



2007 ASSEMBLY BILL 717

1 **AN ACT** *to amend* 20.143 (3) (j); and *to create* 165.25 (4) (ag) and 167.35 of the
2 statutes; **relating to:** fire safety performance standards for cigarettes, making
3 an appropriation, and providing a penalty.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 20.143 (3) (j) of the statutes is amended to read:
5 20.143 (3) (j) *Safety and building operations.* The amounts in the schedule for
6 the purposes of chs. 101, 145, and 168 and ss. 167.35, 236.12 (2) (a), 236.13 (1) (d) and
7 (2m), and 236.335. All moneys received under ch. 145, ss. 101.177 (4) (a) 4., 101.178,
8 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), 101.955 (2), 101.973 (7),
9 167.35 (2) (f), and 236.12 (7), except moneys received under s. 101.9208 (2m), and all
10 moneys transferred under 2005 Wisconsin Act 45, section 76 (6), shall be credited to
11 this appropriation.

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1 **SECTION 2.** 165.25 (4) (ag) of the statutes is created to read:

2 165.25 **(4)** (ag) The department of justice shall furnish legal services upon
3 request of the department of commerce under s. 167.35 (7).

4 **SECTION 3.** 167.35 of the statutes is created to read:

5 **167.35 Fire safety performance standards for cigarettes. (1)**

6 DEFINITIONS. In this section:

7 (a) “Cigarette” means any roll of tobacco wrapped in paper or in any substance
8 other than tobacco.

9 (b) “Department” means the department of commerce unless the context
10 requires otherwise.

11 (c) “Direct marketer” has the meaning given in s. 139.30 (2n).

12 (d) “Distributor” has the meaning given in s. 139.30 (3).

13 (e) “Jobber” has the meaning given in s. 139.30 (6).

14 (f) “Manufacturer” means any of the following:

15 1. Any person who manufactures or otherwise produces cigarettes anywhere
16 or causes cigarettes to be manufactured or produced anywhere, if the person intends
17 that the cigarettes are to be sold in this state, including cigarettes that are sold in
18 the United States through an importer.

19 2. The first purchaser anywhere that intends to resell in the United States
20 cigarettes that are manufactured anywhere, if the original manufacturer or
21 producer did not intend that the cigarettes be sold in the United States.

22 3. Any entity that becomes a successor to a person described in subd. 1. or a
23 purchaser described in subd. 2.

24 (g) “Repeatability” means the range of values within which the repeat results
25 of cigarette test trials from a single laboratory will fall 95 percent of the time.

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1 (h) “Retailer” has the meaning given in s. 134.66 (1) (g).

2 (i) “Sell” or “sale” has the meaning given in s. 139.30 (12).

3 **(2) CERTIFICATION FILED BY MANUFACTURERS.** (a) Each manufacturer that sells
4 or offers to sell cigarettes in this state shall file a written certification with the
5 department, certifying that each type of cigarette listed in the certification has been
6 tested in accordance with sub. (3) and complies with the applicable fire safety
7 performance standard under sub. (3).

8 (b) For each type of cigarette listed in the certification, all of the following
9 information shall be included in the certification:

10 1. The brand or trade name that appears on the package.

11 2. The style of the cigarette, such as light or ultra-light.

12 3. The length in millimeters.

13 4. The circumference in millimeters.

14 5. Any flavor description for the cigarette.

15 6. Whether the cigarette is filter or nonfilter.

16 7. The type of individual container in which the cigarette is packaged, such as
17 a soft pack or a box.

18 8. A description of the marking required under sub. (4).

19 9. The name, address, and telephone number of the laboratory conducting the
20 testing of the cigarette as required under sub. (3), if the laboratory is not owned and
21 operated by the manufacturer of the cigarette.

22 10. The date on which the testing required under sub. (3) occurred.

23 (c) Upon filing a certification under par. (a), a manufacturer shall provide a
24 copy of the certification to each distributor, jobber, or direct marketer that purchases
25 from the manufacturer cigarettes that are the subject of the certification. Each

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1 manufacturer shall also provide to each distributor, jobber, and direct marketer
2 sufficient copies of an illustration of the package marking required under sub. (4) to
3 be given to each retailer to whom the distributor, jobber, or direct marketer sells
4 cigarettes.

5 (d) Each manufacturer shall file the certification under par. (a) with the
6 department every 3 years.

7 (e) The department shall promptly forward a copy of each certification it
8 receives under par. (a) to the attorney general.

9 (f) Each manufacturer shall pay to the department a fee of \$1,000 for each
10 brand family of cigarette listed in each certification filed with the department under
11 par. (a). The fee shall apply to all cigarettes within the brand family and shall include
12 any new cigarette that is included in the 3-year certification period for which the fee
13 is paid. The manufacturer shall pay the fee upon filing each certification for a new
14 brand family.

15 (g) If a manufacturer has certified a type of cigarette pursuant to this
16 subsection, and makes any change after the certification to that type of cigarette that
17 is likely to alter its compliance with the applicable fire safety performance standard,
18 no person may offer for sale or sell that type of cigarette in this state unless the
19 manufacturer retests the cigarette in accordance with the applicable testing method
20 under sub. (3) (a) or (d) and maintains the reports of that testing as required under
21 sub. (3) (f).

22 **(3) TEST METHODS; PERFORMANCE STANDARDS.** (a) *Method of testing.* For purposes
23 of this section, testing of cigarettes conducted by a manufacturer or conducted or
24 sponsored by the state shall meet all of the following requirements:

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1 1. The testing shall be conducted in accordance with the standard test method
2 for measuring the ignition strength of cigarettes established by the American Society
3 for Testing and Materials International standard E2187-04. The department may
4 adopt a substitute test method that is different from the standard test method, if the
5 department finds that the substitute test method does not result in a change in the
6 percentage of full-length burns exhibited by any tested cigarette when compared to
7 the percentage of full-length burns the same cigarette would exhibit when tested in
8 accordance with the standard test method.

9 2. The testing shall be conducted on 10 layers of filter paper.

10 3. The fire safety performance standard under this subsection shall be applied
11 only to a complete test trial, which shall consist of 40 replicate tests for each cigarette
12 tested.

13 4. Each laboratory conducting the testing shall implement a quality control and
14 quality assurance program that meets the requirements under par. (b) and that
15 includes a procedure that will determine the repeatability of the results from the
16 testing. The repeatability value may not be greater than 0.19.

17 5. Each laboratory conducting the test under this subsection shall be accredited
18 pursuant to the standard ISO/IEC 17025 of the International Organization for
19 Standardization or other comparable accreditation standard required by the
20 department.

21 (b) *Quality control and quality assurance program.* For purposes of par. (a) 4.,
22 a quality control and quality assurance program shall include a laboratory procedure
23 that ensures all of the following:

24 1. That operator bias, systematic and nonsystematic methodological errors,
25 and equipment-related problems do not affect the results of the testing.

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1 2. That the testing repeatability remains within the required repeatability
2 value stated in par. (a) 4. for all of the test trials used to certify cigarettes under sub.
3 (2).

4 (c) *Fire safety performance standard.* 1. A testing of cigarettes does not meet
5 the applicable fire safety performance standard unless no more than 25 percent of
6 the cigarettes tested in a complete test trial under par. (a) exhibit full-length burns.

7 2. Each type of cigarette listed in a certification under sub. (2) that uses lowered
8 permeability bands in the cigarette paper in order to meet the fire safety
9 performance standard under subd. 1. shall meet one of the following requirements:

10 a. For a cigarette that does not have bands positioned by design, the cigarette
11 shall have at least 2 nominally identical bands on the paper surrounding the tobacco
12 column, at least one of them being a complete band located at least 15 millimeters
13 from the lighting end of the tobacco column.

14 b. For a cigarette that has bands positioned by design, the cigarette shall have
15 at least 2 nominally identical bands on the paper surrounding the tobacco column.
16 At least one of these bands shall fully be located at least 15 millimeters from the
17 lighting end of the tobacco column, and at least one of the remaining bands shall fully
18 be located at least 10 millimeters from the filter end of the tobacco column or at least
19 10 millimeters from the labeled end of the tobacco column for a nonfiltered cigarette.

20 (d) *Alternative test methods and performance standards proposed by*
21 *manufacturers.* 1. If the department determines that a type of cigarette cannot be
22 tested in accordance with the test method required under par. (a), the manufacturer
23 thereof shall propose an alternative test method and alternative fire safety
24 performance standard for approval by the department.

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1 2. If the department determines that the alternative fire safety performance
2 standard proposed under subd. 1. is equivalent to the applicable fire safety
3 performance standard under par. (c), the department shall approve the alternative
4 test method and the alternative performance standard for use by the manufacturer.

5 (e) *Provisions from other states.* In lieu of approving an alternative test method
6 and alternative fire safety performance standard under par. (d), the department may
7 review the cigarette fire safety requirements enacted or otherwise adopted by
8 another state. The department shall allow a manufacturer to use the results of the
9 other state's alternative test method and alternative performance standard for the
10 purpose of certification under sub. (2) (a), if the department determines that the
11 safety requirements are comparable to the requirements under this section, that the
12 other state's safety requirements specify the same test method and the same
13 performance standard that are specified in pars. (a) and (c), and that the other state
14 has approved an alternative test method and alternative performance standard as
15 meeting the requirements under that state's cigarette fire safety requirements. The
16 department may not require additional testing under this paragraph, unless the
17 department determines that it is not reasonable for the results to be used for this
18 purpose.

19 (em) *Additional testing.* This subsection does not require additional testing if
20 the cigarettes have been tested for another purpose with methods that are in
21 accordance with the testing methods recognized under this subsection.

22 (f) *Reporting requirement.* 1. Each manufacturer shall keep reports on all test
23 results on all types of cigarettes that are offered for sale and that are conducted to
24 determine compliance with this section and shall keep copies of these reports for 3
25 years.

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1 2. Upon written request from the department or the attorney general, a
2 manufacturer shall make copies of the reports under subd. 1. available to the
3 department or the attorney general within 60 days after receiving the request.

4 **(4) MARKING OF CIGARETTES.** (a) Each manufacturer of cigarettes that are the
5 subject of a certification filed under sub. (2) (a) shall mark the cigarettes to show that
6 the cigarettes meet the applicable fire safety performance standard under sub. (3).
7 The marking shall be in 8–point or larger type and shall be located at or near the
8 universal product code.

9 (b) For the purposes of par. (a), the marking shall consist of one of the following:

10 1. Alphanumeric or symbolic characters permanently stamped, engraved,
11 embossed, or printed in conjunction with the universal product code.

12 2. A visible combination of alphanumeric or symbolic characters permanently
13 stamped, engraved, embossed, or printed upon the cigarette package or cellophane
14 wrap.

15 3. Printed, stamped, engraved, or embossed text that indicates the cigarettes
16 must meet the applicable fire safety performance standard under sub. (3).

17 4. The letters “FSC.”

18 (c) A manufacturer shall use only one marking, shall use this marking
19 uniformly for all types of cigarettes marketed by the manufacturer, and shall apply
20 this marking to all packs, cartons, cases, and other packages containing the
21 cigarettes.

22 (d) Prior to the certification of a type of cigarette, a manufacturer shall present
23 its proposed marking to the department for approval. Upon receipt of the proposed
24 marking, the department shall approve or disapprove the marking presented subject
25 to par. (e). If the department fails to act within 10 business days after receiving the

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1 proposed marking, the marking shall be considered to have been approved by the
2 department.

3 (e) The department shall approve a proposed marking under par. (d), if the
4 proposed marking meets the size and location requirements under par. (a) and if
5 either of the following applies:

6 1. The marking is in use and has been approved for cigarettes that are sold in
7 New York.

8 2. The marking consists of the letters “FSC.”

9 (f) A manufacturer may not modify a marking approved under par. (d).

10 **(5) PROHIBITION.** (a) Except as provided in pars. (b) and (c), no person may sell
11 or offer to sell cigarettes to a person located in this state unless all of the following
12 apply:

13 1. The cigarettes are of a type that has been tested in accordance with this
14 section.

15 2. The cigarettes meet the applicable fire safety performance standard required
16 under this section.

17 3. The cigarettes are of a type that are covered by a certification filed under sub.
18 (2) (a).

19 4. The cigarettes are marked in compliance with sub. (4).

20 (b) Paragraph (a) does not apply to the selling or the offering for sale of
21 cigarettes by a manufacturer, distributor, direct marketer, jobber, or retailer if the
22 stamps acquired under s. 139.32 were affixed to the cigarette packages prior to the
23 effective date of this paragraph [revisor inserts date], and if the quantity of such
24 cigarettes in the manufacturer’s, distributor’s, direct marketer’s, jobber’s, or
25 retailer’s possession prior to the effective date of this paragraph [revisor inserts

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1 date], is comparable to the quantity of cigarettes in the manufacturer's, distributor's,
2 direct marketer's, jobber's, or retailer's possession during the same period of the
3 previous year.

4 (c) Paragraph (a) does not apply to the selling or the offering for sale of
5 cigarettes solely for the purpose of consumer testing that is conducted by a
6 manufacturer or under the control and direction of a manufacturer if all of the
7 following apply:

8 1. The purpose of testing is to evaluate consumer acceptance of the cigarettes.

9 2. The testing involves only the number of cigarettes that is reasonably
10 necessary for the testing.

11 **(6) PENALTIES.** (a) Any person who knowingly sells or offers to sell cigarettes
12 at wholesale in violation of sub. (5) (a) shall forfeit not more than \$10,000 for each
13 sale subject to par. (e).

14 (b) Any person who knowingly sells or offers to sell cigarettes at retail in
15 violation of sub. (5) (a) shall forfeit:

16 1. Not more than \$500 for each violation that involves not more than 1,000
17 cigarettes.

18 2. Not more than \$1,000 for each violation that involves 1,000 or more
19 cigarettes, subject to par. (e).

20 (c) Any manufacturer that knowingly files a false certification under sub. (2)
21 (a) shall forfeit not more than \$10,000. Each false certification constitutes a separate
22 offense.

23 (d) Any manufacturer who fails to comply with sub. (3) (f) 2. shall forfeit not
24 more than \$10,000. Each day of violation constitutes a separate offense.

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1 (e) The total amount of forfeitures imposed under par. (a) against a single
2 violator may not exceed more than \$100,000 during any 30–day period. The total
3 amount of forfeitures imposed under par. (b) 2. against a single violator may not
4 exceed more than \$25,000 during any 30–day period.

5 **(7) ADMINISTRATION AND ENFORCEMENT.** (a) The department or attorney general
6 may file an action in civil court for a violation of this section. The relief sought in the
7 action may include injunctive relief, damages incurred by the state because of the
8 violation, enforcement costs, court costs, and attorney fees. Each violation of this
9 section constitutes a separate civil violation for which the department or attorney
10 general may seek relief.

11 (b) The department of revenue, in the course of conducting any inspection or
12 examination authorized under s. 139.39, may inspect cigarettes to determine if the
13 cigarettes are marked as provided under sub. (4), and the department of revenue
14 shall notify the department of commerce of any unmarked cigarettes.

15 (c) Authorized personnel from the department of justice, from the department
16 of commerce, and from the department of revenue, and any sheriff, police officer, or
17 other law enforcement personnel, within their respective jurisdictions, may enter
18 and inspect any premises where cigarettes are made, sold, offered for sale, or stored
19 to determine if the cigarettes comply with this section. An inspection under this
20 paragraph includes examining the books, papers, invoices, and other records of any
21 person who is subject to this section and who is in control, possession, or occupancy
22 of the premises.

23 **(8) SEIZURE.** All cigarettes acquired, owned, imported, possessed, kept, stored,
24 made, sold, distributed, or transported that have not been marked as provided in sub.
25 (4) are subject to seizure by anyone authorized to inspect premises under sub. (7) (c).

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1 All seized cigarettes shall be destroyed after the person who holds the trademark
2 rights in the cigarette brand has been given a reasonable opportunity to inspect the
3 cigarettes.

4 **(9) SELLING CIGARETTES OUTSIDE OF THIS STATE.** This section does not apply to any
5 manufacturer or any person who sells or offers to sell cigarettes that are prohibited
6 from being sold under sub. (5) (a) if either of the following applies:

7 (a) The cigarettes will be stamped for sale in a state other than this state.

8 (b) The cigarettes are packaged to be sold outside the United States and the
9 manufacturer or seller has taken reasonable steps to ensure that the cigarettes will
10 not be sold or offered to be sold to any person in this state.

11 **(10) NEW YORK, FEDERAL, AND LOCAL LAWS.** (a) This section shall be implemented
12 in accordance with the implementation and substance of the New York Fire Safety
13 Standards for Cigarettes that are in effect on the effective date of this paragraph
14 [revisor inserts date]. If, after the effective date of this paragraph [revisor inserts
15 date], the New York safety standards are changed, the department shall suggest
16 proposed legislation to the chairpersons of the appropriate standing committees of
17 the legislature, as designated by the presiding officer of each house. The proposed
18 legislation shall contain the provisions necessary to bring this section into
19 accordance with the New York safety standards.

20 (b) If the department determines that the federal government has enacted
21 legislation that establishes a fire safety performance standard that conflicts with or
22 that preempts the provisions of this section that establish fire safety performance
23 standards, this section does not apply after the date on which the federal legislation
24 takes effect.

