KANSAS
DEPARTMENT OF REVENUE

Mark Parkinson, Governor
Joan Wagnon, Secretary

www.ksrevenue.org

CIGARETTE WHOLESALER / TOBACCO DISTRIBUTOR INDUSTRY NOTICE

September 30, 2010

Fire Standard Compliant (FSC) Cigarettes
As of July 1, 2010, it is unlawful for cigarette wholesalers to sell cigarettes that are not fire standard compliant to retailers. Any unstamped Non-FSC cigarettes remaining in a wholesale establishment will be seized by Cigarette And Tobacco Enforcement (CATE) inspectors. Administrative action may be taken against your cigarette wholesale dealer license for such violations.

Brands Allowed for Sale in Kansas
The Kansas Attorney General's office is charged with maintaining a directory of brands permitted to be sold in Kansas. The directories include cigarettes that are in compliance with the Master Settlement Agreement (MSA) and are Fire Standard Compliant (FSC). The cigarettes must be in compliance with both to be permitted for sale in Kansas. Any non-compliant cigarettes located will be deemed contraband and seized. You may view the directories on the Attorney General's website: www.ksag.org/page/directories.

Indoor Clean Air Act
As of July 1, 2010, smoking is prohibited in most of the following indoor locations in Kansas: public places, places of employment, restaurants and bars. Smoking is also prohibited within 10 feet of any doorway, open window or air intake where smoking is prohibited. Businesses are also required to post signs stating that smoking is prohibited by state law. These signs are available for free by download at www.kssmokefree.org.

Tobacco shops that derive not less than 65% of gross receipts from the sale of tobacco are exempt from the Indoor Clean Air Act.

If there is a local clean indoor air law and the provisions are more restrictive, the local provisions will apply. The provisions of the state law that are more restrictive will supersede the local provisions.

Tobacco Distributor Renewals
Tobacco Distributor licenses expire December 31. Renewals have been sent and should be returned as soon as possible to ensure you receive your new license prior to January 1, 2011.

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Self Service Displays
Effective July 1, 2010, it is unlawful to sell cigarettes or tobacco products by a self-service display except in a vending machine or in a tobacco specialty store. This includes all cigarettes and other tobacco products (little cigars, chew, blunts, etc.).

Tobacco specialty stores that derive not less than 75% of gross receipts from the sale of tobacco may have self service displays.

FDA Regulations and Training
As of July 22, 2010, manufacturers can no longer distribute for sale any tobacco products labeled or advertised as "light," "low," or "mild" or similar descriptors. However, wholesalers and retailers are allowed to sell any existing product they have.

Recently, the FDA provided training for retailers in person or via phone or web cast. They have archived previous meetings and handouts for you to view and print from their web site. For more information, please visit www.fda.gov/tobacco. Topics of discussion from the meetings are listed below.

- Who is subject to the regulation
- What tobacco products are regulated
- Prohibition of sale and distribution of cigarettes and smokeless tobacco to persons younger then 18 years of age
- Self service displays and vending machines
- Minimum cigarette and smokeless tobacco package sizes
- Prohibition of free samples of cigarettes
- Coupons
- Sponsorships
- Non-tobacco gift or items
- Flavored cigarettes
- "Light, Low and Mild" cigarettes
- Tobacco Retailer Training Programs

FDA Enforcement Contract
The CATE team will be expanding due to Kansas receiving a grant from the FDA to enforce FDA regulations. The CATE Inspectors will be conducting inspections and controlled buys under the FDA grant in addition to the inspections and controlled buys for the state. Licensees may receive citations from the FDA in the mail if a violation is found. Kansas Dealer licenses may be affected if a citation from the FDA is not satisfied.