

# PROPOSED AMENDMENT

## SB 185 # 9

### DIGEST

Alcohol and tobacco matters. Replaces SECTIONS concerning: (1) an application for a tobacco sales certificate; and (2) the suspension of a tobacco sales certificate; with versions of the same SECTIONS from HB 1052 as the bill passed the House. Deletes a SECTION from the bill that would have changed the time a tobacco sales certificate is valid from the date of issuance from three years to one year. Repeals a provision stating that certain statutes concerning vapor pens and e-liquid do not apply to a manufacturer of a closed system vapor product. Defines "e-liquid product" and includes the term in various provisions in the bill. Modifies multiple references to a nation listed as a foreign adversary.

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- 1           Page 2, delete lines 8 through 42, begin a new paragraph and insert:  
2           "SECTION 3. IC 7.1-3-18.5-2, AS AMENDED BY P.L.107-2024,  
3           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JULY 1, 2026]: Sec. 2. (a) A person who desires a certificate must  
5           provide the following to the commission:  
6               (1) The applicant's name and mailing address and the address of  
7               the premises for which the certificate is being issued.  
8               (2) Except as provided in section 6(c) of this chapter, a fee of:  
9                    (A) two hundred dollars (\$200) **for a retail tobacco sales**  
10                   **certificate; or**  
11                    (B) **one hundred dollars (\$100) for a wholesale tobacco**  
12                    **sales certificate.**  
13               (3) The name under which the applicant transacts or intends to  
14               transact business.  
15               (4) The address of the applicant's principal place of business or  
16               headquarters, if any.  
17               (5) The statement required under section 2.6 of this chapter.  
18               (6) If the applicant is applying for a new certificate under section  
19               3.2 of this chapter, a copy of each of the following:  
20                    (A) If the new ownership of the business is a business entity,  
21                    the articles of incorporation, articles of organization, or any  
22                    other formation documents of the business entity.  
23                    (B) If the new ownership of the business is an individual,

1 either:

- 2 (i) the sales or purchase agreement; or  
 3 (ii) an affidavit signed by the applicant concerning the sale  
 4 or purchase, on a form prescribed by the commission, that  
 5 includes the name and address of the seller and purchaser.

6 (C) The certificate held by the previous ownership of the  
 7 business.

8 **(7) A photocopy of the owner's driver's license, identification**  
 9 **card issued under IC 9-24-16-1, a similar card issued under**  
 10 **the laws of another state or the federal government, or**  
 11 **another government issued document that bears the owner's**  
 12 **photograph and birth date. If the applicant is a business with**  
 13 **multiple owners, the applicant must designate at least one (1)**  
 14 **managing owner for whom a photocopy of the managing**  
 15 **owner's identification must be provided under this**  
 16 **subdivision.**

17 (b) A separate certificate is required for each location where the  
 18 tobacco products or electronic cigarettes are sold or distributed. ~~A retail~~  
 19 **An establishment may not hold more than one (1) active tobacco sales**  
 20 **certificate for a retail location at any time. Except when the real estate**  
 21 **for a retail location is transferred to an independent third party,**  
 22 **the commission shall not issue a certificate to a retail location**  
 23 **where a tobacco sales certificate was revoked within one (1) year**  
 24 **prior to the date of the application.**

25 (c) A certificate holder shall conspicuously display the holder's  
 26 certificate on the holder's premises where the tobacco products or  
 27 electronic cigarettes are sold or distributed.

28 (d) Any intentional misstatement or suppression of a material fact  
 29 in an application filed under this section constitutes grounds for denial  
 30 **or revocation** of the certificate.

31 (e) A certificate may be issued only to a person who meets the  
 32 following requirements:

- 33 (1) If the person is an individual, the person must be at least  
 34 twenty-one (21) years of age.  
 35 (2) The person must be authorized to do business in Indiana.  
 36 (3) The person has not had an interest in a certificate revoked **or**  
 37 **suspended** by the commission for that business location within  
 38 the preceding one (1) year.

39 (f) The fees collected under this section shall be deposited in the  
 40 enforcement and administration fund under IC 7.1-4-10."

1 Page 3, delete lines 1 through 14.

2 Page 4, delete lines 21 through 42, begin a new paragraph and  
3 insert:

4 "SECTION 6. IC 7.1-3-18.5-9.2, AS ADDED BY P.L.107-2024,  
5 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 JULY 1, 2026]: Sec. 9.2. (a) An employee of a certificate holder must  
7 hold a valid:

8 (1) driver's license issued by the state of Indiana or another state;  
9 or

10 (2) identification card issued by the state of Indiana, another state,  
11 or the United States;

12 to sell tobacco products.

13 (b) An employee must have the employee's driver's license or  
14 identification card or a copy of the employee's driver's license or  
15 identification card:

16 (1) either:

17 (A) in the employee's possession; or

18 (B) on file with the employee's employer; and

19 (2) upon request, readily available to show to an excise officer or  
20 law enforcement;

21 when selling tobacco products.

22 (c) If an employee holds a valid license or identification card as  
23 described in subsection (a) but is unable to show the license,  
24 identification card, or a copy to an excise officer under subsection (b)  
25 because:

26 (1) the employee has left the license, identification card, or copy  
27 in another location; or

28 (2) the license, identification card, or copy has otherwise been lost  
29 or mislaid;

30 the employee may, within five (5) days of the employee's inability to  
31 show the license, identification card, or copy to the excise officer,  
32 produce to the excise officer or to the office of the commission  
33 satisfactory evidence of a license or identification card issued to the  
34 individual that was valid at the time the individual was unable to show  
35 the license, identification card, or copy.

36 (d) If an employee who is unable to show a license, identification  
37 card, or copy to an excise officer fails to produce satisfactory evidence  
38 within five (5) days in the manner described in subsection (c), the  
39 commission may impose a civil penalty on the certificate holder under  
40 IC 7.1-3-23-3.

1 (e) The commission shall take the following actions with respect  
 2 to a certificate holder's certificate if the certificate holder's  
 3 employees violate this section:

4 (1) For three (3) violations in a one (1) year period, suspend  
 5 the certificate for a period of five (5) days.

6 (2) For four (4) violations in a one (1) year period, suspend the  
 7 certificate for a period of an additional five (5) days.

8 (3) For five (5) violations in a one (1) year period, suspend the  
 9 certificate for a period of an additional five (5) days.

10 (4) For six (6) or more violations in a one (1) year period,  
 11 revoke the certificate."

12 Page 5, delete lines 1 through 32.

13 Page 6, delete lines 21 through 32, begin a new paragraph and  
 14 insert:

15 "SECTION 9. IC 7.1-7-1-1, AS AMENDED BY P.L.206-2017,  
 16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2026]: Sec. 1. (a) Except as provided in subsection (b); This  
 18 article applies to the following:

19 (1) The commercial manufacturing, bottling, selling, bartering, or  
 20 importing of e-liquid in Indiana.

21 (2) The sale, possession, and use of e-liquid products in Indiana,  
 22 including through a cigarette vending machine.

23 (b) This article does not apply to a manufacturer of a closed system  
 24 vapor product, except as specifically provided in this article."

25 Page 7, between lines 17 and 18, begin a new paragraph and insert:

26 "SECTION 13. IC 7.1-7-2-10.5 IS ADDED TO THE INDIANA  
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2026]: Sec. 10.5. "E-liquid product" means  
 29 a vapor device that contains e-liquid, with or without nicotine."

30 Page 7, line 28, delete "governed by a foreign".

31 Page 7, line 29, delete "government listed" and insert "**listed as a**  
 32 **foreign adversary**".

33 Page 7, line 37, delete "governed by a foreign government listed"  
 34 and insert "**listed as a foreign adversary**".

35 Page 8, line 16, after "e-liquid" insert "**or e-liquid products**".

36 Page 8, line 18, after "e-liquid" insert "**or e-liquid products**".

37 Page 8, line 35, after "of" insert "**e-liquid or**".

38 Page 9, line 27, after "e-liquids" delete "." and insert "**and e-liquid**  
 39 **products**".

40 Page 9, line 30, delete "that originate in" and insert "**from**".

- 1 Page 9, line 31, delete "governed by a foreign government listed"  
2 and insert "**listed as a foreign adversary**".
- 3 Page 9, line 37, after "e-liquids" delete "," and insert "**and e-liquid**  
4 **products**".
- 5 Page 10, line 22, after "e-liquids" delete "." and insert "**and e-liquid**  
6 **products**".
- 7 Page 10, line 25, delete "that originate in" and insert "**from**".
- 8 Page 10, line 26, delete "governed by a foreign government listed"  
9 and insert "**listed as a foreign adversary**".
- 10 Page 11, line 30, after "in an" insert "**e-liquid or**".
- 11 Page 11, line 31, delete "governed by a foreign government listed"  
12 and insert "**listed as a foreign adversary**".
- 13 Page 12, delete lines 15 through 35, begin new paragraph and insert:  
14 "SECTION 25. IC 7.1-7-4-8 IS ADDED TO THE INDIANA CODE  
15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
16 1, 2026]: **Sec. 8. (a) This section does not apply to:**
- 17 **(1) a vapor device (as defined in IC 7.1-7-2-23), including a**  
18 **part to be utilized in an open or closed system to convert**  
19 **e-liquid to a vapor for inhalation;**
- 20 **(2) an e-liquid product manufactured by or sourced from a**  
21 **foreign adversary; and**
- 22 **(3) an e-liquid product that is manufactured by or sourced**  
23 **from a foreign adversary, if the e-liquid product has been**  
24 **specifically approved for distribution and sale in the United**  
25 **States by the federal Food and Drug Administration.**
- 26 **(b) A manufacturer that is permitted or required to be**  
27 **permitted under this chapter may not manufacture or source a**  
28 **foreign adversary product.**
- 29 **(c) A retailer that holds or is required to hold a tobacco sales**  
30 **certificate under IC 7.1-3-18.5-1 may not possess, sell, or otherwise**  
31 **distribute a foreign adversary product.**
- 32 **(d) A wholesaler that holds or is required to hold a wholesale**  
33 **tobacco sales certificate under IC 7.1-3-18.5-1.5 may not possess,**  
34 **sell, or otherwise distribute a foreign adversary product."**
- 35 Renumber all SECTIONS consecutively.  
(Reference is to SB 185 as printed January 23, 2026.)