions set forth in RCW 82.24.010 shall apply to RCW 9 70.155.020 through 70.155.130. In addition, for the purposes of this 10 chapter, unless otherwise required by the context:

11 (1) "Board" means the Washington state liquor control board.

12 (2) "Minor" refers to an individual who is less than eighteen years13 old.

14 (3) (("Public place" means a public street, sidewalk, or park, or 15 any area open to the public in a publicly owned and operated building. 16 (4) "Sample" means a tobacco product distributed to members of the 17 general public at no cost or at nominal cost for product promotion 18 purposes. 1 (5) "Sampler" means a person engaged in the business of sampling
2 other than a retailer.

3 (6) "Sampling" means the distribution of samples to members of the 4 general public in a public place.

5 (7)) "Package" or "container" means a package or container that
6 holds twenty cigarettes.

7 (4) "Tobacco product" means a product that contains tobacco and is
8 intended for human consumption <u>and as further defined in RCW</u>
9 <u>82.26.010(1)</u>.

10 **Sec. 2.** RCW 70.155.030 and 1994 c 202 s 1 are each amended to read 11 as follows:

12 (1) No person shall sell or permit to be sold any tobacco product through any device that mechanically dispenses tobacco products unless 13 14 the device is located fully within premises from which minors are 15 prohibited or in industrial worksites where minors are not employed and 16 not less than ten feet from all entrance or exit ways to and from each The board shall adopt rules that allow an exception to the 17 premise. 18 requirement that a device be located not less than ten feet from all 19 entrance or exit ways to and from a premise if it is architecturally impractical for the device to be located not less than ten feet from 20 21 all entrance and exit ways.

(2) All retail sales of cigarettes or tobacco products must be in person transactions in a retail store, except for vending machine sales
 at authorized locations as authorized in subsection (1) of this
 section. Mail order sales or deliveries of cigarettes or tobacco
 products are prohibited.

27 (3) There shall be no advertisement of cigarettes or tobacco
 28 products in any wholly or partially state-owned or state-funded
 29 location.

30 **Sec. 3.** RCW 70.155.040 and 1993 c 507 s 5 are each amended to read 31 as follows:

32 (1) No person shall sell or permit to be sold <u>single</u> cigarettes 33 ((not)). All cigarettes must be sold in ((the)) original, unopened 34 packages or containers ((to which the stamps required by RCW 82.24.060 35 have been affixed)).

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1 (2) This section does not apply to the sale of loose leaf tobacco 2 by a retail business that generates a minimum of sixty percent of 3 annual gross sales from the sale of tobacco products.

4 **Sec. 4.** RCW 70.155.050 and 1993 c 507 s 6 are each amended to read 5 as follows:

6 (((1))) No person may engage in the business of sampling <u>cigarettes</u> 7 <u>or tobacco products</u> within the state ((unless licensed to do so by the 8 board. If a firm contracts with a manufacturer to distribute samples 9 of the manufacturer's products, that firm is deemed to be the person 10 engaged in the business of sampling.

11 (2) The board shall issue a license to a sampler not otherwise 12 disqualified by RCW 70.155.100 upon application and payment of the fee. 13 (3) A sampler's license expires on the thirtieth day of June of 14 each year and must be renewed annually upon payment of the appropriate 15 fee.

16 (4) The board shall annually determine the fee for a sampler's 17 license and each renewal. However, the fee for a manufacturer whose 18 employees distribute samples within the state is five hundred dollars 19 per annum, and the fee for all other samplers must be not less than 20 fifty dollars per annum.

(5) A sampler's license entitles the licensee, and employees or agents of the licensee, to distribute samples at any lawful location in the state during the term of the license. A person engaged in sampling under the license shall carry the license or a copy at all times)).

25 **Sec. 5.** RCW 70.155.100 and 1993 c 507 s 11 are each amended to 26 read as follows:

27 (1) The liquor control board may suspend or revoke a retailer's 28 license held by a business at any location, or may impose a monetary 29 penalty as set forth in subsection (2) of this section, if the liquor control finds that the licensee 30 board has violated RCW 26.28.080((<del>(4)</del>)), or 70.155.020, 70.155.030, 70.155.040, 70.155.050, 31 ((<del>70.155.060,</del>)) 70.155.070, or 70.155.090. 32

(2) The sanctions that the liquor control board may impose against
a person licensed under RCW 82.24.530 and 70.155.050 ((and 70.155.060))
based upon one or more findings under subsection (1) of this section
may not <u>be less than or</u> exceed the following:

37 (a) For violation of RCW 26.28.080(((+++++))) or 70.155.020:

(i) A monetary penalty of <u>not less than</u> one hundred dollars <u>and not</u>
 <u>more than two hundred fifty dollars</u> for the first violation within any
 two-year period;

4 (ii) A monetary penalty of <u>not less than</u> three hundred dollars <u>and</u>
5 <u>not more than five hundred dollars</u> for the second violation within any
6 two-year period;

7 (iii) A monetary penalty of <u>not less than</u> one thousand dollars <u>and</u> 8 <u>not more than one thousand five hundred dollars</u> and suspension of the 9 license for a period of six months for the third violation within any 10 two-year period;

(iv) A monetary penalty of <u>not less than</u> one thousand five hundred dollars <u>and not more than two thousand five hundred dollars</u> and suspension of the license for a period of twelve months for the fourth violation within any two-year period;

(v) Revocation of the license with no possibility of reinstatement for a period of five years for the fifth or more violation within any two-year period;

(b) For violations of RCW 70.155.030, a monetary penalty ((in the amount)) of not less than one hundred dollars and not more than two
 <u>hundred fifty dollars</u> for each day upon which such violation occurred;

21 (c) For violations of RCW 70.155.040 occurring on the licensed 22 premises:

(i) A monetary penalty of <u>not less than</u> one hundred dollars <u>and not</u>
 <u>more than two hundred fifty dollars</u> for the first violation within any
 two-year period;

(ii) A monetary penalty of <u>not less than</u> three hundred dollars <u>and</u>
 <u>not more than five hundred dollars</u> for the second violation within any
 two-year period;

(iii) A monetary penalty of <u>not less than</u> one thousand dollars <u>and</u> <u>not more than one thousand five hundred dollars</u> and suspension of the license for a period of six months for the third violation within any two-year period;

(iv) A monetary penalty of <u>not less than</u> one thousand five hundred dollars <u>and not more than two thousand five hundred dollars</u> and suspension of the license for a period of twelve months for the fourth violation within any two-year period;

(v) Revocation of the license with no possibility of reinstatement for a period of five years for the fifth or more violation within any two-year period; (d) For violations of RCW 70.155.050 ((and 70.155.060)), a monetary
 penalty ((in the amount)) of not less than three hundred dollars and
 not more than five hundred dollars for each violation;

4 (e) For violations of RCW 70.155.070, a monetary penalty ((in the
5 amount)) of not less than one thousand dollars and not more than two
6 thousand five hundred dollars for each violation.

7 (3) The liquor control board may impose a monetary penalty upon any 8 person other than a licensed cigarette retailer ((or licensed sampler)) 9 if the liquor control board finds that the person has violated RCW 10 26.28.080(((4))), or 70.155.020, 70.155.030, 70.155.040, 70.155.050, 11 ((70.155.060,)) 70.155.070, or 70.155.090.

(4) The monetary penalty that the liquor control board may impose
based upon one or more findings under subsection (3) of this section
may not exceed the following:

(a) For violation of RCW 26.28.080(((4))) or 70.155.020, not less
than fifty dollars and not more than one hundred dollars for the first
violation and not less than one hundred dollars and not more than two
hundred fifty dollars for each subsequent violation;

(b) For violations of RCW 70.155.030, <u>not less than</u> one hundred dollars <u>and not more than two hundred fifty dollars</u> for each day upon which such violation occurred;

(c) For violations of RCW 70.155.040, <u>not less than</u> one hundred
 dollars <u>and not more than two hundred fifty dollars</u> for each violation;

(d) For violations of RCW 70.155.050 ((and 70.155.060)), not less
 than three hundred dollars and not more than five hundred dollars for
 each violation;

(e) For violations of RCW 70.155.070, <u>not less than</u> one thousand
 dollars <u>and not more than two thousand five hundred dollars</u> for each
 violation.

30 (5) The liquor control board may impose sanctions against a person 31 licensed under RCW 82.24.530 or this chapter for any violation of 32 chapter 314-10 WAC for which a statutory penalty is not proscribed in 33 an amount of:

34 (a) A monetary penalty of not less than one hundred dollars and not
 35 more than two hundred fifty dollars for the first violation within any
 36 two-year period;

37 (b) A monetary penalty of not less than three hundred dollars and 38 not more than five hundred dollars for the second violation within any 39 two-year period; and (c) A monetary penalty of not less than one thousand dollars and
 not more than two thousand five hundred dollars or suspension of the
 license privilege for a period not to exceed one year, or both, for a
 third or any subsequent violation within any two-year period.

5 <u>(6)</u> The liquor control board may develop and offer a class for 6 retail clerks and use this class in lieu of a monetary penalty for the 7 clerk's first violation.

8 (((6))) (7) The liquor control board may issue a cease and desist 9 order to any person who is found by the liquor control board to have 10 violated or intending to violate the provisions of this chapter, RCW 11 26.28.080(((4))) or 82.24.500, requiring such person to cease specified 12 conduct that is in violation. The issuance of a cease and desist order 13 shall not preclude the imposition of other sanctions authorized by this 14 statute or any other provision of law.

15 (((+7))) (8) The liquor control board may seek injunctive relief to enforce the provisions of RCW 26.28.080(((++))) or 82.24.500 or this 16 17 chapter. The liquor control board may initiate legal action to collect civil penalties imposed under this chapter if the same have not been 18 19 paid within thirty days after imposition of such penalties. In any 20 action filed by the liquor control board under this chapter, the court may, in addition to any other relief, award the liquor control board 21 22 reasonable attorneys' fees and costs.

((<del>(8)</del>)) <u>(9)</u> All proceedings under subsections (1) through ((<del>(6)</del>))
 <u>(7)</u> of this section shall be conducted in accordance with chapter 34.05
 RCW.

26 **Sec. 6.** RCW 70.155.110 and 1993 c 507 s 12 are each amended to 27 read as follows:

(1) The liquor control board shall, in addition to the board's other powers and authorities, have the authority to enforce the provisions of this chapter and RCW 26.28.080(((4))) and 82.24.500. The liquor control board shall have full power to revoke or suspend the license of any retailer or wholesaler in accordance with the provisions of RCW 70.155.100.

(2) The liquor control board and the board's authorized agents or
 employees shall have full power and authority to enter any place of
 business where tobacco products are sold for the purpose of enforcing
 the provisions of this chapter.

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(3) For the purpose of enforcing the provisions of this chapter and 1 RCW 26.28.080(((4))) and 82.24.500, a peace officer or enforcement 2 3 officer of the liquor control board who has reasonable grounds to 4 believe a person observed by the officer purchasing, attempting to purchase, or in possession of tobacco products is under the age of 5 eighteen years of age, may detain such person for a reasonable period 6 of time and in such a reasonable manner as is necessary to determine 7 8 the person's true identity and date of birth. Further, tobacco 9 products possessed by persons under the age of eighteen years of age 10 are considered contraband and may be seized by a peace officer or enforcement officer of the liquor control board. 11

(4) The liquor control board may work with local county health
 departments or districts and local law enforcement agencies to conduct
 random, unannounced, inspections to assure compliance.

15 (5) For the purpose of enforcing the provisions of this title 16 according to legislative intent, the liquor control board may adopt 17 such rules as are deemed necessary or advisable.

18 Sec. 7. RCW 82.24.500 and 1986 c 321 s 4 are each amended to read 19 as follows:

(1) No person may engage in or conduct the business of purchasing,
 selling, consigning, or distributing cigarettes or tobacco products as
 <u>defined in Title 82 RCW</u> in this state without a license under this
 chapter.

24 (2) Possession of cigarettes or tobacco products without a license
 25 with intent to sell is a violation of this section.

26 (3) A person whose license has been suspended or revoked shall not 27 sell cigarettes or tobacco products or permit cigarettes or tobacco 28 products to be sold during the period of such suspension or revocation 29 on the premises occupied by the person or upon other premises 30 controlled by the person or others or in any other manner or form 31 whatever.

32 (4) A violation of this section is a misdemeanor.

33 **Sec. 8.** RCW 82.24.550 and 1993 c 507 s 17 are each amended to read 34 as follows:

(1) The department of revenue shall enforce the provisions of this
 chapter except RCW 82.24.500, which will be enforced by the liquor
 control board. The department of revenue may adopt, amend, and repeal

1 rules necessary to enforce and administer the provisions of this 2 chapter. The department of revenue has full power and authority to 3 revoke or suspend the license or permit of any wholesale or retail 4 ((cigarette)) tobacco dealer in the state upon sufficient cause 5 appearing of the violation of this chapter or upon the failure of such 6 licensee to comply with any of the provisions of this chapter.

7 (2) A license shall not be suspended or revoked except upon notice 8 to the licensee and after a hearing as prescribed by the department of 9 revenue. The department of revenue, upon a finding by same, that the 10 licensee has failed to comply with any provision of this chapter or any rule promulgated thereunder, shall, in the case of the first offender, 11 suspend the license or licenses of the licensee for a period of not 12 13 less than thirty consecutive business days, and, in the case of a 14 second or plural offender, shall suspend the license or licenses for a 15 period of not less than ninety consecutive business days nor more than 16 twelve months, and, in the event the department of revenue finds the 17 offender has been guilty of willful and persistent violations, it may revoke the license or licenses. 18

(3) Any person whose license or licenses have been so revoked may apply to the department of revenue at the expiration of one year for a reinstatement of the license or licenses. The license or licenses may be reinstated by the department of revenue if it appears to the satisfaction of the department of revenue that the licensee will comply with the provisions of this chapter and the rules promulgated thereunder.

(4) A person whose license has been suspended or revoked shall not sell cigarettes or tobacco products or permit cigarettes or tobacco products to be sold during the period of such suspension or revocation on the premises occupied by the person or upon other premises controlled by the person or others or in any other manner or form whatever.

(5) Any determination and order by the department of revenue, and 32 any order of suspension or revocation by the department of revenue of 33 the license or licenses, or refusal to reinstate a license or licenses 34 35 after revocation shall be reviewable by an appeal to the superior court of Thurston county. The superior court shall review the order or 36 37 ruling of the department of revenue and may hear the matter de novo, having due regard to the provisions of this chapter and the duties 38 39 imposed upon the department of revenue.

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1 <u>NEW SECTION.</u> Sec. 9. The following acts or parts of acts are each 2 repealed:

- 3 (1) RCW 70.155.060 and 1993 c 507 s 7; and
- 4 (2) RCW 82.24.270 and 1995 c 278 s 12.

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