

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE



Senator Bert Stedman, Co-Chair
State Capitol, Room 518
Juneau, Alaska 99801-1182
Phone: (907) 465-3873
Sen.Bert.Stedman@akleg.gov

Senator Click Bishop, Co-Chair
State Capitol, Room 516
Juneau, Alaska 99801-1182
Phone: (907) 465-2327
Sen.Click.Bishop@akleg.gov

Explanation of Changes

CS for SENATE BILL NO. 45(FIN)

Version 32-LS0311\O to 32-LS0311\D

Updated Title

Section 3

Amends AS 11.76.105(c) to reduce the existing violation fine of \$500 to be not more than \$300 for possession of tobacco, an electronic smoking project or a product containing nicotine by a person under 21 years of age.

Section 4

Adds a new subsection, AS 11.76.105(d), that directs the court system to treat violations for possession of tobacco and ESP products similar to a traffic violation, with a maximum fine of \$300, and to waive mandatory court appearance. This replaces Section 4 of version O, relating to prohibition of internet sales, as that is now addressed in Section 11 and 19 of version D, below, allowing internet sales but with 3rd party age verification.

Section 10

The section pertaining to mandatory product manufacturer liability insurance policy was struck from Version O, and instead replaced Section 10 by adding a new subsection in Version D, AS 11.81.900(b)(69), that provides a definition of "nicotine."

Section 14

Amends AS 43.50.300 by establishing an excise tax rate of 45% of the wholesale price of the E-liquid contained in an ESP.

Section 15

Amends AS 43.50.300 by adding a new subsection (c) that provides a definition of "closed-system electronic smoking product"

Section 16

Amends AS 43.50.310(b) to exclude marijuana products from any provisions of the bill.

Section 18

Amends AS 43.50.320 to:

- delete the prohibition of flavored electronic smoking products; and
- adds a prohibition of marketing electronic smoking product, including a flavored products in a manner likely to promote the use of them by a person under 21 years of age.

Section 27

Amends AS 43.50.390 to provide a reference to the definition of “nicotine” established in Section 10.

Section 32

Amends AS 45.50.471(b)(58) with conforming changes made in Section 18, relating to unlawful marketing practices.

Section 35

Conforming changes to the applicability section as well as providing a grandfather clause for persons 19 years of age or older who are employed on the effective date of the act by a person with a business license endorsement to sell tobacco products.

Section 36

Amends the effective date from “January 1, 2022” to “July 1, 2023”