



# **Endgame Overview: Local Policy Approaches to Ending the Sale of Commercial Tobacco in California**

May 2024

The California Tobacco Prevention Program's (CTPP) Endgame Initiative is a continuum of tobacco retail sales policy options that have the goal of ensuring all California communities are free from the tobacco industry's harm and influence. A key component of the Endgame Initiative is ending the sale of tobacco products. Currently there is not one best practice; rather, jurisdictions are trying various policy strategies to create healthier communities by regulating the tobacco retail environment, and that will look different in different communities.

PETS is tracking key policy components of the Endgame Initiative, and the PETS policy rubrics and database look at ending the sale of tobacco in two parts: policies that **end the sale of tobacco leaf products** (cigarettes, cigars, cigarillos, pipe tobacco, chew, snuff, and other products made of tobacco leaf) and policies that **end the sale of electronic smoking devices** (ESDs).

Manhattan Beach and Beverly Hills are the two California jurisdictions that have enacted the broadest and strongest policies to end the sale of tobacco products, both tobacco leaf products and ESDs. The charts below first provide brief highlights of the policies and then a detailed overview of the policy approaches, key language, exemptions, enforcement, and demographics in each jurisdiction. The purpose of this document is to provide communities and coalitions who may be considering endgame policy options with more information about the policies in these first two pioneering jurisdictions.

# **Brief Highlights of Endgame Policies**

Municipality	County	Enactment Date	Effective Date	PETS: Ends Sale of Tobacco Products	PETS: Ends Sale of ESDs	Policy Overview
Beverly Hills	Los Angeles	6/4/2019	1/1/2021	Partial - Venues	Partial	All sales of tobacco products are prohibited, including cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, chew, and electronic smoking devices, with limited exemptions that allow tobacco sales in hotels to guests and in 3 cigar lounges.
						A one-time temporary hardship exemption was allowed for tobacco retailers in business at the time the policy was enacted in June 2019.

Manhattan Beach	Los Angeles	2/18/2020	1/1/2021	Yes	Partial	All sales of tobacco products are prohibited, including but not limited to cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, chew, as well as electronic smoking devices containing nicotine. Policy is silent on non-nicotine products such as electronic smoking devices containing no nicotine.
						A one-time hardship exemption was allowed for tobacco retailers, who needed to apply between 9/1/20 and 10/31/20.

# Overview of Endgame Policies

Municipality	Beverly Hills			
County	Los Angeles			
<b>Enactment Date</b>	6/4/2019			
Effective/ Enforcement Date	1/1/2021 for most provisions of the law; 12/31/2022 for retailers granted a hardship exemption			
	Phased out tobacco retailer licenses over 1.5 years with limited exemptions.			
Policy Approach	Tobacco retailers prior to law: 28			
	Tobacco retailers since January 2023: 3 cigar lounges, 8 hotels			
Policy Summary	All sales of tobacco products are prohibited (including cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, and chew, as well as electronic smoking devices) with limited exemptions to allow tobacco sales in hotels to guests and in 3 existing cigar lounges. A one-time temporary hardship exemption was allowed for additional tobacco retailers who were in business at the time the policy was enacted in June 2019.			
Key Language	4-2-2102: Definitions			
	<b>Tobacco Product:</b> Includes: a) any product containing, made, or derived from tobacco or nicotine that is intended for human consumption, including, but not limited to, cigarettes, cigars, cigarillo, pipe tobacco, snuff, chewing tobacco, and smokeless tobacco; and b) any electronic cigarette. "Tobacco product" does not include a drug, device, or combination product authorized for sale by the United States Food and Drug Administration as a tobacco use cessation product.			
	4-2-2106: Issuance and Renewal of Permit			
	All tobacco and electronic cigarette retailers are required to obtain a local tobacco and electronic cigarette retailer permit. Beginning May 21, 2019, the City shall not issue any new tobacco and electronic cigarette retailer permits except for specified exemptions (see below). All permits are valid for 1 year, are nontransferable, and expire 1 year after the date of issuance, or December 31, 2020, whichever is earliest.			

# **Exemptions**

#### 4-2-2115: Exceptions and Limitations

## Cigar lounges:

A cigar lounge holding a valid tobacco and electronic cigarette retailer permit on March 25, 2019 may apply annually to renew their permit and application shall be approved if all <u>TRL criteria</u> are met. Three cigar lounges held valid permits on March 25, 2019 and qualify for the exemption.

#### Hotels:

Hotels may apply annually to renew or obtain a tobacco and electronic cigarette retailer permit and may sell tobacco and electronic cigarettes so long as they sell only to hotel guests through a hotel service (concierge, room service, etc.) and not through a retail location open to the public nor publicly display the products in the hotel.

#### 4-2-2116: Hardship exemption:

A permit holder that wishes to operate a tobacco and electronic cigarette retailer on or after January 1, 2021, may apply for one hardship exemption. Policy <u>specifies criteria</u> the retailer must provide for an Administrative Hearing Officer to consider granting the exemption, including the percent of retail sales over the last 3 years that were derived from tobacco products and electronic cigarettes, the amount of investment in the business, remaining lease term, ability to sell other products, and a business plan detailing how long the business will need to sell tobacco to recoup investments and a plan for phasing out the sale of tobacco products. Procedures for considering the exemption are detailed, including that the Administrative Hearing Officer shall specify the length of time that the retailer will be permitted to operate.

**Hardship exemptions granted:** The Beverly Hills Finance Department received two hardship exemption requests. One exemption was allowed from 1/1/2021 – 12/31/2021 and the other exemption was allowed from 1/1/2021 through 12/31/2022. As of 1/1/2023, all hardship exemptions have expired.

#### **Enforcement**

Enforcement agency: Code Enforcement/Department of Finance

Compliance checks: Yes

Buyer penalized for purchase/use/possession: No

# **Enforcement language:**

# Sec 4-2-2111 Suspension or Revocation of Tobacco and Electronic Cigarette Retailer Permit:

- Penalties that may be imposed on permit holder or employees:
  - First violation: \$250 fine
  - Second violation: Permit suspension for 90 days and \$750 fine
  - Third violation: Permit revocation and \$1,000 fine
- Detailed appeals process

## Sec 4-2-2117 Enforcement:

A. In addition to any other remedy, any person violating any provision of this article shall be guilty of a misdemeanor for each day such violation continues.

	B. In addition to other remedies provided by this article or by other law, any violation of this article may be enforced by a civil action brought by the City Prosecutor, including for example, administrative or judicial nuisance abatement proceedings; Civil or Criminal Code enforcement proceedings; and suits for injunctive relief. The City may recover reasonable attorney fees and costs of suit in any civil action brought by the City Prosecutor to remedy any violation of this article.					
	C. Any violation of this article may, in the discretion of the City Prosecutor, be prosecuted as infractions or misdemeanors.					
	D. Violations of this article are hereby declared to be public nuisances subject to abatement by the City.					
	E. In addition to criminal sanctions and other remedies set forth in this article, administrative penalties may be imposed pursuant to title 1, chapter 3, article 3 of this Code against any person violating any provision of this article. Imposition, enforcement, collection and administrative review of administrative penalties imposed shall be conducted pursuant to title 1, chapter 3, article 3 of this Code.					
	F. The remedies provided by this article are cumulative and in addition to any other remedies available at law or in equity.					
PETS Classification	Ends Sale of Tobacco Leaf Products:					
Olassilication	<b>Partial - Venues:</b> All tobacco sales prohibited, except in hotels to guests, cigar lounges, and temporarily exempted retailers.					
	Ends Sales of ESDs:					
	Partial: All ESD sales prohibited, except in hotels to guests, cigar lounges, and temporarily exempted retailers.					
Demographics	Population: 32,406					
	Median income: \$116,771					
	Race/Ethnicity: White: 73.2% Black/African American: 1.7% Hispanic/Latino: 7.1% Asian: 12.1% American Indian/Alaska Native: 0.1% Native Hawaiian/Pacific Islander: 0% Other race: 3.1% Two or more races: 7.0%					
Learn more:	<ul> <li><u>City of Beverly Hills webpage</u></li> <li><u>Beverly Hills Municipal code</u></li> <li><u>City of Beverly Hills Case Study</u>, Advancing Momentum for a Tobacco-Free California (2021)</li> </ul>					

Municipality	Manhattan Beach			
County	Los Angeles			
Enactment date	2/18/2020			
Effective/ Enforcement Date	1/1/2021 for most businesses, 6/30/2021 for businesses granted temporary exemption			
	Prohibits sale of tobacco products or electronic smoking devices.			
Policy Approach	Tobacco retailers prior to law: 17			
	Tobacco retailers since July 2021: 0			
Policy Summary	All sales of tobacco products are prohibited, which are defined as any product containing or derived from tobacco leaf and/or nicotine, including but not limited to cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, and chew, as well as electronic smoking devices containing nicotine. Policy is silent on non-nicotine products.			
Key Language	4.118.010 – Definitions			
	"Electronic smoking device" means (1) an electronic or battery-operated device that can deliver an inhalable dose of nicotine to the user or (2) any product intended or sold for use with such a device. "Electronic smoking device" includes any product meeting this definition, regardless of whether it is manufactured, distributed, marketed or sold as an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, electronic hookah, electronic vape, vaping device, vaporizer, or any other product name or descriptor. "Electronic smoking device" also includes any liquid or substance containing nicotine, whether sold separately or sold in combination with any device that could be used to deliver an inhalable dose of nicotine to a person.			
	"Tobacco product" means any product containing, made, or derived from tobacco or nicotine, whether natural or synthetic, including but not limited to cigarettes, cigars, pipe tobacco, hookah tobacco, snuff, chewing tobacco, dipping tobacco, snus, bidis, or any other preparation of tobacco that is manufactured, sold, offered for sale, or otherwise distributed with the expectation that the product or matter will be introduced into the human body. "Tobacco product" does not include any cessation product specifically approved by the United States Food and Drug Administration for use in treating nicotine or tobacco dependence.			
	4.118.020 – Prohibitions			
	It shall be unlawful for any person to sell a tobacco product or electronic smoking device in the city.			
Exemptions	Section 4 Hardship Exemption			
	A retailer that wishes to sell tobacco products on or after 1/1/2021 may apply for one hardship exemption. Retailer may apply for a hardship exemption between 9/1/2020 and 10/31/2020. Policy specifies criteria the retailer must satisfy for the City Council to grant the exemption, including proof that law would preclude the retailer from recovering their investment, the percent of retail sales over the last 3 years that were derived from tobacco products and electronic cigarettes, the amount of investment in the business, remaining lease term, ability to sell other products, and a business plan detailing how long the			

	business will need to sell tobacco to recoup investments and a plan for phasing out the sale of tobacco products.  Procedures for considering the exemption are detailed, including that the City Council shall specify the length of time for the exemption and notes that Council has the discretion to provide an exemption for an unlimited period.
	Hardship exemption language is from Ord. 20-0007 enacted 2/18/2020 and is no longer included in municipal code.
	Hardship exemptions granted:
	City Council adopted resolutions granting a hardship exemption for seven retailers to continue selling tobacco until 6/30/21, at which time all the exemptions ended. No retailers are currently permitted to sell tobacco products, and no retailers in the future can apply for a TRL or exemption.
Enforcement	Enforcement agency: Code Enforcement
	Compliance checks: No
	Buyer penalized for purchase/use/possession: No
	4.118.030 – Enforcement
	A. Any violation of this chapter is hereby declared to be a public nuisance.
	B. Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter shall also constitute a violation of this chapter.
	C. Violations of this chapter may be remedied by a civil action brought by the city, including, but not limited to, administrative or judicial nuisance abatement proceedings, civil code enforcement proceedings, and suits for injunctive relief. For the purposes of the civil remedies provided in this chapter, each day on which a tobacco product or electronic smoking device is offered for sale in violation of this chapter, and each individual retail tobacco product or electronic smoking device that is distributed, sold, or offered for sale in violation of this chapter, shall constitute a separate violation of this chapter.
	D. The city prosecutor shall have discretion to prosecute violations of this chapter as infractions or misdemeanors.
	E. The remedies provided by this chapter are cumulative and in addition to any other remedies available at law or in equity.
PETS Classification	Ends Sale of Tobacco Leaf Products:
Classification	Yes
	Ends Sales of ESDs:
	Partial: Does not specifically regulate ESDs not containing nicotine per product definitions.
Demographics	Population: 35,123
	Median income: \$187,217

	Race/Ethnicity:
	White: 71.5%
	Black/African American: 0.4%
	Hispanic/Latino: 8.0%
	Asian: 15.2%
	American Indian/Alaska Native: 0.3%
	Native Hawaiian/Pacific Islander: 0.1%
	Other race: 1.2%
	Two or more races: 8.4%
Learn more:	<ul> <li><u>Manhattan Beach Municipal code</u></li> <li><u>City of Manhattan Beach Case Study</u>, Advancing Momentum for a Tobacco-Free California (2021)</li> </ul>

# Tobacco Endgame Initiative Resources:

- CTPP's Tobacco Endgame Initiative
- Action on Smoking and Health <u>Advancing Momentum for a Tobacco-Free California</u>
- The Law and Policy Partnership to End the Commercial Tobacco Epidemic:
  - o California Endgame Policy Platform
  - o The Nicotine-free Generation Approach: A Policy Option Overview

**Demographic source:** Estimates for General Demographic Data from 2018-2022 American Community Survey (5-year estimates), <a href="https://data.census.gov/table?q=acs&y=2022">https://data.census.gov/table?q=acs&y=2022</a>

© 2024, California Department of Public Health. This material may not be reproduced or disseminated without prior written permission from the California Department of Public Health.