

LOCAL LAW NO. "E" FOR 2019

A LOCAL LAW OF THE COUNTY OF ALBANY, NEW YORK RESTRICTING THE SALE OF FLAVORED TOBACCO PRODUCTS

Introduced: 3/11/19

By Messrs. Miller, Clay, Ms. Cunningham, Messrs. Commisso, Frainier, Mayo, Domalewicz, Mss. Lekakis, McLean Lane, Plotsky, Messrs. Reinhardt, R. Joyce, Simpson, Beston, Touchette, Bullock, and Peter:

BE IT ENACTED, by the Legislature of the County of Albany as Follows:

The Legislature of Albany County hereby finds and declares that:

Section 1: Findings and Intent

This Legislature finds that 81% of youth who have ever used a tobacco product report that the first tobacco product they used was flavored. Flavored tobacco products promote youth initiation of tobacco use and help young occasional smokers to become daily smokers by reducing or masking the natural harshness and taste of tobacco smoke and thereby increasing the appeal of tobacco products. As tobacco companies well know, menthol, in particular, cools and numbs the throat to reduce throat irritation and make the smoke feel smoother, making menthol cigarettes an appealing option for youth who are initiating tobacco use. Tobacco companies have used flavorings such as mint and wintergreen in smokeless tobacco products as part of a "graduation strategy" to encourage new users to start with tobacco products with lower levels of nicotine and progress to products with higher levels of nicotine. It is therefore unsurprising that young people are much more likely than adults to use menthol-, candy- and fruit-flavored tobacco products, including not just cigarettes but also cigars and cigarillos.

Tobacco use causes death and disease and continues to be an urgent public health threat as evidenced by the fact that every year 480,000 people die prematurely in the United States from smoking-related diseases and 28,000 people die prematurely from second hand smoke making tobacco use the leading cause of preventable death. Tobacco use can cause disease in nearly all organ systems and is responsible for 87 percent of lung cancer deaths, 79 percent of all chronic obstructive pulmonary disease deaths, and 32 percent of coronary heart disease deaths.

The 2018 National Youth Tobacco Survey cites research showing that youth and young adults identify flavors as a primary reason for e-cigarette use. Given the highly addictive nature of nicotine, it is not surprising that high school students who were current flavored e-cigarette users reported an increase in their frequency of vaping.

Some brands have particularly high levels of nicotine in that one single e-cigarette may contain as much nicotine as a pack of 20 cigarettes.

Much as youths disproportionately use flavored tobacco products, the same can be said of certain minority groups. According to the Food and Drug Administration (FDA), 85% of African American smokers, 44% of Hispanic smokers, 38% of Asian smokers and 28% of White smokers smoke menthol cigarettes. Native Americans, people who identify as LGBT, and young adults with mental health problems also have disproportionately high rates of smoking menthol cigarettes. Menthol products are more addictive, and both youth and racial/ethnic minorities find it harder to quit smoking menthol cigarettes.

According to the NAACP, “for decades, data has shown that the tobacco industry has successfully and intentionally marketed mentholated cigarettes to African Americans and particularly African American women as “replacement smokers”. The recognition of this harsh reality led the NAACP to adopt a unanimous resolution at their 2016 National Convention supporting state and local efforts to restrict the sale of menthol cigarettes and other flavored tobacco products.

Younger smokers are more likely than older smokers to try these products. When Congress enacted the FSPTCA, it found that the use of tobacco products by the nation’s children is a “pediatric disease of considerable proportions” that results in new generations of tobacco dependent children and adults.

Although the manufacture and distribution of flavored cigarettes (excluding menthol) are banned by federal law, neither federal law nor New York State law restricts the sale of menthol cigarettes or flavored non-cigarette tobacco products, such as cigars, cigarillos, smokeless tobacco, electronic smoking devices and the solutions used in these devices.

According to the 2018 Surgeon General’s Advisory Regarding the E-cigarette Epidemic Among Youth, e-cigarettes entered the U.S. marketplace around 2007, and since 2014, they have been the most commonly used tobacco product among U.S. youth. E-cigarette use among U.S. middle and high school students increased 900% during 2011-2015. During the past year, current e-cigarette use increased 78% among high school students from 12% in 2017 to 21% in 2018. More than 3.6 million U.S. youth, including 1 in 5 high school students and 1 in 20 middle school students currently use e-cigarettes.

Also according to the Surgeon General, nicotine exposure during adolescence can harm the developing brain that continues to develop until about age 25. Nicotine exposure during adolescence can impact learning, memory, and attention. Using nicotine in adolescence can also increase the risk for future addiction to other drugs. In addition to nicotine, the aerosol that users inhale and exhale from e-cigarettes can

potentially expose both themselves and bystanders to other harmful substances including heavy metals, volatile organic compounds, and ultrafine particles that can be inhaled deeply into the lungs.

Since the industry will not reveal what chemicals are in the flavorings in the vapor products, it may be years before we know the full negative impact of the explosive increase in the use of e-cigarettes. Scientists have discovered that cinnamon, vanilla, and cherry flavors react with propylene glycol, a main ingredient in many vape juices, to create entirely new chemicals, according to a study published in the journal *Nicotine & Tobacco Research*. Oct 18, 2018.

The federal government's National Institute on Drug Abuse reported that teen use of e-cigarettes soared in 2018. The survey, which polled 8th, 10th and 12th graders across the country, found the rise in nicotine vaping was the largest spike for any substance recorded by the study in 44 years.

Flavors appeal to youth and drive youth experimentation with tobacco products:

- Beyond improving palatability, perceptible flavor provides an avenue for youth marketing;
- Youth tobacco users typically begin with flavored products and, overall, use flavored products at higher rates than their older peers;

Flavored tobacco products promote youth tobacco initiation and drive young occasional smokers to daily smoking; Consumers incorrectly perceive flavored tobacco products to be less harmful:

- The presence of characterizing flavors signals product palatability, which is incorrectly associated with lower relative harm, influencing consumer brand preference and use;
 - Adolescents are more likely to believe that fruit and chocolate or other sweet flavors are less harmful than flavors like alcohol, tobacco, and spice flavors;
 - Youth e-cigarette users perceive lower harm from flavored e-cigarettes than from unflavored e-cigarettes despite research documenting harmful constituents present in e-cigarette flavoring.
 - The majority of youth who use tobacco choose flavored tobacco products;
- Price is a major factor impacting tobacco product initiation and cessation:
- The availability of inexpensive tobacco products leads to an increase in the number of smokers, particularly among younger populations;
 - Lower priced cigars are among the products used as a substitute for cigarettes;
 - Higher product prices lead to reduced smoking initiation among youth, reduced consumption among current tobacco users, and an increase in cessation with fewer relapses among former smokers.

E-cigarettes can also be used to deliver other drugs including marijuana. In 2016, one-third of U.S. middle and high school students who ever used e-cigarettes had used marijuana in e-cigarettes.

Albany County has a substantial and important interest in ensuring that existing state and local tobacco sales regulation is effectively enforced;

- Although it is unlawful to sell tobacco products to minors, 5 percent of New York retailers sold to minors between 2010 and 2012;
- A local tobacco retail licensing system will help ensure that tobacco sales comply with the Adolescent Tobacco Use Prevention Act, other tobacco control laws, and the business standards of Albany County;
- Licensing laws in other communities have been effective in reducing the number of illegal tobacco sales to minors;

A local licensing system for retailers of tobacco products, electronic cigarettes, and other products regulated by Article 13-F of New York State Public Health Law is necessary and appropriate for the public health, safety, and welfare of our residents;

Neither federal nor New York law restricts the sale of menthol cigarettes or flavored non-cigarette tobacco products, such as cigarillos, cigars, smokeless tobacco, e-cigarettes or e-cigarette solutions. It is the intent of Albany County to implement effective measures through this Bill to restrict access to flavored iterations of these products, and thus reduce tobacco experimentation, promote successful cessation, and narrow tobacco-related health disparities; prevent the sale or distribution of contraband tobacco products, and facilitate the enforcement of tax laws and other applicable laws relating to tobacco products.

Section 2: Definitions

As used in this Bill, the following terms shall have the meanings indicated:

ACCESSORY means any product that is intended or reasonably expected to be used with or for the human consumption of a Tobacco Product or Electronic Aerosol Delivery System; does not contain tobacco and is not made or derived from tobacco; and meets either of the following: (1) is not intended or reasonably expected to affect or alter the performance, composition, Constituents, or characteristics of a Tobacco Product or Electronic Aerosol Delivery System; or (2) is intended or reasonably expected to affect or maintain the performance, composition, Constituents, or characteristics of a Tobacco Product or Electronic Aerosol Delivery System but solely controls moisture and/or temperature of a stored Tobacco Product or Electronic Aerosol Delivery System

APPLICANT means an individual, partnership, Limited Liability Company, corporation, or other business entity seeking a Tobacco Retail License.

COMMISSIONER means the Commissioner of the Albany County Department of Health.

COMPONENT OR PART means any software or assembly of materials intended or reasonably expected: (1) to alter or affect the Tobacco Product's or Electronic Aerosol Delivery System's performance, composition, Constituents, or characteristics; or (2) to be used with or for the human consumption of a Tobacco Product or Electronic Aerosol Delivery System. Component or Part excludes any Constituent and any Accessory, and includes, but is not limited to e-liquids, cartridges, certain batteries, heating coils, programmable software, rolling papers and flavorings for Tobacco Products or Electronic Aerosol Delivery Systems.

CONSTITUENT means any ingredient, substance, chemical or compound, other than tobacco, water, or reconstituted tobacco sheet, which is added by the manufacturer to a Covered Product during the processing, manufacture, or packing of the Covered Product. This term shall include smoke and aerosol constituent.

COVERED PRODUCT means a Tobacco Product, Electronic Aerosol Delivery System, or another product regulated by Article 13-F of the New York State Public Health Law.

DEPARTMENT means the Albany County Health Department.

ELECTRONIC AEROSOL DELIVERY SYSTEM means an electronic device that, when activated, produces an aerosol that may be inhaled, whether or not such aerosol contains nicotine. Electronic Aerosol Delivery System includes any Component or Part but not Accessory, and any liquid or other substance to be aerosolized, whether or not separately sold. Electronic Aerosol Delivery System does not include drugs, devices, or combination products authorized for sale by the state or U.S. Food and Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act.

EMISSION means any substance, chemical, or compound released or produced during use of a Covered Product. This term shall include, but is not limited to, smoke, aerosol, saliva, sputum.

FLAVORED PRODUCT means any Covered Product containing a Constituent that imparts a Perceptible taste or aroma different from tobacco or produces an Emission or byproduct that imparts a Perceptible taste or aroma different from tobacco, either before or during use of the Covered Product. A Covered Product is presumed to be a

Flavored Product if a Tobacco Retailer, manufacturer, or a manufacturer's agent or employee has:

- i. made a statement or claim directed to consumers or the public, whether expressed or implied, that the Covered Product, Emission, or byproduct of the Covered Product smells or tastes different from tobacco, or
- ii. Taken action that would be reasonably expected to result in consumers receiving the message that the Covered Product, Emission, or byproduct of the Covered Product smells or tastes different from tobacco.

No product shall be determined to be a Flavored Product solely because of the use of additives or flavorings or the provision of ingredient information.

NEW TOBACCO RETAIL LICENSE means any Tobacco Retail License that is not a Renewed Tobacco Retail License.

PERSON means any natural person, company, corporation, firm, partnership, business, organization, or other legal entity.

PIPE TOBACCO means any tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco to be smoked in a pipe.

PERCEPTIBLE means perceivable by the sense of taste or smell.

PREMIUM CIGAR means a cigar that weighs more than 6 pounds per 1,000 cigars, and is wrapped in whole tobacco leaf, and has a retail price (after any discounts or coupons) of no less than \$10 per cigar.

RENEWED TOBACCO RETAIL LICENSE means a Tobacco Retail License issued to an Applicant for the same location at which the Applicant possessed a valid Tobacco Retail License during the previous 12 months.

TOBACCO PRODUCT means any product made or derived from tobacco or which contains nicotine, marketed or sold for human consumption, whether consumption occurs through inhalation, or oral or dermal absorption. Tobacco Product includes any Component or Part, but not Accessory. Tobacco Product does not include drugs, devices, or combination products authorized for sale by the state or U.S. Food and Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act.

TOBACCO RETAILER means a retailer licensed pursuant to this Bill.

TOBACCO RETAIL LICENSE means a license issued by the Department to a Person to engage in the retail sale in Albany County of a Covered Product.

SHISHA means any product made primarily of tobacco or other leaf, or any combination thereof, smoked or intended to be smoked in a hookah or water pipe.

Section 3: Requirement for Tobacco Retail License

(A)(1) No Person shall sell, offer for sale, or permit the sale of a Covered Product by retail within Albany County, without a valid Tobacco Retail License. A Tobacco Retail License is not required for a wholesale dealer who sells products to retail dealers for the purpose of resale only and does not sell a Covered Product directly to consumers.

(A)(2) Notwithstanding the requirements set forth in **Section 3(A)(1)**, this Bill shall not apply to registered organizations pursuant to Title V-A of Article 33 of New York Public Health Law.

(B) A Tobacco Retail License issued pursuant to this Bill is nontransferable and non-assignable and valid only for the Applicant and the specific address indicated on the Tobacco Retail License. A separate Tobacco Retail License is required for each address where a Covered Product is sold or offered for sale. A change in business ownership or business address requires a New Tobacco Retail License.

Section 4: License Application and Application Fee

(A) An application for a New Tobacco Retail License or Renewed Tobacco Retail License shall be submitted to the Department in writing upon a form provided by the Department and shall contain information as required by the Department. The Department may require such forms to be signed and verified by the Applicant or an authorized agent thereof.

(B) Each application for a Tobacco Retail License shall be accompanied by a nonrefundable application fee of \$50, or as determined by the Commissioner.

(C) Upon the receipt of a completed application for a Tobacco Retail License and the application fee required by **Section 4(B)**, the Department shall inspect the location at which tobacco sales are to be permitted. The Department may ask the Applicant to provide additional information that is reasonably related to the determination of whether a license may issue.

Section 5: Issuance of Licenses

(A) No Tobacco Retail License shall be issued to any seller of a Covered Product that is not in a fixed, permanent location.

(B) The issuance of a Tobacco Retail License pursuant to this Bill is done in Albany

County's discretion and shall not confer upon licensee any property rights in the continued possession of such a license.

(C) The Department shall collect from the Applicant the Tobacco Retail License fee proscribed in **Section 6** prior issuing the Tobacco Retail License.

(D) The Department may refuse to issue a Tobacco Retail License to an Applicant if it finds that one or more of the following bases for denial exists:

(1) The information presented in the application is incomplete, inaccurate, false, or misleading;

(2) The fee for the application has not been paid as required;

(3) The Applicant does not possess valid certification of registration or licensure required by state or federal law for the sale of a Covered Product;

(4) The Department has previously revoked a Tobacco Retail License issued under this Bill to the Applicant;

(5) The Department has previously revoked a Tobacco Retail License issued under this Bill for the same address or location;

(6) The Applicant has been found by a court of law or administrative body to have violated any federal, state, or local laws pertaining to (a) trafficking in contraband Tobacco Products or illegal drugs, (b) the payment or collection of taxes on a Covered Product, (c) the display of a Covered Product or of health warnings pertaining to a Covered Product, or (d) the sale of a Covered Product;

(7) The Applicant has not paid to Albany County outstanding fees, fines, penalties, or other charges owed to Albany County, including the fee for the Tobacco Retail License required by **Section 6**; or

(8) The Department determines, in accordance with written criteria established to further the purposes of this Bill, that the Applicant is otherwise not fit to hold a Tobacco Retail License.

Section 6: License Term and Annual License Fee

(A) A Tobacco Retail License issued pursuant to this Bill shall be valid for no more than One year and shall expire on the thirty-first day of December of the calendar year for which it is issued. As set forth in **Section 8**, a Tobacco Retail License may be revoked for cause by the Department prior to its expiration for cause.

(B) The Department shall charge an annual Tobacco Retail License fee of **\$250** or as determined by the Commissioner.

(C) The Commissioner may discount the Tobacco Retail License fee required by **Section 6(B)** for an application received within ten months of the expiration date.

(D) Beginning two years from the effective date of this Bill, the Department may, on an annual basis, modify the Tobacco Retail License fee required pursuant to **Section 6(B)**. The Tobacco Retail License fee shall be calculated so as to recover the cost of administration and enforcement of this Bill, including, for example, issuing a license, administering the license program, hiring and training staff, identifying Flavored Products, retailer and community education, retailer inspection and compliance checks, documentation of violations, and prosecution of violators, but shall not exceed the cost of the regulatory program authorized by this Bill. All fees and interest upon proceeds of fees shall be used exclusively to fund the program. Fees are nonrefundable except as may be required by law.

Section 7: License Display

(A) A Tobacco Retail License issued pursuant to this Bill shall be conspicuously displayed at the location where a Covered Product is sold so that it is readily visible to customers.

(B) Selling, offering for sale, or permitting the sale of any Covered Product without a valid Tobacco Retail License displayed in accordance with **Section 7(A)** constitutes a violation of this Bill.

Section 8: Sale of Flavored Products Prohibited

(A)(1) No Tobacco Retailer shall distribute without charge, sell, offer for sale, or possess with intent to sell, or distribute without charge a Flavored Product. This applies to remote transactions, including but not limited to internet or mail-order sale, by a Tobacco Retailer licensed pursuant to this law.

Exceptions:

i. The sale, offer for sale, or possession with intent to sell a Premium Cigar or Pipe Tobacco by a Tobacco Retailer that, as of July 8, 2019, operates as a retail tobacco businesses as defined by section 1399-n(7) of the public health law, does not permit entry to persons below age 21 years, and does not expand its size or change location on or after that date.

ii. The sale, offer for sale, or possession with intent to sell Shisha by a Tobacco Retailer solely for on-premises consumption, provided the Tobacco Retailer does not permit entry to persons below age 21 years, has been offering Shisha for sale for on-premises consumption since at least July 8, 2019, and has not expanded its size or changed location on or after that date.

Section 9: Revocation of Licenses

(A) The Department may suspend or revoke a Tobacco Retail License issued pursuant to this Bill for violations of the terms and conditions of this Bill or for violation of any federal, state, or local law or regulation pertaining to (a) trafficking in contraband Tobacco Products or illegal drugs, (b) the payment or collection of taxes on Covered Products, (c) the display of Covered Products or of health warnings pertaining to Covered Products, or (d) the sale of a Covered Product.

(B) The Department may revoke a Tobacco Retail License if the Department finds that one or more of the bases for denial of a license under **Section 5** existed at the time application was made or at any time before the license issued.

Section 10: Violations and Enforcement

(A) The Department or its authorized designee(s) shall enforce the provisions of this Bill. The Department may conduct periodic inspections to ensure compliance with this Bill.

(B) In addition to the penalties provided for in **Section 8**, any Person found to be in violation of this Bill shall be liable for civil penalty of not more than **\$500** for the first violation, not more than **\$1000** for the second violation within a two-year period, and **not more than \$5000 but no less than \$1500** for the third and each subsequent violation within a two-year period, or as determined by the Commissioner. Each day on which a violation occurs shall be considered a separate and distinct violation. These fines will be used for County anti-smoking/anti-vaping public health efforts.

Section 11: Rules and Regulations

The Department may issue and amend rules, regulations, standards, guidelines, or conditions to implement and enforce this Bill.

Section 12: Severability

The provisions of this Local Law E are declared to be severable, and if any section of this law is held to be invalid, such invalidity shall not affect the other provisions of this law that can be given effect without the invalidated provision.

Section 13: Effective Date

The effective date of this ordinance shall be 120 days subsequent to its filing with the Office of the Secretary of State.

Referred to Law and Health Committees - 3/11/19

Without Recommendation Law Committee - 6/24/19

Favorable Recommendation Health Committee – 6/26/19

Referred to Law and Health Committees – 7/8/19

Favorable Recommendation Health Committee – 8/25/19

Without Recommendation Law Committee – 10/28/19

On long roll call vote the following members voted in favor: Messrs. Beston, Bullock, Clay, Commisso, Ms. Cunningham, Messrs. Dawson, Domalewicz, A. Joyce, R. Joyce, Ms. Lekakis, Mr. Mayo, Ms. McKnight, Messrs. Miller, Peter, Ms. Plotsky, Messrs. Reinhardt, Simpson and Ward – 18

Those opposed – Messrs. Burgdorf, Cahill, Ms. Chapman, Messrs. Drake, Ethier, Feeney, Fein, Frainier, Grimm, Hogan, Ms. Lockart, Mr. Mauriello, Ms. McLean Lane, Messrs. Smith, Stevens, Tunny, and Ms. Willingham 17

Local Law was defeated – 11/12/19

Mr. Crouse abstained.