BILL SUMMARY

1st Session of the 59th Legislature

Bill No.: HB3971
Version: Introduced
Request Number: 9506
Author: Echols
Date: 1/26/2024
Impact: Please see previous summary of this measure

Research Analysis

HB3971, as introduced, outlines specific requirements for manufacturers and retailers of vapor products, including the submission of reports and attestations to the Attorney General that the manufacturer has completed all necessary registrations. Such attestations were previously submitted to the Oklahoma Alcoholic Beverage Laws Enforcement Commission. The measure also requires that prior to sale, a product must have been on the market prior to a certain date or the premarket tobacco product application is under review by the FDA and no marketing authorization nor a marketing denial order has been issued. The product may also be sold if the FDA has issued a marketing denial order for the vapor product from the FDA; however, the agency or a federal court has issued a stay order or injunction. Manufacturers must also supply copies of monthly reports filed in compliance with the Prevent All Cigarette Trafficking Act and a copy of the cover page of the Premarket Tobacco Application with evidence of receipt of the application by the FDA or a copy of the cover page of the marketing order.

The measure outlines the duties of the Attorney General to notify wholesalers and retailers of changes made to the approved directory of products monthly. Additionally, the Attorney General is to allow manufacturers notice and opportunity to address deficiencies before removing products from the directory.

Manufacturers must pay initial fee of \$5,000 and an annual renewal fee of \$2,500 to cover processing and directory maintenance costs incurred by the Attorney General. Failure to comply may result in daily fines of \$1,000 per product for unlisted products and penalties for retailers and wholesalers selling unlisted products. Wholesalers and retailers are subject to unannounced compliance checks by the Attorney General or designated agents, with a penalty of up to \$500 for a first violation, a penalty of between \$2,500 to \$5,000 for a second violation. The penalty for a third or subsequent violation is a minimum \$5,000 fine and a license revocation. The Attorney General is responsible for adopting rules to enforce these provisions.

Additionally, the measure adds vapor products to state tax enforcement and licensing laws and defines "Vapor Products".

Prepared By: Stefne Miller

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.
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