Second Regular Session Sixty-sixth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 08-0625.01 Duane Gall

SENATE BILL 08-026

SENATE SPONSORSHIP

Hagedorn,

HOUSE SPONSORSHIP

(None),

101

102

Senate CommitteesHealth and Human Services

House Committees

A BILL FOR AN ACT CONCERNING A REQUIREMENT THAT CIGARETTES SOLD IN COLORADO MEET SPECIFIED STANDARDS FOR REDUCED IGNITION

103 **PROPENSITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Requires all cigarettes sold in Colorado on or after July 31, 2009, to be tested for, and to meet, specified standards for reduced ignition propensity. Specifies labeling to identify complying cigarettes. Prescribes the testing methods to be used. Requires manufacturers to certify in writing that their cigarettes have been tested and meet the standards.

Prescribes penalties for failure to properly test cigarettes, to maintain records of such tests for at least 3 years, or to sell cigarettes that do not meet the standards. Grants primary authority over the administration and enforcement of the testing and certification program to the division of fire safety in the department of public safety (division). Gives additional enforcement authority to the attorney general and the department of revenue.

Imposes certification fees on cigarette manufacturers to defray the costs of the program. Creates a fund, known as the reduced cigarette ignition propensity standards and firefighter protection act enforcement fund, into which such fees and penalty assessments are to be deposited and from which the division may support processing, testing, enforcement, and oversight activities.

Designates noncomplying cigarettes sold or offered for sale after July 31, 2009, as contraband under the criminal forfeiture statutes. Exempts cigarettes intended only for sale outside the state. Preempts conflicting local regulations.

1 Be it enacted by the General Assembly of the State of Colorado:

2 **SECTION 1.** 24-33.5-1202, Colorado Revised Statutes, is 3 amended BY THE ADDITION OF THE FOLLOWING NEW

4 SUBSECTIONS to read:

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5 **24-33.5-1202. Definitions.** As used in this part 12, unless the context otherwise requires:

(1.4) "AGENT" MEANS A PERSON LICENSED BY THE DEPARTMENT
OF REVENUE TO PURCHASE AND AFFIX ADHESIVE OR METER STAMPS ON
PACKAGES OF CIGARETTES.

- (1.7) "ASTM INTERNATIONAL" MEANS THE AMERICAN SOCIETY FOR TESTING AND MATERIALS OR ITS SUCCESSOR ORGANIZATION.
- (3.3) "CIGARETTE" MEANS ANY ROLL FOR SMOKING, WHETHER MADE WHOLLY OR PARTLY OF TOBACCO OR ANY OTHER SUBSTANCE, IRRESPECTIVE OF SIZE OR SHAPE, AND WHETHER OR NOT SUCH TOBACCO OR SUBSTANCE IS FLAVORED, ADULTERATED, OR MIXED WITH ANY OTHER INGREDIENT, THE WRAPPER OR COVER OF WHICH IS MADE OF PAPER OR ANY

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1	OTHER SUBSTANCE OR MATERIAL EXCEPT TOBACCO.							
2	(7.7) "MANUFACTURER" MEANS ANY ONE OR MORE OF THE							
3	FOLLOWING:							
4	(a) AN ENTITY THAT MANUFACTURES OR OTHERWISE PRODUCES							
5	CIGARETTES OR CAUSES CIGARETTES TO BE MANUFACTURED WITH THE							
6	INTENT THAT SUCH CIGARETTES BE SOLD IN COLORADO, REGARDLESS OF							
7	WHERE THE CIGARETTES ARE MANUFACTURED OR PRODUCED AND							
8	REGARDLESS OF WHETHER THEY ARE IMPORTED FROM OUTSIDE THE							
9	UNITED STATES;							
10	(b) THE FIRST PURCHASER ANYWHERE THAT INTENDS TO RESELL,							
11	IN THE UNITED STATES, CIGARETTES MANUFACTURED OUTSIDE THE							
12	UNITED STATES THAT THE ORIGINAL MANUFACTURER OR PRODUCER DOES							
13	NOT INTEND TO BE SOLD IN THE UNITED STATES; OR							
14	(c) An entity that becomes a successor to an entity							
15	DESCRIBED IN PARAGRAPH (a) OR (b) OF THIS SUBSECTION (7.7).							
16	(9) "QUALITY CONTROL AND QUALITY ASSURANCE PROGRAM"							
17	MEANS A SET OF LABORATORY PROCEDURES IMPLEMENTED TO ENSURE							
18	THAT:							
19	(a) Operator bias, systematic and nonsystematic							
20	METHODOLOGICAL ERRORS, AND EQUIPMENT-RELATED PROBLEMS DO NOT							
21	AFFECT THE RESULTS OF CIGARETTE TESTING; AND							
22	(b) THE TESTING REPEATABILITY REMAINS WITHIN THE REQUIRED							
23	REPEATABILITY VALUES STATED IN SECTION 24-33.5-1212 (2) (a) (II) (F)							
24	FOR ALL TEST TRIALS USED TO CERTIFY CIGARETTES IN ACCORDANCE WITH							
25	SECTION 24-33.5-1212 (3).							
26	(10) "Repeatability", with respect to a cigarette test							
27	TRIAL, REFERS TO THE RANGE OF VALUES WITHIN WHICH THE REPEAT							

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1	RESULTS OF CIGARETTE TEST TRIALS FROM A SINGLE LABORATORY WILL						
2	FALL NINETY-FIVE PERCENT OF THE TIME.						
3	(11) "RETAIL DEALER" MEANS ANY PERSON, OTHER THAN A						
4	MANUFACTURER OR WHOLESALE DEALER, ENGAGED IN SELLING						
5	CIGARETTES OR TOBACCO PRODUCTS.						
6	(12) "SALE" MEANS ANY TRANSFER OF TITLE, POSSESSION, OR						
7	BOTH, OR EXCHANGE OR BARTER, CONDITIONAL OR OTHERWISE, IN ANY						
8	MANNER OR BY ANY MEANS OR ANY AGREEMENT. IN ADDITION TO CASH						
9	AND CREDIT SALES, THE GIVING OF CIGARETTES AS SAMPLES, PRIZES, OR						
10	GIFTS, AND THE EXCHANGING OF CIGARETTES FOR ANY CONSIDERATION						
11	OTHER THAN MONEY, ARE CONSIDERED SALES.						
12	(13) "SELL" MEANS TO SELL OR TO OFFER OR AGREE TO SELL.						
13	(14) "UPC SYMBOL" MEANS THE SYMBOL SIGNIFYING THE						
14	UNIVERSAL PRODUCT CODE.						
15	(15) "Wholesale dealer" means:						
16	(a) Any person, other than a manufacturer, who sells						
17	CIGARETTES OR TOBACCO PRODUCTS TO RETAIL DEALERS OR OTHER						
18	PERSONS FOR PURPOSES OF RESALE; AND						
19	(b) ANY PERSON WHO OWNS, OPERATES, OR MAINTAINS ONE OR						
20	MORE CIGARETTE OR TOBACCO PRODUCT VENDING MACHINES IN, AT, OR						
21	UPON PREMISES OWNED OR OCCUPIED BY ANY OTHER PERSON.						
22	SECTION 2. Part 12 of article 33.5 of title 24, Colorado Revised						
23	Statutes, is amended BY THE ADDITION OF A NEW SECTION to						
24	read:						
25	24-33.5-1212. Fire-safe cigarettes - repeal. (1) Short title.						
26	THIS SECTION SHALL BE KNOWN AND MAY BE CITED AS THE "REDUCED						
27	CIGARETTE IGNITION PROPENSITY STANDARDS AND FIREFIGHTER						

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1	PROTECTION ACT".						
2	(2) Testing - performance standard. (a) (I) EXCEPT AS						
3	OTHERWISE PROVIDED IN PARAGRAPH (g) OF THIS SUBSECTION (2), NO						
4	CIGARETTES SHALL BE SOLD OR OFFERED FOR SALE IN THIS STATE, OR						
5	OFFERED FOR SALE OR SOLD TO PERSONS LOCATED IN THIS STATE, AFTER						
6	JULY 31, 2009, UNLESS:						
7	(A) THE CIGARETTES HAVE BEEN TESTED IN ACCORDANCE WITH						
8	THE TEST METHOD AND MEET THE PERFORMANCE STANDARD SPECIFIED IN						
9	THIS SUBSECTION (2);						
10	(B) A WRITTEN CERTIFICATION HAS BEEN FILED BY THE						
11	MANUFACTURER WITH THE DIRECTOR IN ACCORDANCE WITH SUBSECTION						
12	(3) OF THIS SECTION; AND						
13	(C) THE CIGARETTES HAVE BEEN MARKED IN ACCORDANCE WITH						
14	SUBSECTION (4) OF THIS SECTION.						
15	(II) IN ADDITION TO ANY OTHER REQUIREMENTS IMPOSED BY LAW,						
16	THE FOLLOWING CONDITIONS SHALL APPLY TO TESTING AND						
17	CERTIFICATION:						
18	(A) TESTING OF CIGARETTES SHALL BE CONDUCTED IN						
19	ACCORDANCE WITH ASTM INTERNATIONAL STANDARD E2187-04,						
20	"STANDARD TEST METHOD FOR MEASURING THE IGNITION STRENGTH OF						
21	CIGARETTES", OR A SUCCESSOR STANDARD.						
22	(B) TESTING SHALL BE CONDUCTED ON TEN LAYERS OF FILTER						
23	PAPER.						
24	(C) NO MORE THAN TWENTY-FIVE PERCENT OF THE CIGARETTES						
25	TESTED IN A TEST TRIAL IN ACCORDANCE WITH THIS SUBSECTION (2) SHALL						
26	EXHIBIT FULL-LENGTH BURNS. FORTY REPLICATE TESTS SHALL						

CONSTITUTE A COMPLETE TEST TRIAL FOR EACH CIGARETTE TESTED.

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1	(D) THE PERFORMANCE STANDARD REQUIRED BY THIS SUBSECTION						
2	(2) SHALL BE APPLIED ONLY TO A COMPLETE TEST TRIAL.						
3	(E) WRITTEN CERTIFICATIONS SHALL BE BASED UPON TESTING						
4	CONDUCTED BY A LABORATORY THAT HAS BEEN ACCREDITED PURSUANT						
5	TO STANDARD ISO/IEC 17025:2005 OF THE INTERNATIONAL						
6	ORGANIZATION FOR STANDARDIZATION OR ANOTHER COMPARABLE						
7	ACCREDITATION STANDARD SPECIFIED BY THE DIVISION.						
8	(F) A LABORATORY CONDUCTING TESTING IN ACCORDANCE WITH						
9	THIS SUBSECTION (2) SHALL IMPLEMENT A QUALITY CONTROL AND						
10	QUALITY ASSURANCE PROGRAM THAT INCLUDES A PROCEDURE THAT WILL						
11	DETERMINE THE REPEATABILITY OF THE TESTING RESULTS AND LIMIT THE						
12	REPEATABILITY VALUE TO NO GREATER THAN NINETEEN PERCENT.						
13	(G) This subsection (2) shall not require additional						
14	TESTING OF CIGARETTES THAT HAVE BEEN TESTED FOR OTHER PURPOSES						
15	IN A MANNER CONSISTENT WITH THIS SECTION.						
16	(H) TESTING PERFORMED OR SPONSORED BY THE DIVISION IN						
17	ORDER TO DETERMINE A CIGARETTE'S COMPLIANCE WITH THE						
18	PERFORMANCE STANDARD REQUIRED BY THIS SUBSECTION (2) SHALL BE						
19	CONDUCTED IN ACCORDANCE WITH THIS SUBSECTION (2).						
20	(b) EACH CIGARETTE LISTED IN A CERTIFICATION SUBMITTED						
21	PURSUANT TO SUBSECTION (3) OF THIS SECTION THAT USES LOWERED						
22	PERMEABILITY BANDS IN THE CIGARETTE PAPER TO ACHIEVE COMPLIANCE						
23	WITH THE PERFORMANCE STANDARD SET FORTH IN THIS SUBSECTION (2)						
24	SHALL HAVE AT LEAST TWO NOMINALLY IDENTICAL BANDS ON THE PAPER						
25	SURROUNDING THE TOBACCO COLUMN. AT LEAST ONE COMPLETE BAND						
26	SHALL BE LOCATED AT LEAST FIFTEEN MILLIMETERS FROM THE LIGHTING						
27	END OF THE CIGARETTE. FOR CIGARETTES ON WHICH THE BANDS ARE						

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1 POSITIONED BY DESIGN, THERE SHALL BE AT LEAST TWO BANDS FULLY
2 LOCATED AT LEAST FIFTEEN MILLIMETERS FROM THE LIGHTING END AND
3 TEN MILLIMETERS FROM THE FILTER END OF THE TOBACCO COLUMN OR TEN
4 MILLIMETERS FROM THE LABELED END OF THE TOBACCO COLUMN FOR
5 NONFILTERED CIGARETTES.
6 (c) A MANUFACTURER OF A CIGARETTE THAT THE DIVISION
7 DETERMINES CANNOT BE TESTED IN ACCORDANCE WITH THE TEST METHOD
8 PRESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL PROPOSE A

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PRESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL PROPOSE A TEST METHOD AND PERFORMANCE STANDARD FOR THE CIGARETTE TO THE DIVISION. UPON APPROVAL OF THE PROPOSED TEST METHOD AND A DETERMINATION BY THE DIVISION THAT THE PERFORMANCE STANDARD PROPOSED BY THE MANUFACTURER IS EQUIVALENT TO THE PERFORMANCE STANDARD PRESCRIBED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (2), THE MANUFACTURER MAY EMPLOY SUCH TEST METHOD AND PERFORMANCE STANDARD TO CERTIFY SUCH CIGARETTE PURSUANT TO THIS SUBSECTION (2). IF THE DIVISION DETERMINES THAT ANOTHER STATE HAS ENACTED REDUCED CIGARETTE IGNITION PROPENSITY STANDARDS THAT INCLUDE A TEST METHOD AND PERFORMANCE STANDARD THAT ARE SUBSTANTIALLY SIMILAR TO THOSE CONTAINED IN THIS SUBSECTION (2), AND THE DIVISION FINDS THAT THE OFFICIALS RESPONSIBLE FOR IMPLEMENTING THOSE REQUIREMENTS HAVE APPROVED THE PROPOSED ALTERNATIVE TEST METHOD AND PERFORMANCE STANDARD FOR A PARTICULAR CIGARETTE PROPOSED BY A MANUFACTURER AS MEETING THE REDUCED CIGARETTE IGNITION PROPENSITY STANDARDS OF SUCH STATE'S LAWS OR RULES UNDER A LEGAL PROVISION COMPARABLE TO THIS SUBSECTION (2), THEN THE DIVISION SHALL AUTHORIZE THE MANUFACTURER TO EMPLOY THE ALTERNATIVE

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TEST METHOD AND PERFORMANCE STANDARD TO CERTIFY SUCH
CIGARETTE FOR SALE IN COLORADO UNLESS THE DIVISION DEMONSTRATES
A REASONABLE BASIS WHY THE ALTERNATIVE TEST SHOULD NOT BE
ACCEPTED. ALL OTHER APPLICABLE REQUIREMENTS OF THIS SUBSECTION
(2) SHALL APPLY TO THE MANUFACTURER.

- (d) EACH MANUFACTURER SHALL MAINTAIN COPIES OF THE REPORTS OF ALL TESTS CONDUCTED ON ALL CIGARETTES OFFERED FOR SALE FOR A PERIOD OF THREE YEARS AND SHALL MAKE COPIES OF THESE REPORTS AVAILABLE TO THE DIVISION AND THE ATTORNEY GENERAL UPON WRITTEN REQUEST. ANY MANUFACTURER WHO FAILS TO MAKE COPIES OF SUCH REPORTS AVAILABLE WITHIN SIXTY DAYS AFTER RECEIVING A WRITTEN REQUEST SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED TEN THOUSAND DOLLARS FOR EACH DAY AFTER THE SIXTIETH DAY THAT THE MANUFACTURER DOES NOT MAKE SUCH COPIES AVAILABLE.
 - (e) The division may adopt a subsequent ASTM International standard test method for measuring the ignition strength of cigarettes upon a finding that such subsequent method does not result in a change in the percentage of full-length burns exhibited by any tested cigarette when compared to the percentage of full-length burns the same cigarette would exhibit when tested in accordance with ASTM international standard E2187-04 and the performance standard in subparagraph (II) of paragraph (a) of this subsection (2).
 - (f) On or before June 30, 2010, and on or before June 30 of every third year thereafter, the division shall review the effectiveness of this subsection (2) and report to the general assembly the division's findings and, if appropriate,

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1	RECOMMENDATIONS FOR LEGISLATION TO IMPROVE THE EFFECTIVENESS OF						
2	THIS SECTION.						
3	(g) THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION						
4	(2) SHALL NOT BE CONSTRUED TO PROHIBIT:						
5	(I) Wholesale or retail dealers from selling their						
6	EXISTING INVENTORY OF CIGARETTES ON OR AFTER JULY 31, 2009, IF A						
7	WHOLESALE OR RETAILER DEALER CAN ESTABLISH THAT STATE TAX						
8	STAMPS WERE AFFIXED TO THE CIGARETTES BEFORE SAID DATE AND THAT						
9	THE INVENTORY WAS PURCHASED BEFORE SAID DATE IN COMPARABLE						
10	QUANTITY TO THE INVENTORY PURCHASED DURING THE SAME PERIOD OF						
11	THE IMMEDIATELY PRECEDING YEAR; OR						
12	(II) THE SALE OF CIGARETTES SOLELY FOR THE PURPOSE OF						
13	CONSUMER TESTING. AS USED IN THIS SUBPARAGRAPH (II), "CONSUMER						
14	TESTING" MEANS AN ASSESSMENT OF CIGARETTES THAT IS CONDUCTED BY,						
15	OR UNDER THE CONTROL AND DIRECTION OF, A MANUFACTURER FOR THE						
16	PURPOSE OF EVALUATING CONSUMER ACCEPTANCE OF SUCH CIGARETTES,						
17	UTILIZING ONLY THE QUANTITY OF CIGARETTES THAT IS REASONABLY						
18	NECESSARY FOR SUCH ASSESSMENT.						
19	(h) TO THE EXTENT PRACTICABLE, THE DIVISION SHALL IMPLEMENT						
20	THIS SECTION SUBSTANTIALLY IN ACCORDANCE WITH THE						
21	IMPLEMENTATION IN NEW YORK OF THE NEW YORK FIRE SAFETY						
22	STANDARDS FOR CIGARETTES.						
23	(3) Certification. (a) EACH MANUFACTURER SHALL SUBMIT TO						
24	THE DIRECTOR A WRITTEN CERTIFICATION ATTESTING THAT EACH						
25	CIGARETTE LISTED IN THE CERTIFICATION:						
26	(I) HAS BEEN TESTED IN ACCORDANCE WITH SUBSECTION (2) OF						
27	THIS SECTION: AND						

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1	(II) MEETS THE PERFORMANCE STANDARD SET FORTH IN							
2	SUBSECTION (2) OF THIS SECTION.							
3	(b) EACH CIGARETTE LISTED IN THE CERTIFICATION SUBMITTED							
4	PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (3) SHALL BE							
5	DESCRIBED WITH THE FOLLOWING INFORMATION:							
6	(I) Brand or trade name on the package;							
7	(II) STYLE, SUCH AS LIGHT OR ULTRA LIGHT;							
8	(III) LENGTH IN MILLIMETERS;							
9	(IV) CIRCUMFERENCE IN MILLIMETERS;							
10	(V) FLAVOR, SUCH AS MENTHOL OR CHOCOLATE IF APPLICABLE;							
11	(VI) FILTER OR NONFILTER;							
12	(VII) PACKAGE DESCRIPTION, SUCH AS SOFT PACK OR BOX;							
13	(VIII) MARKING PURSUANT TO SUBSECTION (4) OF THIS SECTION;							
14	(IX) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE							
15	LABORATORY THAT CONDUCTED THE TESTS, IF DIFFERENT FROM THAT OF							
16	THE MANUFACTURER; AND							
17	(X) THE DATE THAT THE TESTING OCCURRED.							
18	(c) CERTIFICATIONS UNDER THIS SUBSECTION (3) SHALL BE MADE							
19	AVAILABLE TO THE ATTORNEY GENERAL FOR PURPOSES CONSISTENT WITH							
20	THIS SECTION AND TO THE DEPARTMENT OF REVENUE FOR THE PURPOSE OF							
21	ENSURING COMPLIANCE WITH THIS SUBSECTION (3).							
22	(d) EACH CIGARETTE CERTIFIED UNDER THIS SUBSECTION (3)							
23	SHALL BE SUBJECT TO RETESTING AND RECERTIFICATION EVERY THREE							
24	YEARS.							
25	(e) AT THE TIME IT SUBMITS A WRITTEN CERTIFICATION UNDER							
26	THIS SUBSECTION (3), A MANUFACTURER SHALL PAY TO THE DEPARTMENT							
27	OF PUBLIC SAFETY A FEE OF ONE THOUSAND DOLLARS FOR EACH BRAND							

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1	FAMILY OF CIGARETTES LISTED IN THE CERTIFICATION. THE FEE PAID
2	SHALL APPLY TO ALL CIGARETTES WITHIN THE BRAND FAMILY CERTIFIED
3	AND SHALL INCLUDE ANY NEW CIGARETTE CERTIFIED WITHIN THE BRAND
4	FAMILY DURING THE THREE-YEAR CERTIFICATION PERIOD.
5	(f) There is hereby established, in the state treasury, the
6	REDUCED CIGARETTE IGNITION PROPENSITY STANDARDS AND FIREFIGHTER
7	PROTECTION ACT ENFORCEMENT FUND, ALSO REFERRED TO IN THIS
8	SECTION AS THE "FUND". THE FUND SHALL CONSIST OF ALL CERTIFICATION
9	FEES AND CIVIL PENALTIES COLLECTED PURSUANT TO THIS SECTION AND
10	SHALL, IN ADDITION TO ANY OTHER MONEYS MADE AVAILABLE FOR SUCH
11	PURPOSE, BE AVAILABLE TO THE DIVISION SOLELY TO SUPPORT
12	PROCESSING, TESTING, ENFORCEMENT, AND OVERSIGHT ACTIVITIES UNDER
13	THIS SECTION.
14	(g) IF A MANUFACTURER HAS CERTIFIED A CIGARETTE PURSUANT
15	TO THIS SUBSECTION (3), AND THEREAFTER MAKES ANY CHANGE TO SUCH
16	CIGARETTE THAT IS LIKELY TO ALTER ITS COMPLIANCE WITH THE REDUCED
17	CIGARETTE IGNITION PROPENSITY STANDARD REQUIRED BY THIS SECTION,
18	SUCH CIGARETTE SHALL NOT BE SOLD OR OFFERED FOR SALE IN THIS STATE
19	UNTIL THE MANUFACTURER RETESTS THE CIGARETTE IN ACCORDANCE
20	WITH THE TESTING STANDARDS SET FORTH IN SUBSECTION (2) OF THIS
21	SECTION AND MAINTAINS RECORDS OF THE RETESTING AS REQUIRED BY
22	SAID SUBSECTION (2). ANY ALTERED CIGARETTE THAT DOES NOT MEET
23	THE PERFORMANCE STANDARD SET FORTH IN SAID SUBSECTION (2) MAY
24	NOT BE SOLD IN THIS STATE.
25	(4) Labeling. (a) Cigarettes that are certified by a
26	MANUFACTURER IN ACCORDANCE WITH SUBSECTION (2) OF THIS SECTION
27	SHALL BE MARKED TO INDICATE COMPLIANCE WITH THE REQUIREMENTS OF

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1	THIS SECTION. SUCH MARKING SHALL BE IN EIGHT-POINT TYPE OR LARGER						
2	AND SHALL CONSIST OF ONE OR MORE OF THE FOLLOWING:						
3	(I) MODIFICATION OF THE PACKAGE'S UPC SYMBOL TO INCLUDE						
4	A VISIBLE MARK PRINTED AT OR AROUND THE AREA OF THE UPC SYMBOL.						
5	THE MARK MAY CONSIST OF ALPHANUMERIC OR SYMBOLIC CHARACTERS						
6	PERMANENTLY STAMPED, ENGRAVED, EMBOSSED, OR PRINTED IN						
7	CONJUNCTION WITH THE UPC SYMBOL.						
8	(II) ANY VISIBLE COMBINATION OF ALPHANUMERIC OR SYMBOLIC						
9	CHARACTERS PERMANENTLY STAMPED, ENGRAVED, EMBOSSED, OR						
10	PRINTED ON THE CIGARETTE PACKAGE OR CELLOPHANE WRAP; OR						
11	(III) STAMPED, ENGRAVED, EMBOSSED, OR PRINTED TEXT THAT						
12	INDICATES THAT THE CIGARETTES MEET THE STANDARDS OF THIS SECTION.						
13	(b) A MANUFACTURER SHALL USE ONLY ONE MARKING AND SHALL						
14	APPLY THE MARKING UNIFORMLY TO ALL BRANDS AND PACKAGES,						
15	INCLUDING BUT NOT LIMITED TO PACKS, CARTONS, AND CASES, MARKETED						
16	BY THE MANUFACTURER.						
17	(c) THE MANUFACTURER SHALL NOTIFY THE DIVISION AS TO THE						
18	MARKING SELECTED BY THE MANUFACTURER.						
19	(d) PRIOR TO THE CERTIFICATION OF ANY CIGARETTE, THE						
20	MANUFACTURER SHALL PRESENT ITS PROPOSED MARKING TO THE DIVISION,						
21	WHICH SHALL HAVE DISCRETION TO APPROVE OR DISAPPROVE THE						
22	MARKING; EXCEPT THAT:						
23	(I) THE DIVISION SHALL APPROVE:						
24	(A) ANY MARKING IN USE AND APPROVED FOR SALE IN NEW YORK						
25	PURSUANT TO THE NEW YORK FIRE SAFETY STANDARDS FOR CIGARETTES;						
26	OR						
27	(B) THE LETTERS "FSC", SIGNIFYING "FIRE STANDARDS						

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1	COMPLIANT", APPEARING IN EIGHT-POINT TYPE OR LARGER AND					
2	PERMANENTLY STAMPED, ENGRAVED, EMBOSSED, OR PRINTED ON THE					
3	PACKAGE AT OR NEAR THE UPC SYMBOL; AND					
4	(II) PROPOSED MARKINGS SHALL BE DEEMED APPROVED IF THE					
5	DIVISION FAILS TO ACT WITHIN TEN BUSINESS DAYS AFTER RECEIVING A					
6	REQUEST FOR APPROVAL.					
7	(e) A MANUFACTURER SHALL NOT MODIFY ITS APPROVED MARKING					
8	UNLESS THE MODIFICATION HAS BEEN APPROVED BY THE DIVISION IN					
9	ACCORDANCE WITH THIS SUBSECTION (4).					
10	(f) Manufacturers certifying cigarettes in accordance					
11	WITH SUBSECTION (2) OF THIS SECTION SHALL PROVIDE A COPY OF THE					
12	CERTIFICATIONS TO ALL WHOLESALE DEALERS AND AGENTS TO WHICH					
13	THEY SELL CIGARETTES AND SHALL ALSO PROVIDE SUFFICIENT COPIES OF					
14	AN ILLUSTRATION OF THE PACKAGE MARKING UTILIZED BY THE					
15	MANUFACTURER PURSUANT TO THIS SUBSECTION (4) FOR EACH RETAIL					
16	DEALER TO WHICH THE WHOLESALE DEALERS OR AGENTS SELL					
17	CIGARETTES. WHOLESALE DEALERS AND AGENTS SHALL PROVIDE COPIES					
18	OF THESE PACKAGE MARKINGS RECEIVED FROM MANUFACTURERS TO ALL					
19	RETAIL DEALERS TO WHICH THEY SELL CIGARETTES. WHOLESALE					
20	DEALERS, AGENTS, AND RETAIL DEALERS SHALL PERMIT THE DIRECTOR,					
21	THE DEPARTMENT OF REVENUE, THE ATTORNEY GENERAL, AND					
22	EMPLOYEES THEREOF TO INSPECT MARKINGS OF CIGARETTE PACKAGING					
23	MARKED IN ACCORDANCE WITH THIS SUBSECTION (4).					
24	(5) Penalties - forfeiture. (a) A MANUFACTURER, WHOLESALE					
25	DEALER, AGENT, OR OTHER PERSON OR ENTITY WHO KNOWINGLY SELLS OR					
26	OFFERS TO SELL CIGARETTES, OTHER THAN AT RETAIL, IN VIOLATION OF					
27	SUBSECTION (2) OF THIS SECTION SHALL BE SUBJECT TO A CIVIL PENALTY					

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1	NOT TO EXCEED ONE HUNDRED DOLLARS FOR EACH PACK OF SUCH						
2	CIGARETTES SOLD OR OFFERED FOR SALE; EXCEPT THAT THE PENALTY						
3	AGAINST ANY SUCH PERSON OR ENTITY SHALL NOT EXCEED ONE HUNDRE						
4	THOUSAND DOLLARS DURING ANY THIRTY-DAY PERIOD.						
5	(b) A RETAIL DEALER WHO KNOWINGLY SELLS OR OFFERS TO SEL						
6	CIGARETTES IN VIOLATION OF SUBSECTION (2) OF THIS SECTION SHALL						
7	SUBJECT TO A CIVIL PENALTY NOT TO EXCEED ONE HUNDRED DOLLARS FO						
8	EACH PACK OF SUCH CIGARETTES SOLD OR OFFERED FOR SALE; EXCEPT						
9	THAT THE PENALTY AGAINST ANY SUCH RETAIL DEALER SHALL NOT						
10	EXCEED TWENTY-FIVE THOUSAND DOLLARS FOR SALES OR OFFERS TO SELI						
11	DURING ANY THIRTY-DAY PERIOD.						
12	(c) IN ADDITION TO ANY OTHER PENALTY PRESCRIBED BY LAW, A						
13	CORPORATION, PARTNERSHIP, SOLE PROPRIETOR, LIMITED PARTNERSHIP						
14	OR ASSOCIATION ENGAGED IN THE MANUFACTURE OF CIGARETTES THAT						
15	KNOWINGLY MAKES A FALSE CERTIFICATION PURSUANT TO SUBSECTION (2)						
16	OF THIS SECTION SHALL BE SUBJECT TO A CIVIL PENALTY OF AT LEAST						
17	SEVENTY-FIVE THOUSAND DOLLARS, NOT TO EXCEED TWO HUNDRED FIFTY						
18	THOUSAND DOLLARS FOR EACH SUCH FALSE CERTIFICATION.						
19	(d) A PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION FOR						
20	WHICH A PENALTY IS NOT SPECIFICALLY PROVIDED SHALL BE SUBJECT TO						
21	A CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS FOR A FIRST						
22	VIOLATION AND UP TO FIVE THOUSAND DOLLARS FOR A SECOND OF						
23	SUBSEQUENT VIOLATION.						
24	(e) CIGARETTES THAT HAVE BEEN SOLD OR OFFERED FOR SALE AND						
25	THAT DO NOT COMPLY WITH THE PERFORMANCE STANDARD REQUIRED BY						
26	SUBSECTION (2) OF THIS SECTION SHALL BE SUBJECT TO FORFEITURE AS						
27	PROVIDED IN THE "COLORADO CONTRABAND FORFEITURE ACT", PART 5						

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1	OF ARTICLE 13 OF TITLE 16, C.R.S. CIGARETTES FORFEITED PURSUANT TO						
2	THIS PARAGRAPH (e) SHALL BE DESTROYED; EXCEPT THAT, BEFORE SUCH						
3	DESTRUCTION, THE TRUE HOLDER OF THE TRADEMARK RIGHTS IN THE						
4	CIGARETTE BRAND SHALL BE GIVEN A REASONABLE OPPORTUNITY TO						
5	INSPECT THE CIGARETTES IF DESIRED.						
6	(f) IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW, THE						
7	DIRECTOR OR THE ATTORNEY GENERAL MAY FILE AN ACTION IN DISTRICT						
8	COURT FOR A VIOLATION OF THIS SECTION, INCLUDING PETITIONING FOR						
9	INJUNCTIVE RELIEF OR TO RECOVER ANY COSTS OR DAMAGES SUFFERED BY						
10	THE STATE AND ENFORCEMENT COSTS, INCLUDING ATTORNEY FEES,						
11	RELATING TO THE SPECIFIC VIOLATION. EACH VIOLATION OF THIS SECTION						
12	OR OF RULES ADOPTED UNDER THIS SECTION CONSTITUTES A SEPARATE						
13	CIVIL VIOLATION FOR WHICH THE DIRECTOR OR ATTORNEY GENERAL MAY						
14	OBTAIN RELIEF UNDER THIS PARAGRAPH (f).						
15	(g) Whenever a law enforcement officer or duly						
16	AUTHORIZED AGENT OF THE DIRECTOR DISCOVERS CIGARETTES THAT HAVE						
17	NOT BEEN MARKED AS REQUIRED BY SUBSECTION (4) OF THIS SECTION,						
18	SUCH OFFICER OR AGENT IS HEREBY AUTHORIZED AND EMPOWERED TO						
19	SEIZE AND TAKE POSSESSION OF SUCH CIGARETTES. SUCH CIGARETTES						
20	SHALL BE TURNED OVER TO THE DEPARTMENT OF REVENUE AND SHALL BE						
21	FORFEITED TO THE STATE. CIGARETTES SEIZED PURSUANT TO THIS						
22	PARAGRAPH (g) SHALL BE DESTROYED; EXCEPT THAT, BEFORE SUCH						
23	DESTRUCTION, THE TRUE HOLDER OF THE TRADEMARK RIGHTS IN THE						
24	CIGARETTE BRAND SHALL BE GIVEN A REASONABLE OPPORTUNITY TO						
25	INSPECT THE CIGARETTES IF DESIRED.						
26	(6) Rules. (a) The director may promulgate rules in						
27	ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT",						

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1	ARTICLE 4 OF	THIS TITLE	E. AS NECESSARY	TO ADMINISTER	THIS SECTION.

(b) The department of Revenue, in the regular course of conducting inspections of wholesale dealers, agents, and retail dealers as authorized by law, may inspect cigarettes to determine whether the cigarettes are marked as required by subsection (4) of this section. If the cigarettes are not marked

AS REOUIRED. THE DEPARTMENT OF REVENUE SHALL NOTIFY THE DIVISION.

- (7) Enforcement. To enforce this section, the attorney general, the department of revenue, the division, all duly authorized employees and agents thereof, and all law enforcement personnel are hereby authorized to examine the books, papers, invoices, and other records of any person in possession, control, or occupancy of any premises where cigarettes are placed, stored, sold, or offered for sale, as well as any cigarettes on the premises. Every person in the possession, control, or occupancy of any premises where cigarettes are placed, stored, sold, or offered for sale is hereby directed and required to give the attorney general, the department of revenue, the division, all duly authorized employees and agents thereof, and all law enforcement personnel the means, facilities, and opportunity for the examinations authorized by this subsection (7).
 - (8) **Exceptions.** Nothing in this section shall be construed to prohibit any person or entity from manufacturing or selling cigarettes that do not meet the requirements of subsection (2) of this section if:
 - (a) THE CIGARETTES ARE OR WILL BE STAMPED FOR SALE IN

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1	ANOTHER STATE OR ARE PACKAGED FOR SALE OUTSIDE THE UNITED
2	STATES; AND
3	(b) The Person or entity has taken reasonable steps to
4	ENSURE THAT SUCH CIGARETTES WILL NOT BE SOLD OR OFFERED FOR SALE
5	TO PERSONS LOCATED IN COLORADO.
6	(9) Repeal. (a) The General assembly intends that this
7	SECTION SHALL CEASE TO BE EFFECTIVE UPON THE EFFECTIVE DATE OF A
8	FEDERAL REDUCED CIGARETTE IGNITION PROPENSITY STANDARD THAT
9	PREEMPTS THIS SECTION. THE DIVISION, UPON RECEIVING NOTICE OF THE
10	EFFECTIVENESS OF SUCH FEDERAL STANDARD, SHALL FORWARD SUCH
11	NOTICE TO THE REVISOR OF STATUTES.
12	(b) This section is repealed, effective 12:01 a.m. the day
13	AFTER THE REVISOR OF STATUTES RECEIVES NOTICE FROM THE DIVISION AS
14	DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (9).
15	$(c)\ Notwith standing any other provision of law, the local$
16	GOVERNMENTAL UNITS OF THIS STATE MAY NEITHER ENACT NOR ENFORCE
17	ANY ORDINANCE OR OTHER LOCAL LAW OR RULE CONFLICTING WITH, OR
18	PREEMPTED BY, ANY PROVISION OF THIS SECTION OR WITH ANY POLICY OF
19	THIS STATE EXPRESSED BY THIS SECTION.
20	SECTION 3. Effective date - applicability. (1) This act shall
21	take effect January 1, 2009.
22	(2) However, if a referendum petition is filed against this act or
23	an item, section, or part of this act during the 90-day period after final
24	adjournment of the general assembly that is allowed for submitting a
25	referendum petition pursuant to article V, section 1 (3) of the state
26	constitution, then the act, item, section, or part, shall not take effect unless
27	approved by the people at a biennial regular general election and shall

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- take effect on the date specified in subsection (1) or on the date of the
- 2 official declaration of the vote thereon by proclamation of the governor,
- 3 whichever is later.
- 4 (3) The provisions of this act shall apply to offenses committed on
- 5 or after July 31, 2009.

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