

# HOUSE BILL No. 1380

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-12-4-10; IC 6-7-1; IC 7.1-3-18.5; IC 7.1-5-12-5; IC 7.1-6-2-4; IC 7.1-7; IC 21-13-6.5-1; IC 24-3-5; IC 35-43-5-3.8; IC 35-46-1.

**Synopsis:** Cigarette taxes and purchasing age. Increases the cigarette tax from \$0.995 per pack to \$2.995 per pack and uses the additional revenue (\$2 per pack) as follows: (1) Transfers \$1 of the additional revenue per pack to the Indiana tobacco use prevention and cessation trust fund to be used for one or more of the following purposes: (A) To emphasize the prevention and reduction of tobacco use by minorities, pregnant women, children, and youth, including youth with serious and emotional disturbances. (B) To encourage smoking cessation. (C) To provide research on issues related to the reduction of tobacco use. (2) Transfers \$1 of the additional revenue per pack to the medical residency education fund. Raises the age from 18 years of age to 21 years of age for prohibitions and crimes concerning the sale, purchase, and possession of cigarettes and other tobacco products. Makes a corresponding change to the laws concerning e-cigarettes, tobacco retailer permits, and admission to establishments where smoking is permitted.

**Effective:** July 1, 2018.

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January 16, 2018, read first time and referred to Committee on Public Health.

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Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

## HOUSE BILL No. 1380

A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-12-4-10, AS AMENDED BY P.L.35-2012,  
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2018]: Sec. 10. (a) The Indiana tobacco use prevention and  
4 cessation trust fund is established. The state department of health may  
5 expend money from the fund and make grants from the fund to  
6 implement the long range state plan established under this chapter.  
7 Administrative expenses necessary to carry out this chapter are also  
8 payable from the fund.  
9 (b) The fund consists of:  
10 (1) amounts, if any, that another statute requires to be distributed  
11 to the fund from the Indiana tobacco master settlement agreement  
12 fund;  
13 (2) appropriations to the fund from other sources;  
14 (3) **deposits of cigarette tax revenue in the fund under**  
15 **IC 6-7-1-28.1(8);**  
16 (⊖) (4) grants, gifts, and donations intended for deposit in the  
17 fund; and



1           ~~(4)~~ **(5)** interest that accrues from money in the fund.

2           (c) The fund shall be administered by the state department of health.  
3 Notwithstanding IC 5-13, the treasurer of state shall invest the money  
4 in the fund not currently needed to meet the obligations of the fund in  
5 the same manner as money is invested by the Indiana public retirement  
6 system under IC 5-10.3-5. The treasurer of state may contract with  
7 investment management professionals, investment advisors, and legal  
8 counsel to assist in the investment of the fund and may pay the  
9 expenses incurred under those contracts from the fund. Money in the  
10 fund at the end of a state fiscal year does not revert to the state general  
11 fund.

12           (d) All income and assets of the executive board deposited in the  
13 fund are for the use of the state department of health after  
14 appropriation.

15           **(e) Money deposited in the fund from cigarette tax revenue**  
16 **under subsection (b)(3) must be used only for one (1) or more of**  
17 **the purposes set forth in section 11(a)(1)(A), 11(a)(1)(B), and**  
18 **11(a)(1)(D) of this chapter.**

19           SECTION 2. IC 6-7-1-0.5 IS ADDED TO THE INDIANA CODE  
20 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY  
21 1, 2018]: **Sec. 0.5. Notwithstanding section 14 of this chapter,**  
22 **revenue stamps paid for before July 1, 2018, and in the possession**  
23 **of a distributor may be used after June 30, 2018, only if the full**  
24 **amount of the tax imposed by section 12 of this chapter, as effective**  
25 **after June 30, 2018, is remitted to the department under the**  
26 **procedures prescribed by the department.**

27           SECTION 3. IC 6-7-1-12, AS AMENDED BY P.L.191-2016,  
28 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 2018]: Sec. 12. The following taxes are imposed, and shall be  
30 collected and paid as provided in this chapter, upon the sale, exchange,  
31 bartering, furnishing, giving away, or otherwise disposing of cigarettes  
32 within the state of Indiana:

33           (1) On cigarettes weighing not more than three (3) pounds per  
34 thousand (1,000), a tax at the rate of ~~four and nine hundred~~  
35 ~~seventy-five thousandths cents (\$0.04975)~~ **fourteen and nine**  
36 **hundred seventy-five thousandths cents (\$0.14975)** per  
37 individual cigarette.

38           (2) On cigarettes weighing more than three (3) pounds per  
39 thousand (1,000), a tax at the rate of ~~six and six hundred twelve~~  
40 ~~thousandths cents (\$0.06612)~~ **sixteen and six hundred twelve**  
41 **thousandths cents (\$0.16612)** per individual cigarette, except  
42 that if any cigarettes weighing more than three (3) pounds per



1 thousand (1,000) shall be more than six and one-half (6 1/2)  
 2 inches in length, they shall be taxable at the rate provided in  
 3 subdivision (1), counting each two and three-fourths (2 3/4)  
 4 inches (or fraction thereof) as a separate cigarette.

5 SECTION 4. IC 6-7-1-28.1, AS AMENDED BY P.L.213-2015,  
 6 SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2018]: Sec. 28.1. The taxes, registration fees, fines, or  
 8 penalties collected under this chapter shall be deposited in the  
 9 following manner:

10 (1) ~~Four and twenty-two hundredths percent (4.22%)~~ **One and**  
 11 **seventy-four hundredths percent (1.74%)** of the money shall be  
 12 deposited in a fund to be known as the cigarette tax fund.

13 (2) ~~Six-tenths percent (0.6%)~~ **Twenty-five hundredths percent**  
 14 **(0.25%)** of the money shall be deposited in a fund to be known as  
 15 the mental health centers fund.

16 (3) ~~The following amount~~ **Twenty-three and twenty-four**  
 17 **hundredths percent (23.24%)** of the money shall be deposited  
 18 in the state general fund.

19 (A) ~~After June 30, 2011, and before July 1, 2013, sixty and~~  
 20 ~~twenty-four hundredths percent (60.24%):~~

21 (B) ~~After June 30, 2013, fifty-six and twenty-four hundredths~~  
 22 ~~percent (56.24%):~~

23 (4) ~~Five and forty-three hundredths percent (5.43%)~~ **Two and**  
 24 **twenty-four hundredths percent (2.24%)** of the money shall be  
 25 deposited into the pension relief fund established in IC 5-10.3-11.

26 (5) ~~Twenty-seven and five hundredths percent (27.05%)~~ **Eleven**  
 27 **and eighteen hundredths percent (11.18%)** of the money shall  
 28 be deposited in the healthy Indiana plan trust fund established by  
 29 IC 12-15-44.2-17.

30 (6) ~~Two and forty-six hundredths percent (2.46%)~~ **One and two**  
 31 **hundredths percent (1.02%)** of the money shall be deposited in  
 32 the state general fund for the purpose of paying appropriations for  
 33 Medicaid—Current Obligations, for provider reimbursements.

34 (7) ~~The following amount~~ **One and sixty-five hundredths**  
 35 **percent (1.65%)** of the money shall be deposited in the state  
 36 retiree health benefit trust fund established by IC 5-10-8-8.5. as  
 37 follows:

38 (A) ~~Before July 1, 2011, five and seventy-four hundredths~~  
 39 ~~percent (5.74%):~~

40 (B) ~~After June 30, 2011, and before July 1, 2013, zero percent~~  
 41 ~~(0%):~~

42 (C) ~~After June 30, 2013, four percent (4%):~~



1           **(8) Twenty-nine and thirty-four hundredths percent (29.34%)**  
 2           **of the money shall be deposited in the Indiana tobacco use**  
 3           **prevention and cessation trust fund established by**  
 4           **IC 4-12-4-10.**

5           **(9) Twenty-nine and thirty-four hundredths percent (29.34%)**  
 6           **of the money shall be deposited in the medical residency**  
 7           **education fund established by IC 21-13-6.5-1.**

8           The money in the cigarette tax fund, the mental health centers fund, the  
 9           healthy Indiana plan trust fund, ~~or~~ the pension relief fund, **the Indiana**  
 10          **tobacco use prevention and cessation trust fund, or the medical**  
 11          **residency education fund** at the end of a fiscal year does not revert to  
 12          the state general fund. However, if in any fiscal year, the amount  
 13          allocated to a fund under subdivision (1) or (2) is less than the amount  
 14          received in fiscal year 1977, then that fund shall be credited with the  
 15          difference between the amount allocated and the amount received in  
 16          fiscal year 1977, and the allocation for the fiscal year to the fund under  
 17          subdivision (3) shall be reduced by the amount of that difference.  
 18          Money deposited under subdivisions (6) through ~~(7)~~ **(9)** may not be  
 19          used for any purpose other than the purpose stated in the subdivision.

20          SECTION 5. IC 7.1-3-18.5-2, AS AMENDED BY P.L.231-2015,  
 21          SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22          JULY 1, 2018]: Sec. 2. (a) A person who desires a certificate must  
 23          provide the following to the commission:

24               (1) The applicant's name and mailing address and the address of  
 25               the premises for which the certificate is being issued.

26               (2) Except as provided in section 6(c) of this chapter, a fee of two  
 27               hundred dollars (\$200).

28               (3) The name under which the applicant transacts or intends to  
 29               transact business.

30               (4) The address of the applicant's principal place of business or  
 31               headquarters, if any.

32               (5) The statement required under section 2.6 of this chapter.

33          (b) A separate certificate is required for each location where the  
 34          tobacco products or electronic cigarettes are sold or distributed.

35          (c) A certificate holder shall conspicuously display the holder's  
 36          certificate on the holder's premises where the tobacco products or  
 37          electronic cigarettes are sold or distributed.

38          (d) Any intentional misstatement or suppression of a material fact  
 39          in an application filed under this section constitutes grounds for denial  
 40          of the certificate.

41          (e) A certificate may be issued only to a person who meets the  
 42          following requirements:



- 1 (1) If the person is an individual, the person must be at least  
 2 ~~eighteen (18)~~ **twenty-one (21)** years of age.
- 3 (2) The person must be authorized to do business in Indiana.
- 4 (f) The fees collected under this section shall be deposited in the  
 5 enforcement and administration fund under IC 7.1-4-10.
- 6 SECTION 6. IC 7.1-3-18.5-8, AS AMENDED BY P.L.214-2016,  
 7 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2018]: Sec. 8. The commission may mitigate civil penalties  
 9 imposed against a certificate holder for violating IC 35-46-1-10,  
 10 IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2, IC 35-46-1-11.5,  
 11 IC 35-46-1-11.7, IC 35-46-1-11.8, or any of the provisions of this  
 12 chapter if a certificate holder provides a training program for the  
 13 certificate holder's employees that includes at least the following  
 14 topics:
- 15 (1) Laws governing the sale of tobacco products and electronic  
 16 cigarettes.
- 17 (2) Methods of recognizing and handling customers who are less  
 18 than ~~eighteen (18)~~ **twenty-one (21)** years of age.
- 19 (3) Procedures for proper examination of identification cards to  
 20 verify that customers are under ~~eighteen (18)~~ **twenty-one (21)**  
 21 years of age.
- 22 SECTION 7. IC 7.1-5-12-5, AS AMENDED BY P.L.231-2015,  
 23 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2018]: Sec. 5. (a) Except as provided in subsection (c) and  
 25 subject to section 13 of this chapter, smoking may be allowed in the  
 26 following:
- 27 (1) A horse racing facility operated under a permit under  
 28 IC 4-31-5 and any other permanent structure on land owned or  
 29 leased by the owner of the facility that is adjacent to the facility.
- 30 (2) A riverboat (as defined in IC 4-33-2-17) and any other  
 31 permanent structure that is:
- 32 (A) owned or leased by the owner of the riverboat; and  
 33 (B) located on land that is adjacent to:
- 34 (i) the dock to which the riverboat is moored; or  
 35 (ii) the land on which the riverboat is situated in the case of  
 36 a riverboat described in IC 4-33-2-17(2).
- 37 (3) A facility that operates under a gambling game license under  
 38 IC 4-35-5 and any other permanent structure on land owned or  
 39 leased by the owner of the facility that is adjacent to the facility.
- 40 (4) A satellite facility licensed under IC 4-31-5.5.
- 41 (5) An establishment owned or leased by a business that meets the  
 42 following requirements:



- 1 (A) The business was in business and permitted smoking on  
 2 December 31, 2012.
- 3 (B) The business prohibits entry by an individual who is less  
 4 than twenty-one (21) years of age.
- 5 (C) The owner or operator of the business holds a beer, liquor,  
 6 or wine retailer's permit.
- 7 (D) The business limits smoking in the establishment to  
 8 smoking with a waterpipe or hookah device.
- 9 (E) During the preceding calendar year, at least ten percent  
 10 (10%) of the business's annual gross income was from the sale  
 11 of loose tobacco for use in a waterpipe or hookah device.
- 12 (F) The person in charge of the business posts in the  
 13 establishment conspicuous signs that display the message that  
 14 cigarette smoking is prohibited.
- 15 (6) An establishment owned or leased by a business that meets the  
 16 following requirements:
- 17 (A) The business prohibits entry by an individual who is less  
 18 than twenty-one (21) years of age.
- 19 (B) The owner or operator of the business holds a beer, liquor,  
 20 or wine retailer's permit.
- 21 (C) The business limits smoking in the establishment to cigar  
 22 smoking.
- 23 (D) During the preceding calendar year, at least ten percent  
 24 (10%) of the business's annual gross income was from the sale  
 25 of cigars and the rental of onsite humidors.
- 26 (E) The person in charge of the business posts in the  
 27 establishment conspicuous signs that display the message that  
 28 cigarette smoking is prohibited.
- 29 (7) A premises owned or leased by and regularly used for the  
 30 activities of a business that meets all of the following:
- 31 (A) The business is exempt from federal income taxation  
 32 under 26 U.S.C. 501(c).
- 33 (B) The business:
- 34 (i) meets the requirements to be considered a club under  
 35 IC 7.1-3-20-1; or
- 36 (ii) is a fraternal club (as defined in IC 7.1-3-20-7).
- 37 (C) The business provides food or alcoholic beverages only to  
 38 its bona fide members and their guests.
- 39 (D) The business:
- 40 (i) provides a separate, enclosed, designated smoking room  
 41 or area that is adequately ventilated to prevent migration of  
 42 smoke to nonsmoking areas of the premises;



- 1 (ii) allows smoking only in the room or area described in  
 2 item (i);  
 3 (iii) does not allow an individual who is less than ~~eighteen~~  
 4 ~~(18)~~ **twenty-one (21)** years of age to enter into the room or  
 5 area described in item (i); and  
 6 (iv) allows a guest in the smoking room or area described in  
 7 item (i) only when accompanied by a bona fide member of  
 8 the business.
- 9 (8) A retail tobacco store used primarily for the sale of tobacco  
 10 products and tobacco accessories that meets the following  
 11 requirements:
- 12 (A) The owner or operator of the store holds a valid tobacco  
 13 sales certificate issued under IC 7.1-3-18.5.  
 14 (B) The store prohibits entry by an individual who is less than  
 15 ~~eighteen (18)~~ **twenty-one (21)** years of age.  
 16 (C) The sale of products other than tobacco products and  
 17 tobacco accessories is merely incidental.  
 18 (D) The sale of tobacco products accounts for at least  
 19 eighty-five percent (85%) of the store's annual gross sales.  
 20 (E) Food or beverages are not sold in a manner that requires  
 21 consumption on the premises, and there is not an area set aside  
 22 for customers to consume food or beverages on the premises.
- 23 (9) A bar or tavern:
- 24 (A) for which a permittee holds:  
 25 (i) a beer retailer's permit under IC 7.1-3-4;  
 26 (ii) a liquor retailer's permit under IC 7.1-3-9; or  
 27 (iii) a wine retailer's permit under IC 7.1-3-14;  
 28 (B) that does not employ an individual who is less than  
 29 eighteen (18) years of age;  
 30 (C) that does not allow an individual who:  
 31 (i) is less than twenty-one (21) years of age; and  
 32 (ii) is not an employee of the bar or tavern;  
 33 to enter any area of the bar or tavern; and  
 34 (D) that is not located in a business that would otherwise be  
 35 subject to this chapter.
- 36 (10) A cigar manufacturing facility that does not offer retail sales.  
 37 (11) A premises of a cigar specialty store to which all of the  
 38 following apply:
- 39 (A) The owner or operator of the store holds a valid tobacco  
 40 sales certificate issued under IC 7.1-3-18.5.  
 41 (B) The sale of tobacco products and tobacco accessories  
 42 account for at least fifty percent (50%) of the store's annual





- 1 gross sales.
- 2 (C) The store has a separate, enclosed, designated smoking  
3 room that is adequately ventilated to prevent migration of  
4 smoke to nonsmoking areas.
- 5 (D) Smoking is allowed only in the room described in clause  
6 (C).
- 7 (E) Individuals who are less than ~~eighteen (18)~~ **twenty-one**  
8 **(21)** years of age are prohibited from entering into the room  
9 described in clause (C).
- 10 (F) Cigarette smoking is not allowed on the premises of the  
11 store.
- 12 (G) The owner or operator of the store posts a conspicuous  
13 sign on the premises of the store that displays the message that  
14 cigarette smoking is prohibited.
- 15 (H) The store does not prepare any food or beverage that  
16 would require a certified food handler under IC 16-42-5.2.
- 17 (12) The premises of a business that is located in the business  
18 owner's private residence (as defined in IC 3-5-2-42.5) if the only  
19 employees of the business who work in the residence are the  
20 owner and other individuals who reside in the residence.
- 21 (b) The owner, operator, manager, or official in charge of an  
22 establishment or premises in which smoking is allowed under this  
23 section shall post conspicuous signs in the establishment that read  
24 "WARNING: Smoking Is Allowed In This Establishment" or other  
25 similar language.
- 26 (c) This section does not allow smoking in the following enclosed  
27 areas of an establishment or premises described in subsection (a)(1)  
28 through (a)(11):
- 29 (1) Any hallway, elevator, or other common area where an  
30 individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years  
31 of age is permitted.
- 32 (2) Any room that is intended for use by an individual who is less  
33 than ~~eighteen (18)~~ **twenty-one (21)** years of age.
- 34 (d) The owner, operator, or manager of an establishment or premises  
35 that is listed under subsection (a) and that allows smoking shall provide  
36 a verified statement to the commission that states that the establishment  
37 or premises qualifies for the exemption. The commission may require  
38 the owner, operator, or manager of an establishment or premises to  
39 provide documentation or additional information concerning the  
40 exemption of the establishment or premises.
- 41 SECTION 8. IC 7.1-6-2-4, AS AMENDED BY P.L.20-2013,  
42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2018]: Sec. 4. (a) An enforcement officer vested with full  
 2 police powers and duties may engage a person less than ~~eighteen (18)~~  
 3 **twenty-one (21)** years of age as part of an enforcement action under  
 4 this article if the initial or contemporaneous receipt or purchase of a  
 5 tobacco product or electronic cigarette by a person less than ~~eighteen~~  
 6 ~~(18)~~ **twenty-one (21)** years of age occurs under the direction of an  
 7 enforcement officer vested with full police powers and duties and is  
 8 part of the enforcement action.

9 (b) An enforcement officer vested with full police powers and duties  
 10 shall not:

11 (1) recruit or attempt to recruit a person less than ~~eighteen (18)~~  
 12 **twenty-one (21)** years of age to participate in an enforcement  
 13 action under subsection (a) at the scene of a violation of section  
 14 2 of this chapter; or

15 (2) allow a person less than ~~eighteen (18)~~ **twenty-one (21)** years  
 16 of age to purchase or receive a tobacco product or electronic  
 17 cigarette as part of an enforcement action under subsection (a)  
 18 without the written permission of the person's parents or legal  
 19 guardians.

20 SECTION 9. IC 7.1-7-2-17, AS ADDED BY P.L.176-2015,  
 21 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2018]: Sec. 17. "Minor" means an individual who is less than  
 23 ~~eighteen (18)~~ **twenty-one (21)** years of age.

24 SECTION 10. IC 7.1-7-5.5-5, AS ADDED BY P.L.206-2017,  
 25 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2018]: Sec. 5. A retailer who ships e-liquids from a delivery  
 27 sale order shall include as part of the shipping documents a document  
 28 with the following statement: "E-LIQUIDS: Indiana law prohibits the  
 29 sale of this product to a person who is less than ~~18~~ **21** years of age."

30 SECTION 11. IC 7.1-7-6-2, AS AMENDED BY P.L.206-2017,  
 31 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2018]: Sec. 2. (a) This subsection does not apply to a delivery  
 33 sale as defined in IC 7.1-7-2-6.3. If a retailer:

34 (1) knowingly and intentionally sells e-liquid to a minor; or  
 35 (2) knowingly, intentionally, or negligently fails to verify the age  
 36 of a person who appears to be less than twenty-seven (27) years  
 37 of age by checking a government issued identification and sells  
 38 the person e-liquid;

39 the retailer commits a Class C infraction. For a sale to take place under  
 40 this section, the buyer must pay the retail establishment for the e-liquid.

41 (b) Notwithstanding IC 34-28-5-4(c), a civil judgment for an  
 42 infraction committed under this section must be imposed as follows:



1 (1) If the retail establishment at that specific business location has  
 2 not been issued a citation or summons for a violation of this  
 3 section in the previous one hundred eighty (180) days, a civil  
 4 penalty of up to two hundred dollars (\$200).

5 (2) If the retail establishment at that specific business location has  
 6 had one (1) citation or summons issued for a violation of this  
 7 section in the previous one hundred eighty (180) days, a civil  
 8 penalty of up to four hundred dollars (\$400).

9 (3) If the retail establishment at that specific business location has  
 10 had two (2) citations or summonses issued for a violation of this  
 11 section in the previous one hundred eighty (180) days, a civil  
 12 penalty of up to seven hundred dollars (\$700).

13 (4) If the retail establishment at that specific business location has  
 14 had three (3) or more citations or summonses issued for a  
 15 violation of this section in the previous one hundred eighty (180)  
 16 days, a civil penalty of up to one thousand dollars (\$1,000).

17 A retail establishment may not be issued a citation or summons for a  
 18 violation of this section more than once every twenty-four (24) hours  
 19 for each specific business location.

20 (c) It is not a defense that the person to whom e-liquid was sold or  
 21 distributed did not inhale or otherwise consume e-liquid.

22 (d) The following defenses are available to a retail establishment  
 23 accused of selling or distributing e-liquid to a person who is less than  
 24 ~~eighteen (18)~~ **twenty-one (21)** years of age:

25 (1) The buyer or recipient produced a driver's license bearing the  
 26 purchaser's or recipient's photograph showing that the purchaser  
 27 or recipient was of legal age to make the purchase.

28 (2) The buyer or recipient produced a photographic identification  
 29 card issued under IC 9-24-16-1 or a similar card issued under the  
 30 laws of another state or the federal government showing that the  
 31 purchaser or recipient was of legal age to make the purchase.

32 (3) The appearance of the purchaser or recipient was such that an  
 33 ordinary prudent person would believe that the purchaser or  
 34 recipient was not less than the age that complies with regulations  
 35 promulgated by the federal Food and Drug Administration.

36 (e) It is a defense that the accused retail establishment sold or  
 37 delivered e-liquid to a person who acted in the ordinary course of  
 38 employment or a business concerning e-liquid:

39 (1) agriculture;

40 (2) processing;

41 (3) transporting;

42 (4) wholesaling; or



- 1 (5) retailing.
- 2 (f) As used in this section, "distribute" means to give e-liquid to  
3 another person as a means of promoting, advertising, or marketing  
4 e-liquid to the general public.
- 5 (g) Unless a person buys or receives e-liquid under the direction of  
6 a law enforcement officer as part of an enforcement action, a retail  
7 establishment that sells or distributes e-liquid is not liable for a  
8 violation of this section unless the person less than ~~eighteen (18)~~  
9 **twenty-one (21)** years of age who bought or received the e-liquid is  
10 issued a citation or summons in violation of this article.
- 11 (h) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
12 this section must be deposited in the Richard D. Doyle youth tobacco  
13 education and enforcement fund (IC 7.1-6-2-6).
- 14 (i) A person who violates subsection (a) at least six (6) times in any  
15 one hundred eighty (180) day period commits habitual illegal sale of  
16 e-liquid, a Class B infraction.
- 17 SECTION 12. IC 21-13-6.5-1, AS ADDED BY P.L.190-2015,  
18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 JULY 1, 2018]: Sec. 1. (a) The medical residency education fund is  
20 established to:
- 21 (1) expand medical education in Indiana; and  
22 (2) encourage and promote qualified individuals to complete a  
23 residency program in Indiana.
- 24 (b) The fund consists of the following:  
25 (1) Appropriations by the general assembly.  
26 (2) Gifts to the fund.  
27 **(3) Deposits of cigarette tax revenue in the fund under**  
28 **IC 6-7-1-28.1(9).**
- 29 (c) The commission shall administer the fund. The expenses of  
30 administering the fund shall be paid from money in the fund.
- 31 (d) The treasurer of state shall invest the money in the fund not  
32 currently needed to meet the obligations of the fund in the same  
33 manner as other public funds may be invested. Interest that accrues  
34 from those investments shall be deposited in the fund.
- 35 (e) Money in the fund at the end of a fiscal year does not revert to  
36 the state general fund but remains available to be used to provide  
37 money to fund residency program slots as described under this chapter.
- 38 SECTION 13. IC 24-3-5-4, AS AMENDED BY P.L.160-2005,  
39 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2018]: Sec. 4. Subject to section 4.5 of this chapter, a  
41 merchant may not mail or ship cigarettes as part of a delivery sale  
42 unless, before mailing or shipping the cigarettes, the merchant:



- 1 (1) obtains from the prospective customer a written statement  
 2 signed by the prospective customer under penalty of perjury:  
 3 (A) providing the prospective customer's address and date of  
 4 birth;  
 5 (B) advising the prospective customer that:  
 6 (i) signing another person's name to the statement required  
 7 under this subdivision may subject the person to a civil  
 8 monetary penalty of not more than one thousand dollars  
 9 (\$1,000); and  
 10 (ii) purchasing cigarettes by a person less than ~~eighteen (18)~~  
 11 **twenty-one (21)** years of age is a Class C infraction under  
 12 IC 35-46-1-10.5;  
 13 (C) confirming that the cigarette order was placed by the  
 14 prospective customer;  
 15 (D) providing a warning under 15 U.S.C. 1333(a)(1); and  
 16 (E) stating the sale of cigarettes by delivery sale is a taxable  
 17 event for purposes of IC 6-7-1;  
 18 (2) makes a good faith effort to verify the information in the  
 19 written statement obtained under subdivision (1) by using a  
 20 federal or commercially available data base; and  
 21 (3) receives payment for the delivery sale by a credit or debit card  
 22 issued in the name of the prospective purchaser.
- 23 SECTION 14. IC 24-3-5-5, AS AMENDED BY P.L.160-2005,  
 24 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2018]: Sec. 5. (a) A merchant who mails or ships cigarettes as  
 26 part of a delivery sale shall:  
 27 (1) use a mailing or shipping service that requires the customer or  
 28 a person at least ~~eighteen (18)~~ **twenty-one (21)** years of age who  
 29 is designated by the customer to:  
 30 (A) sign to accept delivery of the cigarettes; and  
 31 (B) present a valid operator's license issued under IC 9-24-3 or  
 32 an identification card issued under IC 9-24-16 if the customer  
 33 or the customer's designee, in the opinion of the delivery agent  
 34 or employee of the mailing or shipping service, appears to be  
 35 less than twenty-seven (27) years of age;  
 36 (2) provide to the mailing or shipping service used under  
 37 subdivision (1) proof of compliance with section 6(a) of this  
 38 chapter; and  
 39 (3) include the following statement in bold type or capital letters  
 40 on an invoice or shipping document:  
 41 **INDIANA LAW PROHIBITS THE MAILING OR SHIPPING**  
 42 **OF CIGARETTES TO A PERSON LESS THAN ~~EIGHTEEN~~**



- 1           ~~(18)~~ **TWENTY-ONE (21)** YEARS OF AGE AND  
 2           REQUIRES PAYMENT OF ALL APPLICABLE TAXES.
- 3           (b) The commission may impose a civil penalty of not more than  
 4 one thousand dollars (\$1,000) if a mailing or shipping service:  
 5           (1) delivers cigarettes as part of a delivery sale without first  
 6 receiving proof from the merchant of compliance with section  
 7 6(a) of this chapter; or  
 8           (2) fails to obtain a signature and proof of identification of the  
 9 customer or the customer's designee under subsection (a)(1).
- 10          The commission shall deposit amounts collected under this subsection  
 11 into the **Richard D. Doyle** youth tobacco education and enforcement  
 12 fund established by IC 7.1-6-2-6.
- 13          (c) The following apply to a merchant that mails or ships cigarettes  
 14 as part of a delivery sale without using a third party service as required  
 15 by subsection (a)(1):  
 16           (1) The merchant shall require the customer or a person at least  
 17 ~~eighteen (18)~~ **twenty-one (21)** years of age who is designated by  
 18 the customer to:  
 19           (A) sign to accept delivery of the cigarettes; and  
 20           (B) present a valid operator's license issued under IC 9-24-3 or  
 21 identification card issued under IC 9-24-16 if the customer or  
 22 the customer's designee, in the opinion of the merchant or the  
 23 merchant's employee making the delivery, appears to be less  
 24 than twenty-seven (27) years of age.
- 25           (2) The commission may impose a civil penalty of not more than  
 26 one thousand dollars (\$1,000) if the merchant:  
 27           (A) delivers the cigarettes without first complying with section  
 28 6(a) of this chapter; or  
 29           (B) fails to obtain a signature and proof of identification of the  
 30 customer or the customer's designee under subdivision (1).
- 31          The commission shall deposit amounts collected under this  
 32 subdivision into the **Richard D. Doyle** youth tobacco education  
 33 and enforcement fund established by IC 7.1-6-2-6.
- 34          SECTION 15. IC 24-3-5-8, AS AMENDED BY P.L.160-2005,  
 35 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2018]: Sec. 8. The commission may impose a civil penalty of  
 37 not more one thousand dollars (\$1,000) on a:  
 38           (1) customer who signs another person's name to a statement  
 39 required under section 4(1) of this chapter; or  
 40           (2) merchant who sells cigarettes by delivery sale to a person less  
 41 than ~~eighteen (18)~~ **twenty-one (21)** years of age.  
 42          The commission shall deposit amounts collected under this section into



1 the **Richard D. Doyle** youth tobacco education and enforcement fund  
2 established by IC 7.1-6-2-6.

3 SECTION 16. IC 35-43-5-3.8, AS AMENDED BY P.L.158-2013,  
4 SECTION 473, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2018]: Sec. 3.8. (a) A person who knowingly or  
6 intentionally obtains, possesses, transfers, or uses the synthetic  
7 identifying information:

- 8 (1) with intent to harm or defraud another person;  
9 (2) with intent to assume another person's identity; or  
10 (3) with intent to profess to be another person;

11 commits synthetic identity deception, a Level 6 felony.

12 (b) The offense under subsection (a) is a Level 5 felony if:

- 13 (1) a person obtains, possesses, transfers, or uses the synthetic  
14 identifying information of more than one hundred (100) persons;  
15 or  
16 (2) the fair market value of the fraud or harm caused by the  
17 offense is at least fifty thousand dollars (\$50,000).

18 (c) The conduct prohibited in subsections (a) and (b) does not apply  
19 to:

20 (1) a person less than twenty-one (21) years of age who uses the  
21 synthetic identifying information of another person to acquire:

- 22 (A) an alcoholic beverage (as defined in IC 7.1-1-3-5); or  
23 (B) a cigarette or tobacco product (as defined in  
24 IC 6-7-2-5); or

25 (2) a minor (as defined in IC 35-49-1-4) who uses the synthetic  
26 identifying information of another person to acquire:

- 27 (A) a cigarette or tobacco product (as defined in IC 6-7-2-5);  
28 (B) (A) a periodical, a videotape, or other communication  
29 medium that contains or depicts nudity (as defined in  
30 IC 35-49-1-5);  
31 (C) (B) admittance to a performance (live or on film) that  
32 prohibits the attendance of the minor based on age; or  
33 (D) (C) an item that is prohibited by law for use or  
34 consumption by a minor.

35 (d) It is not a defense in a prosecution under subsection (a) or (b)  
36 that no person was harmed or defrauded.

37 SECTION 17. IC 35-46-1-10, AS AMENDED BY P.L.20-2013,  
38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2018]: Sec. 10. (a) A person who knowingly:

- 40 (1) sells or distributes tobacco or an electronic cigarette to a  
41 person less than ~~eighteen (18)~~ **twenty-one (21)** years of age; or  
42 (2) purchases tobacco or an electronic cigarette for delivery to



1 another person who is less than ~~eighteen (18)~~ **twenty-one (21)**  
 2 years of age;  
 3 commits a Class C infraction. For a sale to take place under this  
 4 section, the buyer must pay the seller for the tobacco product or the  
 5 electronic cigarette.

6 (b) It is not a defense that the person to whom the tobacco or  
 7 electronic cigarette was sold or distributed did not smoke, chew, inhale,  
 8 or otherwise consume the tobacco or the electronic cigarette.

9 (c) The following defenses are available to a person accused of  
 10 selling or distributing tobacco or an electronic cigarette to a person  
 11 who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age:

12 (1) The buyer or recipient produced a driver's license bearing the  
 13 purchaser's or recipient's photograph, showing that the purchaser  
 14 or recipient was of legal age to make the purchase.

15 (2) The buyer or recipient produced a photographic identification  
 16 card issued under IC 9-24-16-1, or a similar card issued under the  
 17 laws of another state or the federal government, showing that the  
 18 purchaser or recipient was of legal age to make the purchase.

19 (3) The appearance of the purchaser or recipient was such that an  
 20 ordinary prudent person would believe that the purchaser or  
 21 recipient was not less than the age that complies with regulations  
 22 promulgated by the federal Food and Drug Administration.

23 (d) It is a defense that the accused person sold or delivered the  
 24 tobacco or electronic cigarette to a person who acted in the ordinary  
 25 course of employment or a business concerning tobacco or electronic  
 26 cigarettes:

27 (1) agriculture;

28 (2) processing;

29 (3) transporting;

30 (4) wholesaling; or

31 (5) retailing.

32 (e) As used in this section, "distribute" means to give tobacco or an  
 33 electronic cigarette to another person as a means of promoting,  
 34 advertising, or marketing the tobacco or electronic cigarette to the  
 35 general public.

36 (f) Unless the person buys or receives tobacco or an electronic  
 37 cigarette under the direction of a law enforcement officer as part of an  
 38 enforcement action, a person who sells or distributes tobacco or an  
 39 electronic cigarette is not liable for a violation of this section unless the  
 40 person less than ~~eighteen (18)~~ **twenty-one (21)** years of age who  
 41 bought or received the tobacco or electronic cigarette is issued a  
 42 citation or summons under section 10.5 of this chapter.





1 (g) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
 2 this section must be deposited in the Richard D. Doyle youth tobacco  
 3 education and enforcement fund (IC 7.1-6-2-6).

4 SECTION 18. IC 35-46-1-10.2, AS AMENDED BY P.L.20-2013,  
 5 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2018]: Sec. 10.2. (a) A retail establishment that sells or  
 7 distributes tobacco or an electronic cigarette to a person less than  
 8 ~~eighteen (18)~~ **twenty-one (21)** years of age commits a Class C  
 9 infraction. For a sale to take place under this section, the buyer must  
 10 pay the retail establishment for the tobacco product or electronic  
 11 cigarette. Notwithstanding IC 34-28-5-4(c), a civil judgment for an  
 12 infraction committed under this section must be imposed as follows:

13 (1) If the retail establishment at that specific business location has  
 14 not been issued a citation or summons for a violation of this  
 15 section in the previous one hundred eighty (180) days, a civil  
 16 penalty of up to two hundred dollars (\$200).

17 (2) If the retail establishment at that specific business location has  
 18 had one (1) citation or summons issued for a violation of this  
 19 section in the previous one hundred eighty (180) days, a civil  
 20 penalty of up to four hundred dollars (\$400).

21 (3) If the retail establishment at that specific business location has  
 22 had two (2) citations or summonses issued for a violation of this  
 23 section in the previous one hundred eighty (180) days, a civil  
 24 penalty of up to seven hundred dollars (\$700).

25 (4) If the retail establishment at that specific business location has  
 26 had three (3) or more citations or summonses issued for a  
 27 violation of this section in the previous one hundred eighty (180)  
 28 days, a civil penalty of up to one thousand dollars (\$1,000).

29 A retail establishment may not be issued a citation or summons for a  
 30 violation of this section more than once every twenty-four (24) hours  
 31 for each specific business location.

32 (b) It is not a defense that the person to whom the tobacco or  
 33 electronic cigarette was sold or distributed did not smoke, chew, inhale,  
 34 or otherwise consume the tobacco or electronic cigarette.

35 (c) The following defenses are available to a retail establishment  
 36 accused of selling or distributing tobacco or an electronic cigarette to  
 37 a person who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age:

38 (1) The buyer or recipient produced a driver's license bearing the  
 39 purchaser's or recipient's photograph showing that the purchaser  
 40 or recipient was of legal age to make the purchase.

41 (2) The buyer or recipient produced a photographic identification  
 42 card issued under IC 9-24-16-1 or a similar card issued under the



1 laws of another state or the federal government showing that the  
2 purchaser or recipient was of legal age to make the purchase.

3 (3) The appearance of the purchaser or recipient was such that an  
4 ordinary prudent person would believe that the purchaser or  
5 recipient was not less than the age that complies with regulations  
6 promulgated by the federal Food and Drug Administration.

7 (d) It is a defense that the accused retail establishment sold or  
8 delivered the tobacco or electronic cigarette to a person who acted in  
9 the ordinary course of employment or a business concerning tobacco  
10 or electronic cigarettes:

- 11 (1) agriculture;  
12 (2) processing;  
13 (3) transporting;  
14 (4) wholesaling; or  
15 (5) retailing.

16 (e) As used in this section, "distribute" means to give tobacco or an  
17 electronic cigarette to another person as a means of promoting,  
18 advertising, or marketing the tobacco or electronic cigarette to the  
19 general public.

20 (f) Unless a person buys or receives tobacco or an electronic  
21 cigarette under the direction of a law enforcement officer as part of an  
22 enforcement action, a retail establishment that sells or distributes  
23 tobacco or an electronic cigarette is not liable for a violation of this  
24 section unless the person less than ~~eighteen (18)~~ **twenty-one (21)** years  
25 of age who bought or received the tobacco or electronic cigarette is  
26 issued a citation or summons under section 10.5 of this chapter.

27 (g) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
28 this section must be deposited in the Richard D. Doyle youth tobacco  
29 education and enforcement fund (IC 7.1-6-2-6).

30 (h) A person who violates subsection (a) at least six (6) times in any  
31 one hundred eighty (180) day period commits habitual illegal sale of  
32 tobacco, a Class B infraction.

33 SECTION 19. IC 35-46-1-10.5, AS AMENDED BY P.L.20-2013,  
34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
35 JULY 1, 2018]: Sec. 10.5. (a) A person less than ~~eighteen (18)~~  
36 **twenty-one (21)** years of age who:

- 37 (1) purchases tobacco or an electronic cigarette;  
38 (2) accepts tobacco or an electronic cigarette for personal use; or  
39 (3) possesses tobacco or an electronic cigarette on ~~his the~~  
40 **person's** person;

41 commits a Class C infraction.

42 (b) It is a defense under subsection (a) that the accused person acted



1 in the ordinary course of employment in a business concerning tobacco  
2 or electronic cigarettes:

- 3 (1) agriculture;
- 4 (2) processing;
- 5 (3) transporting;
- 6 (4) wholesaling; or
- 7 (5) retailing.

8 SECTION 20. IC 35-46-1-11, AS AMENDED BY P.L.20-2013,  
9 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2018]: Sec. 11. (a) A tobacco or electronic cigarette vending  
11 machine that is located in a public place must bear the following  
12 conspicuous notices:

13 (1) A notice:

14 (A) that reads as follows, with the capitalization indicated: "If  
15 you are under ~~18~~ 21 years of age, YOU ARE FORBIDDEN by  
16 Indiana law to buy tobacco or electronic cigarettes from this  
17 machine."; or

18 (B) that:

19 (i) conveys a message substantially similar to the message  
20 described in clause (A); and

21 (ii) is formatted with words and in a form authorized under  
22 the rules adopted by the alcohol and tobacco commission.

23 (2) A notice that reads as follows, "Smoking by Pregnant Women  
24 May Result in Fetal Injury, Premature Birth, and Low Birth  
25 Weight."

26 (3) A notice printed in letters and numbers at least one-half (1/2)  
27 inch high that displays a toll free phone number for assistance to  
28 callers in quitting smoking, as determined by the state department  
29 of health.

30 (b) A person who owns or has control over a tobacco or electronic  
31 cigarette vending machine in a public place and who:

32 (1) fails to post a notice required by subsection (a) on the vending  
33 machine; or

34 (2) fails to replace a notice within one (1) month after it is  
35 removed or defaced;

36 commits a Class C infraction.

37 (c) An establishment selling tobacco or electronic cigarettes at retail  
38 shall post and maintain in a conspicuous place, at the point of sale, the  
39 following:

40 (1) Signs printed in letters at least one-half (1/2) inch high,  
41 reading as follows:

42 (A) "The sale of tobacco or electronic cigarettes to persons



- 1 under ~~18~~ **21** years of age is forbidden by Indiana law."
- 2 (B) "Smoking by Pregnant Women May Result in Fetal Injury,  
3 Premature Birth, and Low Birth Weight."
- 4 (2) A sign printed in letters and numbers at least one-half (1/2)  
5 inch high that displays a toll free phone number for assistance to  
6 callers in quitting smoking, as determined by the state department  
7 of health.
- 8 (d) A person who:  
9 (1) owns or has control over an establishment selling tobacco or  
10 electronic cigarettes at retail; and  
11 (2) fails to post and maintain the sign required by subsection (c);  
12 commits a Class C infraction.
- 13 SECTION 21. IC 35-46-1-11.5, AS AMENDED BY P.L.20-2013,  
14 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2018]: Sec. 11.5. (a) Except for a coin machine that is placed  
16 in or directly adjacent to an entranceway or an exit, or placed in a  
17 hallway, a restroom, or another common area that is accessible to  
18 persons who are less than ~~eighteen (18)~~ **twenty-one (21)** years of age,  
19 this section does not apply to a coin machine that is located in the  
20 following:
- 21 (1) That part of a licensed premises (as defined in IC 7.1-1-3-20)  
22 where entry is limited to persons who are at least ~~eighteen (18)~~  
23 **twenty-one (21)** years of age.  
24 (2) Private industrial or office locations that are customarily  
25 accessible only to persons who are at least ~~eighteen (18)~~  
26 **twenty-one (21)** years of age.  
27 (3) Private clubs if the membership is limited to persons who are  
28 at least ~~eighteen (18)~~ **twenty-one (21)** years of age.  
29 (4) Riverboats where entry is limited to persons who are at least  
30 twenty-one (21) years of age and on which lawful gambling is  
31 authorized.
- 32 (b) As used in this section, "coin machine" has the meaning set forth  
33 in IC 35-43-5-1.
- 34 (c) Except as provided in subsection (a), an owner of a retail  
35 establishment may not:  
36 (1) distribute or sell tobacco or electronic cigarettes by use of a  
37 coin machine; or  
38 (2) install or maintain a coin machine that is intended to be used  
39 for the sale or distribution of tobacco or electronic cigarettes.
- 40 (d) An owner of a retail establishment who violates this section  
41 commits a Class C infraction. A citation or summons issued under this  
42 section must provide notice that the coin machine must be moved



1 within two (2) business days. Notwithstanding IC 34-28-5-4(c), a civil  
 2 judgment for an infraction committed under this section must be  
 3 imposed as follows:

4 (1) If the owner of the retail establishment has not been issued a  
 5 citation or summons for a violation of this section in the previous  
 6 ninety (90) days, a civil penalty of fifty dollars (\$50).

7 (2) If the owner of the retail establishment has had one (1) citation  
 8 or summons issued for a violation of this section in the previous  
 9 ninety (90) days, a civil penalty of two hundred fifty dollars  
 10 (\$250).

11 (3) If the owner of the retail establishment has had two (2)  
 12 citations or summonses issued for a violation of this section in the  
 13 previous ninety (90) days for the same machine, the coin machine  
 14 shall be removed or impounded by a law enforcement officer  
 15 having jurisdiction where the violation occurs.

16 An owner of a retail establishment may not be issued a citation or  
 17 summons for a violation of this section more than once every two (2)  
 18 business days for each business location.

19 (e) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
 20 this section must be deposited in the Richard D. Doyle youth tobacco  
 21 education and enforcement fund established under IC 7.1-6-2-6.

22 SECTION 22. IC 35-46-1-11.7, AS AMENDED BY P.L.94-2008,  
 23 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2018]: Sec. 11.7. (a) A retail establishment that has as its  
 25 primary purpose the sale of tobacco products may not allow an  
 26 individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age  
 27 to enter the retail establishment.

28 (b) An individual who is less than ~~eighteen (18)~~ **twenty-one (21)**  
 29 years of age may not enter a retail establishment described in  
 30 subsection (a).

31 (c) A retail establishment described in subsection (a) must  
 32 conspicuously post on all entrances to the retail establishment the  
 33 following:

34 (1) A sign in boldface type that states "NOTICE: It is unlawful for  
 35 a person less than ~~18~~ **21** years ~~old~~ **of age** to enter this store."

36 (2) A sign printed in letters and numbers at least one-half (1/2)  
 37 inch high that displays a toll free phone number for assistance to  
 38 callers in quitting smoking, as determined by the state department  
 39 of health.

40 (d) A person who violates this section commits a Class C infraction.  
 41 Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction  
 42 committed under this section must be imposed as follows:



- 1 (1) If the person has not been cited for a violation of this section  
 2 in the previous one hundred eighty (180) days, a civil penalty of  
 3 up to two hundred dollars (\$200).  
 4 (2) If the person has had one (1) violation in the previous one  
 5 hundred eighty (180) days, a civil penalty of up to four hundred  
 6 dollars (\$400).  
 7 (3) If the person has had two (2) violations in the previous one  
 8 hundred eighty (180) days, a civil penalty of up to seven hundred  
 9 dollars (\$700).  
 10 (4) If the person has had three (3) or more violations in the  
 11 previous one hundred eighty (180) days, a civil penalty of up to  
 12 one thousand dollars (\$1,000).

13 A person may not be cited more than once every twenty-four (24)  
 14 hours.

15 (e) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
 16 this section must be deposited in the Richard D. Doyle youth tobacco  
 17 education and enforcement fund established under IC 7.1-6-2-6.

18 (f) A person who violates subsection (a) at least six (6) times in any  
 19 one hundred eighty (180) day period commits habitual illegal entrance  
 20 by a minor, a Class B infraction.

21 SECTION 23. IC 35-46-1-11.8, AS AMENDED BY P.L.20-2013,  
 22 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JULY 1, 2018]: Sec. 11.8. (a) As used in this section, "self-service  
 24 display" means a display that contains tobacco or electronic cigarettes  
 25 in an area where a customer:

- 26 (1) is permitted; and  
 27 (2) has access to the tobacco or electronic cigarettes without  
 28 assistance from a sales person.

29 (b) This section does not apply to a self-service display located in  
 30 a retail establishment that:

- 31 (1) has a primary purpose to sell tobacco or electronic cigarettes;  
 32 and  
 33 (2) prohibits entry by persons who are less than ~~eighteen (18)~~  
 34 **twenty-one (21)** years of age.

35 (c) The owner of a retail establishment that sells or distributes  
 36 tobacco or electronic cigarettes through a self-service display, other  
 37 than a coin operated machine operated under IC 35-46-1-11 or  
 38 IC 35-46-1-11.5, commits a Class C infraction.

39 (d) Notwithstanding IC 34-28-5-5(c), civil penalties collected under  
 40 this section must be deposited in the Richard D. Doyle youth tobacco  
 41 education and enforcement fund (IC 7.1-6-2-6).

42 SECTION 24. [EFFECTIVE JULY 1, 2018] (a) As used in this



1 SECTION, "distribute" means to give a tobacco product to  
 2 another person as a means of promoting, advertising, or marketing  
 3 the tobacco product to the general public.

4 (b) As used in this SECTION, "tobacco product" has the  
 5 meaning set forth in IC 7.1-6-1-3.

6 (c) Notwithstanding IC 7.1-3-18.5-2 and IC 7.1-3-18.5-8, both as  
 7 amended by this act, a valid certificate held on June 30, 2018, by an  
 8 individual who is less than twenty-one (21) years of age remains  
 9 valid until its expiration.

10 (d) Notwithstanding IC 24-3-5-4(1)(B)(ii), IC 24-3-5-5, and  
 11 IC 24-3-5-8, all as amended by this act, the notice, mailing,  
 12 shipping, customer designation, and penalty requirements that  
 13 apply to a person who is less than twenty-one (21) years of age  
 14 apply to a person who on June 30, 2018, is less than eighteen (18)  
 15 years of age.

16 (e) Notwithstanding IC 35-46-1-10, IC 35-46-1-10.2,  
 17 IC 35-46-1-10.5, IC 35-46-1-11.5, IC 35-46-1-11.7, and  
 18 IC 35-46-1-11.8, all as amended by this act:

19 (1) a person who on June 30, 2018, is at least eighteen (18)  
 20 years of age may purchase and possess tobacco products and  
 21 electronic cigarettes; and

22 (2) a merchant or retailer may:

23 (A) sell or distribute tobacco products and electronic  
 24 cigarettes;

25 (B) allow entry into a retail establishment that has as its  
 26 primary purpose the sale of tobacco products and  
 27 electronic cigarettes; and

28 (C) allow access to a self-service cigarette display and coin  
 29 machines;

30 to a person who on June 30, 2018, is at least eighteen (18)  
 31 years of age.

32 (f) This SECTION expires June 30, 2021.

