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SENATE BILL 5239

State of Washington 68th Legislature 2023 Regular Session

By Senators Kuderer, Dhingra, Frame, Hunt, Nobles, Robinson, Salomon, Stanford, Valdez, Wellman, and C. Wilson

Read first time 01/10/23. Referred to Committee on Health & Long Term Care.

- AN ACT Relating to protecting public health and safety by enhancing the regulation of vapor products and tobacco products; amending RCW 70.345.010, 70.345.075, and 82.26.010; adding new sections to chapter 70.345 RCW; and adding a new section to chapter 43.70 RCW.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 70.345.010 and 2022 c 16 s 135 are each amended to 8 read as follows:
- 9 The definitions in this section apply throughout this chapter 10 unless the context clearly requires otherwise.
 - (1) "Board" means the Washington state liquor and cannabis board.
- 12 (2) "Business" means any trade, occupation, activity, or 13 enterprise engaged in for the purpose of selling or distributing 14 vapor products in this state.
- 15 (3) "Child care facility" has the same meaning as provided in RCW 16 70A.320.020.
- 17 (4) "Closed system nicotine container" means a sealed, prefilled, 18 and disposable container of nicotine in a solution or other form in 19 which such container is inserted directly into an electronic 20 cigarette, electronic nicotine delivery system, or other similar 21 product, if the nicotine in the container is inaccessible through

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customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion or other contact by children.

- (5) "Delivery sale" means any sale of a vapor product to a purchaser in this state where either:
- (a) The purchaser submits the order for such sale by means of a telephonic or other method of voice transmission, the mails or any other delivery service, or the internet or other online service; or
- (b) The vapor product is delivered by use of the mails or of a delivery service. The foregoing sales of vapor products constitute a delivery sale regardless of whether the seller is located within or without this state. "Delivery sale" does not include a sale of any vapor product not for personal consumption to a retailer.
 - (6) "Delivery seller" means a person who makes delivery sales.
 - (7) "Distributor" has the same meaning as in RCW 82.25.005.
- (8) "Flavored vapor products" means any vapor product that contains a taste or smell, other than the taste or smell of tobacco, that is distinguishable by an ordinary consumer either prior to or during the consumption of a vapor product including, but not limited to, any taste or smell relating to fruit, menthol, mint, wintergreen, chocolate, cocoa, vanilla, or honey, or any candy, dessert, alcoholic beverage, herb, or spice.
- (9) "Liquid nicotine container" means a package from which nicotine in a solution or other form is accessible through normal and foreseeable use by a consumer and that is used to hold soluble nicotine in any concentration. "Liquid nicotine container" does not include closed system nicotine containers.
- $((\frac{(9)}{)})$ "Manufacturer" means a person who manufactures and 28 sells vapor products.
 - (((10))) (11) "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, copartnership, joint venture, club, company, joint stock company, business trust, municipal corporation, the state and its departments and institutions, political subdivision of the state of Washington, corporation, limited liability company, association, society, any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise.
- $((\frac{(11)}{(11)}))$ <u>(12)</u> "Place of business" means any place where vapor products are sold or where vapor products are manufactured, stored, or kept for the purpose of sale.

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(((12))) (13) "Playground" means any public improved area designed, equipped, and set aside for play of six or more children which is not intended for use as an athletic playing field or athletic court, including but not limited to any play equipment, surfacing, fencing, signs, internal pathways, internal land forms, vegetation, and related structures.

- $((\frac{(13)}{(14)}))$ "Retail outlet" means each place of business from which vapor products are sold to consumers.
- $((\frac{(14)}{)})$ "Retailer" means any person engaged in the business of selling vapor products to ultimate consumers.
- $((\frac{(15)}{(15)}))$ $\underline{(16)}$ (a) "Sale" means any transfer, exchange, or barter, 12 in any manner or by any means whatsoever, for a consideration, and 13 includes and means all sales made by any person.
 - (b) The term "sale" includes a gift by a person engaged in the business of selling vapor products, for advertising, promoting, or as a means of evading the provisions of this chapter.
- $((\frac{(16)}{(16)}))$ "School" has the same meaning as provided in RCW 18 70A.320.020.
 - (((17))) <u>(18)</u> "Self-service display" means a display that contains vapor products and is located in an area that is openly accessible to customers and from which customers can readily access such products without the assistance of a salesperson. A display case that holds vapor products behind locked doors does not constitute a self-service display.
 - (((18))) (19) "Vapor product" means any noncombustible product that may contain nicotine and that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor or aerosol from a solution or other substance.
 - (a) "Vapor product" includes any electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device and any vapor cartridge or other container that may contain nicotine in a solution or other form that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.
 - (b) "Vapor product" does not include any product that meets the definition of cannabis, useable cannabis, cannabis concentrates, cannabis-infused products, cigarette, or tobacco products.

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- 1 (c) For purposes of this subsection ((\(\frac{(18)}{(18)}\)) \(\frac{19}{2}\), "cannabis,"
 2 "useable cannabis," "cannabis concentrates," and "cannabis-infused
 3 products" have the same meaning as provided in RCW 69.50.101.
- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 70.345 5 RCW to read as follows:
- (1) Upon a determination by the secretary of health that a flavored vapor product may be injurious to human health or poses a significant risk to public health, the department of health may restrict the sale of any such flavored vapor product.
- 10 (2) Nothing in this section requires a person in this state to be 11 actually injured or ill before the secretary of health or department 12 of health may take action authorized under this section.
- 13 (3) The department of health may adopt any rules necessary to 14 implement this section.
- NEW SECTION. Sec. 3. A new section is added to chapter 70.345 RCW to read as follows:
- (1) The state board of health shall determine in rule the 17 allowable nicotine concentration for any vapor product sold or 18 offered for sale in the state. The state board of health shall 19 consider, among other factors, whether the level of nicotine in the 20 21 product may be injurious to human health or pose significant risk to public health. Those risks include but are not limited to addiction 22 23 increase, underage usage, or limited efficacy of nicotine addiction cessation efforts. 24
 - (2) A vapor product may not be sold or offered for sale if the product has nicotine salts or other ingredients that result in nicotine concentrations that exceed a comparative level of nicotine as determined by the state board of health in rule.

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- 29 **Sec. 4.** RCW 70.345.075 and 2016 sp.s. c 38 s 13 are each amended 30 to read as follows:
- 31 (1) ((A)) The department of health shall require a manufacturer 32 or distributor that sells, offers for sale, or distributes liquid 33 nicotine containers ((shall)) to label the vapor product ((with a: (a) Warning regarding the harmful effects of nicotine; (b) warning to 35 keep the vapor product away from children; (c) warning that vaping is 36 illegal for those under the legal age to use the product; and (d) except as provided in subsection (2) of this section, the amount of

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nicotine in milligrams per milliliter of liquid along with the total volume of the liquid contents of the product expressed in milliliters.

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- (2) For closed system nicotine containers as defined in RCW 70.345.010, a manufacturer that sells, offers for sale, or distributes vapor products in this state must annually provide the department of health with a disclosure of the nicotine content of such vapor product based on measurement standards to be established by the department of health.
- (3) (a) This section expires on the effective date of the final regulations issued by the United States food and drug administration or by any other federal agency, when such regulations mandate warning or advertisement requirements for vapor products.
- (b) The board must provide notice of the expiration date of this section to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the board)).
- 18 (2) The department of health may adopt any rules necessary to
 19 implement this section and revise labeling requirements to: (a) Be
 20 consistent with any regulations and labeling requirements issued by
 21 the United States food and drug administration or by any other
 22 federal agency; and (b) maintain any labeling requirements which are
 23 not preempted, or which provided disclosures that are not mandated by
 24 federal regulations.
- NEW SECTION. Sec. 5. A new section is added to chapter 70.345 RCW to read as follows:
 - (1) All manufacturers of nicotine-containing vapor products shall disclose to the department of health, using forms and methods to be determined by the department:
 - (a) The concentration and form of nicotine in the product; and
- 31 (b) All ingredients or product elements which may be inhaled when 32 the product is used by the consumer.
- 33 (2) The department of health, in collaboration with the 34 University of Washington school of public health, shall publish on 35 the internet:
- 36 (a) The list of ingredients for each product submitted to the department pursuant to subsection (1) of this section; and

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- 1 (b) A guide summarizing and linking to research on ingredient 2 toxicity, carcinogenicity, or any other potential harm to human 3 health associated with the product and its ingredients.
 - Sec. 6. RCW 82.26.010 and 2020 c 139 s 31 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Actual price" means the total amount of consideration for which tobacco products are sold, valued in money, whether received in money or otherwise, including any charges by the seller necessary to complete the sale such as charges for delivery, freight, transportation, or handling.
- 13 (2) "Affiliated" means related in any way by virtue of any form 14 or amount of common ownership, control, operation, or management.
 - (3) "Board" means the liquor and cannabis board.

- (4) "Business" means any trade, occupation, activity, or enterprise engaged in for the purpose of selling or distributing tobacco products in this state.
- (5) "Cigar" means a roll for smoking that is of any size or shape and that is made wholly or in part of tobacco, irrespective of whether the tobacco is pure or flavored, adulterated or mixed with any other ingredient, if the roll has a wrapper made wholly or in greater part of tobacco. "Cigar" does not include a cigarette.
 - (6) "Cigarette" has the same meaning as in RCW 82.24.010.
 - (7) "Department" means the department of revenue.
- (8) "Distributor" means (a) any person engaged in the business of selling tobacco products in this state who brings, or causes to be brought, into this state from without the state any tobacco products for sale, (b) any person who makes, manufactures, fabricates, or stores tobacco products in this state for sale in this state, (c) any person engaged in the business of selling tobacco products without this state who ships or transports tobacco products to retailers in this state, to be sold by those retailers, (d) any person engaged in the business of selling tobacco products in this state who handles for sale any tobacco products that are within this state but upon which tax has not been imposed.
- 37 (9) "Indian country" means the same as defined in chapter 82.24 38 RCW.

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- 1 (10) "Little cigar" means a cigar that has a cellulose acetate 2 integrated filter.
- 3 (11) "Manufacturer" means a person who manufactures and sells tobacco products.

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- (12) "Manufacturer's representative" means a person hired by a 5 6 manufacturer to sell or distribute the manufacturer's tobacco 7 products, and includes employees and independent contractors.
 - (13) "Moist snuff" means tobacco that is finely cut, ground, or powdered; is not for smoking; and is intended to be placed in the oral, but not the nasal, cavity.
 - (14) "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, copartnership, joint venture, club, company, joint stock company, business trust, municipal corporation, the state and its departments and institutions, political subdivision of the state of Washington, corporation, limited liability company, association, society, any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise. The term excludes any person immune from state taxation, including the United States or its instrumentalities, and federally recognized Indian tribes and enrolled tribal members, conducting business within Indian country.
- (15) "Place of business" means any place where tobacco products 22 are sold or where tobacco products are manufactured, stored, or kept 23 for the purpose of sale, including any vessel, vehicle, airplane, 24 25 train, or vending machine.
- (16) "Retail outlet" means each place of business from which 26 27 tobacco products are sold to consumers.
 - (17) "Retailer" means any person engaged in the business of selling tobacco products to ultimate consumers.
 - (18)(a) "Sale" means any transfer, exchange, or barter, in any manner or by any means whatsoever, for a consideration, and includes and means all sales made by any person.
 - (b) The term "sale" includes a gift by a person engaged in the business of selling tobacco products, for advertising, promoting, or as a means of evading the provisions of this chapter.
 - (19) (a) "Taxable sales price" means:
 - (i) In the case of a taxpayer that is not affiliated with the manufacturer, distributor, or other person from whom the taxpayer purchased tobacco products, the actual price for which the taxpayer purchased the tobacco products;

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(ii) In the case of a taxpayer that purchases tobacco products from an affiliated manufacturer, affiliated distributor, or other affiliated person, and that sells those tobacco products to unaffiliated distributors, unaffiliated retailers, or ultimate consumers, the actual price for which that taxpayer sells those tobacco products to unaffiliated distributors, unaffiliated retailers, or ultimate consumers;

- (iii) In the case of a taxpayer that sells tobacco products only to affiliated distributors or affiliated retailers, the price, determined as nearly as possible according to the actual price, that other distributors sell similar tobacco products of like quality and character to unaffiliated distributors, unaffiliated retailers, or ultimate consumers;
- (iv) In the case of a taxpayer that is a manufacturer selling tobacco products directly to ultimate consumers, the actual price for which the taxpayer sells those tobacco products to ultimate consumers;
- (v) In the case of a taxpayer that has acquired tobacco products under a sale as defined in subsection (18)(b) of this section, the price, determined as nearly as possible according to the actual price, that the taxpayer or other distributors sell the same tobacco products or similar tobacco products of like quality and character to unaffiliated distributors, unaffiliated retailers, or ultimate consumers; or
- (vi) In any case where (a)(i) through (v) of this subsection do not apply, the price, determined as nearly as possible according to the actual price, that the taxpayer or other distributors sell the same tobacco products or similar tobacco products of like quality and character to unaffiliated distributors, unaffiliated retailers, or ultimate consumers.
- (b) For purposes of (a)(i) and (ii) of this subsection only, "person" includes both persons as defined in subsection (14) of this section and any person immune from state taxation, including the United States or its instrumentalities, and federally recognized Indian tribes and enrolled tribal members, conducting business within Indian country.
- 37 (c) The department may adopt rules regarding the determination of 38 taxable sales price under this subsection.
- 39 (20) "Taxpayer" means a person liable for the tax imposed by this 40 chapter.

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(21) "Tobacco products" means cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, 4 clippings, cuttings and sweepings of tobacco, nontobacco nicotine products that are not approved by the United States food and drug administration, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking, and any other product, regardless of form, that contains tobacco and is intended for human consumption or placement in the oral or nasal cavity or absorption into the human body by any other means, but does not include cigarettes as defined in RCW 82.24.010.

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- (22) "Unaffiliated distributor" means a distributor that is not 14 affiliated with the manufacturer, distributor, or other person from 15 16 whom the distributor has purchased tobacco products.
- 17 (23) "Unaffiliated retailer" means a retailer that is not affiliated with the manufacturer, distributor, or other person from 18 whom the retailer has purchased tobacco products. 19
- 20 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 43.70 21 RCW to read as follows:
- 22 Upon a determination by the secretary that a characterizing flavor may be harmful or pose a significant risk to public health, 23 24 the secretary may prohibit the characterizing flavor in cigarettes 25 and other tobacco products, as defined in RCW 82.26.010.

For purposes of this section, "characterizing flavor" means a distinguishable taste or aroma, or both, other than the taste or aroma of tobacco. Characterizing flavors include, but are not limited to, tastes or aromas relating to any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, menthol, mint, wintergreen, herb, or spice. A tobacco product does not have a characterizing flavor solely because of the use of additives or flavorings or the provision of ingredient information. It is the presence of a distinguishable taste or aroma, or both, that constitutes a characterizing flavor.

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