

# Senate Study Bill 1103

## Bill Text

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1 1 Section 1. Section [453C.1](#), subsection 4, paragraph c,  
1 2 unnumbered paragraph 2, Code 2001, is amended to read as  
1 3 follows:  
1 4 The term "cigarette" includes "roll-your-own" tobacco\_  
1 5 meaning tobacco which, because of its appearance, type,  
1 6 packaging, or labeling, is suitable for use and likely to be  
1 7 offered to, or purchased by, consumers as tobacco for making  
1 8 cigarettes. For purposes of this definition of "cigarette",  
1 9 0.09 ounces of "roll-your-own" tobacco shall constitute one  
1 10 individual "cigarette".  
1 11 Sec. 2. Section [453C.1](#), subsection 9, paragraph a, Code  
1 12 2001, is amended to read as follows:  
1 13 a. Manufactures cigarettes anywhere that such manufacturer  
1 14 intends to be sold in the United States, including cigarettes  
1 15 intended to be sold in the United States through an importer

1 16 except where such importer is an original participating  
1 17 manufacturer, as that term is defined in the master settlement  
1 18 agreement, that will be responsible for the payments under the  
1 19 master settlement agreement with respect to such cigarettes as  
1 20 a result of the provisions of subsection II(mm) of the master  
1 21 settlement agreement and that pays the taxes specified in  
1 22 subsection II(z) of the master settlement agreement and  
1 23 provided that the manufacturer of such cigarettes does not  
1 24 market or advertise such cigarettes in the United States).

1 25 Sec. 3. Section [453C.2](#), subsection 2, paragraph b,  
1 26 subparagraph (1), Code 2001, is amended to read as follows:  
1 27 (1) To pay a judgment or settlement on any released claim  
1 28 brought against such tobacco product manufacturer by the state  
1 29 or any releasing party located or residing in the state.  
1 30 Funds shall be released from escrow, under this subparagraph  
1 31 (1), (a) in the order in which they were placed into escrow  
1 32 and (b) only to the extent and at the time necessary to make  
1 33 payments required under such judgment or settlement.

1 34 Sec. 4. EFFECTIVE DATE. This Act, being deemed of  
1 35 immediate importance, takes effect upon enactment.

### EXPLANATION

2 1 This bill amends the provisions of the Code relating to the  
2 2 tobacco master settlement agreement entered into by the state  
2 3 and leading United States tobacco product manufacturers. The  
2 4 bill makes changes to comply with the model Act provisions  
2 5 which were to be adopted by all states party to the agreement.  
2 6 The bill takes effect upon enactment, which must take place

2 7 prior to March 1, 2001.

2 8 LSB 2035SC 79

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