

**Senate File 2444 - Introduced**

SENATE FILE 2444  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3142)

**A BILL FOR**

1 An Act creating regulations for cigar bars, modifying the  
2 smokefree air Act, and including effective date provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 142D.1, subsection 3, Code 2026, is  
2 amended to read as follows:

3 3. The purpose of this chapter is to reduce the level of  
4 exposure by the general public and employees to environmental  
5 tobacco smoke in order to improve the public health of Iowans,  
6 while allowing for limited exceptions.

7 Sec. 2. Section 142D.2, Code 2026, is amended by adding the  
8 following new subsection:

9 NEW SUBSECTION. 2A. "Cigar bar" means the same as defined in  
10 section 453F.1.

11 Sec. 3. Section 142D.4, Code 2026, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 12. Cigar bars.

14 Sec. 4. NEW SECTION. **453F.1 Definitions.**

15 As used in this chapter, unless the context otherwise  
16 requires:

17 1. "Alcoholic beverage" means the same as defined in section  
18 123.3.

19 2. "Cigar bar" means a retail establishment that meets all of  
20 the following criteria:

21 a. Generates at least thirty-five percent of annual gross  
22 revenues from the retail sale of premium cigars and cigar-related  
23 products at the place of business, excluding delivery sales,  
24 alcoholic beverages, and food.

25 b. Holds a class "C" or special class "C" retail alcohol  
26 license pursuant to chapter 123.

27 c. Holds a retailer permit pursuant to section 453A.47A.

28 d. Prohibits the entry of persons under the age of twenty-one  
29 years.

30 e. Maintains a walk-in humidor or a humidor with a capacity  
31 of storing at least one hundred fifty cigars at the place of  
32 business for the retail sale of cigars.

33 f. Clearly and conspicuously posts at every entrance a  
34 declaration that smoking is permitted on the premises of the  
35 place of business and persons under the age of twenty-one years

1 are prohibited from entry.

2 g. Does not allow the smoking of any other product other than  
3 premium cigars.

4 h. Sells only premium cigars and no other types of cigars.

5 3. "Delivery sale" means any sale of a premium cigar to a  
6 purchaser in this state where the purchaser submits the order  
7 for such sale by means of a telephonic or other method of voice  
8 transmission, mail or any other delivery service, or the internet  
9 or other online service and the premium cigar is delivered by use  
10 of mail or a delivery service. "Delivery sale" does not include  
11 a sale to a distributor or business.

12 4. "Department" means the department of revenue.

13 5. "Director" means the director of revenue.

14 6. "Place of business" means any place where premium cigars  
15 or cigar-related products are sold, stored, or kept for the  
16 purpose of sale or consumption; or for a business within the  
17 state that conducts delivery sales, any place where premium  
18 cigars and cigar-related products are sold or are kept for the  
19 purpose of sale, including delivery sales within the state.

20 7. "Premium cigar" means a cigar that is all of the  
21 following:

22 a. Wrapped in whole leaf tobacco.

23 b. Contains a one hundred percent leaf tobacco binder.

24 c. Made by manually combining the wrapper, filler, and  
25 binder.

26 d. Contains no filter tip or nontobacco mouthpiece and is  
27 capped by hand.

28 e. Weighs more than six pounds per one thousand units.

29 8. "Retail establishment" means a place of business where  
30 premium cigars and other cigar-related products are sold directly  
31 or through delivery sales to consumers.

32 **Sec. 5. NEW SECTION. 453F.2 Cigar bars — verification of**  
33 **income — exemption under smokefree air Act.**

34 1. A cigar bar shall annually submit a certified financial  
35 statement to the department verifying that at least thirty-five

1 percent of the annual gross revenues are generated from the  
2 retail sale of premium cigars and cigar-related products at the  
3 place of business.

4 2. When the qualification as a cigar bar under this chapter  
5 is not met, the department shall mail a notice stating the  
6 qualification as an exempt area under chapter 142D ceases seven  
7 days after the date of the notice.

8 Sec. 6. NEW SECTION. **453F.3 Administration — rules —**  
9 **intent.**

10 1. The director shall administer this chapter. The director  
11 shall collect, supervise, and enforce the collection of all civil  
12 penalties imposed under this chapter.

13 2. The director may adopt rules pursuant to chapter 17A that  
14 are necessary to enforce this chapter.

15 3. The director may designate employees to administer and  
16 enforce the provisions of this chapter. In the enforcement, the  
17 director may request aid from the attorney general, the special  
18 agents of the state, any county attorney, or any peace officer.  
19 The director may appoint clerks and additional help as may be  
20 needed to administer this chapter.

21 4. This chapter shall not be construed to limit the  
22 application of other state laws and regulations governing cigars.

23 5. The director shall prescribe the forms necessary for the  
24 efficient administration of this chapter and may require uniform  
25 books and records to be used and kept by each cigar bar or other  
26 person as deemed necessary.

27 Sec. 7. NEW SECTION. **453F.4 Permits — suspension —**  
28 **revocation — penalties.**

29 1. The provisions of chapter 453A, including the permit  
30 suspension and revocation provisions and the civil penalties  
31 established in section 453A.22, shall apply to tobacco retailers  
32 who are also cigar bars. The provisions of chapter 453A  
33 applicable to persons who violate chapter 453A shall also apply  
34 to persons who violate this chapter.

35 2. In addition to any other applicable penalties, a cigar



1 1,000 units.

2 The bill specifies a cigar bar shall annually submit a  
3 certified financial statement to the department of revenue  
4 (department) verifying that at least 35 percent of the annual  
5 gross revenues are generated from the retail sale of premium  
6 cigars and cigar-related products. If the annual gross revenues  
7 fall below 35 percent, the cigar bar loses the exemption from the  
8 smokefree air Act.

9 The department is required to administer the bill and may  
10 adopt rules necessary to enforce the bill.

11 The procedures for the suspension of tobacco retailer permits  
12 under Code chapter 453A remain the same for a cigar bar.

13 The bill provides for increasing civil penalties for  
14 violations of the bill.

15 The bill takes effect upon enactment.

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