

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL 2710

By: Jackson and Pittman of the
House

6 and

7 Anderson of the Senate

8
9 COMMITTEE SUBSTITUTE

10 [revenue and taxation - cigarette rolling vending
11 machines - prohibited acts - codification - effective
12 date - emergency]

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15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 380 of Title 68, unless there is
18 created a duplication in numbering, reads as follows:

19 A. It is hereby declared that the Oklahoma Legislature finds
20 that the commercial use of cigarette rolling vending machines in
21 this state has the potential to circumvent various requirements
22 under Oklahoma law related to the manufacturing, marketing, sale and
23 taxation of cigarettes. Such use is detrimental to the fiscal
24 soundness of the state and to the public health.

1 B. As used in this section:

2 1. "Cigarette rolling vending machine" means a machine or
3 device into which loose tobacco and cigarette tubes are placed that
4 is capable of producing cigarettes; and

5 2. "Cigarette rolling vending machine operator" means any
6 person who owns, leases, rents or otherwise has available for use a
7 cigarette rolling vending machine and makes such machine available
8 for use by another person in a commercial setting in order to
9 produce a cigarette.

10 C. Notwithstanding any other provision of law, the following
11 shall be prohibited:

12 1. The use or possession of a cigarette rolling vending machine
13 for commercial purposes, except as provided in paragraph 1 of
14 subsection D of this section. A cigarette rolling vending machine
15 located in a retail business for use, not sale, shall be considered
16 to be used for commercial purposes;

17 2. The sale, resale, distribution, dispensing, or giving away
18 to any other person in this state cigarettes produced by a cigarette
19 rolling vending machine; or

20 3. Making a cigarette rolling vending machine available for use
21 by customers of a retail business to produce cigarettes.

22 D. The provisions of this section shall not apply to:

23 1. Cigarette manufacturers who have obtained a current federal
24 Manufacturer of Tobacco Products permit issued by the Alcohol

1 Tobacco and Trade Bureau ("TTB") to operate as a cigarette
2 manufacturer; or

3 2. A cigarette rolling vending machine in a location other than
4 a retail business, which is exclusively for the personal use of an
5 individual.

6 E. Any person who possesses or uses a cigarette rolling vending
7 machine for commercial purposes in violation of this section is
8 subject to the following penalties:

9 1. Revocation or termination of any license, permit,
10 appointment or commission under Article 3, 3A, 3B, 3C, 4 or 4A of
11 Title 68 of the Oklahoma Statutes;

12 2. Forfeiture and destruction of the cigarette rolling vending
13 machine by the State of Oklahoma after notice and hearing; and

14 3. Imprisonment for not more than ninety (90) days or a fine
15 not exceeding Five Thousand Dollars (\$5,000.00), or a combination of
16 both fine and imprisonment, in any action brought by the district
17 attorney in whose district the cigarette rolling vending machine is
18 located, or by the Attorney General.

19 F. The remedies and penalties provided by this section are
20 cumulative to each other and to the remedies or penalties available
21 under all other laws of this state.

22 SECTION 2. This act shall become effective July 1, 2012.

23 SECTION 3. It being immediately necessary for the preservation
24 of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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