

SECOND REGULAR SESSION

SENATE BILL NO. 629

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAEFER.

Read 1st time January 9, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

4934S.011

AN ACT

To repeal section 196.1003, RSMo, and to enact in lieu thereof one new section relating to the tobacco master settlement agreement, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 196.1003, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 196.1003, to read as follows:

196.1003. Requirements.

Any tobacco product manufacturer selling cigarettes to consumers within the State (whether directly or through a distributor, retailer or similar intermediary or intermediaries) after the date of enactment of this Act shall do one of the following:

(a) become a participating manufacturer (as that term is defined in section II(jj) of the Master Settlement Agreement) and generally perform its financial obligations under the Master Settlement Agreement; or

(b) (1) place into a qualified escrow fund by April 15 of the year following the year in question the following amounts (as such amounts are adjusted for inflation)--

1999:	\$.0094241 per unit sold
	after the date of enactment of this Act;
2000:	\$.0104712 per unit sold;
for each of 2001 and 2002:	\$.0136125 per unit sold;
for each of 2003 through 2006:	\$.0167539 per unit sold;
for each of 2007 and each year	

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

55 bring it into compliance with this section. The court, upon a finding of a violation
56 of this subsection, may impose a civil penalty to be paid to the State's general
57 revenue fund in an amount not to exceed 5 percent of the amount improperly
58 withheld from escrow per day of the violation and in a total amount not to exceed
59 100 percent of the original amount improperly withheld from escrow;

60 (B) in the case of a knowing violation, be required within 15 days to place
61 such funds into escrow as shall bring it into compliance with this section. The
62 court, upon a finding of a knowing violation of this subsection, may impose a civil
63 penalty to be paid to the State's general revenue fund in an amount not to exceed
64 15 percent of the amount improperly withheld from escrow per day of the
65 violation and in a total amount not to exceed 300 percent of the original amount
66 improperly withheld from escrow; and

67 (C) in the case of a second knowing violation, be prohibited from selling
68 cigarettes to consumers within the State (whether directly or through a
69 distributor, retailer or similar intermediary) for a period not to exceed 2 years.

70 Each failure to make an annual deposit required under this section shall
71 constitute a separate violation. Any tobacco product manufacturer that violates
72 the provisions of this section shall pay the State's cost and attorney's fees
73 incurred during a successful prosecution under this section.

Section B. Because immediate action is necessary to protect the economic
2 welfare of the citizens of this state, section A of this act is deemed necessary for
3 the immediate preservation of the public health, welfare, peace, and safety, and
4 is hereby declared to be an emergency act within the meaning of the constitution,
5 and section A of this act shall be in full force and effect upon its passage and
6 approval.

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