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**AB-573 Cigarette and tobacco products: licensing and enforcement.** (2025-2026)

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**Assembly Bill No. 573**

**CHAPTER 269**

An act to amend Sections 22971, 22971.7, 22973, 22973.3, 22978.3, and 22980.2 of, to add and repeal Section 22973.4 of, and to repeal Section 22974.1 of, the Business and Professions Code, relating to tobacco.

[ Approved by Governor October 03, 2025. Filed with Secretary of State October 03, 2025. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 573, Rogers. Cigarette and tobacco products: licensing and enforcement.

The Cigarette and Tobacco Products Licensing Act of 2003 requires the California Department of Tax and Fee Administration to administer a statewide program to license manufacturers, distributors, and retailers of cigarettes and tobacco products.

The act requires a retailer to have in place and maintain a license to engage in the sale of cigarettes or tobacco products. The act requires a \$265 fee to be submitted with the application for the license. Existing law requires every retailer to file an application for renewal of the license accompanied by a \$265 fee per retail location.

This bill would make conforming changes to the provisions describing the application process for the license described above and recast that license as a retailer license. The bill would require each application for a retailer license filed on or after July 1, 2026, to be accompanied by a fee of \$450 per retail location. The bill would increase the fee for renewal of a retailer license to \$450 for renewal applications filed on or after July 1, 2026. The bill would authorize the department to adjust application and renewal fees applicable after July 1, 2026, to an amount not exceeding \$600 per retail location to maintain the Cigarette and Tobacco Products Compliance Fund at a level that is no more than necessary to cover the reasonable costs of the department to administer the act.

The act requires a retailer who sells tobacco products that are exempt from taxation under the Cigarette and Tobacco Products Tax Law to pay a fee of \$265 for the issuance or renewal of a license.

This bill would recast that license as a retailer license and make other conforming changes. The bill would require each application for a retailer license filed on or after July 1, 2026, to be accompanied by a fee of \$450 per retail location. The bill would increase the fee for renewal of a retailer license to \$450 for renewal applications filed on or after July 1, 2026. The bill would authorize the department to adjust application and renewal fees applicable after July 1, 2026, to an amount not exceeding \$600 per retail location to maintain the Cigarette and Tobacco Products Compliance Fund at a level that is no more than necessary to cover the reasonable costs of the department to administer the act.

This bill would require the Legislative Analyst, on or before December 1, 2027, and again on or before December 1, 2029, to prepare and submit reports to the Legislature on the tobacco retailer enforcement landscape, including enforcement of California's flavor, youth access, taxation, and licensing laws. The bill would require specified state agencies to cooperate with the Legislative Analyst in the preparation and production of the report. The bill would repeal those reporting requirements on January 1, 2034.

Chapter 849 of the Statutes of 2024 (AB 3218) revised the Cigarette and Tobacco Products Licensing Act of 2003 by, among other things, authorizing the department or a law enforcement agency to seize illegal flavored tobacco products or tobacco product flavor enhancers that a wholesaler or retailer possesses, stores, owns, or sold, as specified. Existing law further requires the department to impose on the wholesaler or retailer a specified civil penalty per individual package of flavored tobacco product or tobacco product flavor enhancer. Existing law defines “package” for purposes of the penalty provision applicable to retailers.

This bill would define “flavored tobacco product” and “tobacco product flavor enhancer” for these purposes and would add the same definition of “package” for purposes of the penalty provision applicable to wholesalers.

Chapter 462 of the Statutes of 2024 (SB 1230), among other things, added a provision to the Cigarette and Tobacco Products Licensing Act of 2003 similar to the above-described provision relating to the seizure of a retailer’s products added by AB 3218. Specifically, SB 1230 authorizes the department to seize illegal flavored tobacco products or tobacco product flavor enhancers if the department discovers that a retailer sells, offers for sale, or possesses with the intent to sell or offer for sale, those products, and deems the seized products as forfeited.

This bill would repeal the above-described provision added by SB 1230.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

### **SECTION 1.** The Legislature finds and declares all of the following:

(a) As state agencies ramp up efforts to enforce California’s flavored tobacco laws, the scale and frequency of enforcement activities is critical. As of September 2024, prohibited flavored e-cigarettes comprised 39.8 percent of total e-cigarette sales in California.

(b) While the proportion of California youth and young adult tobacco users who report that it is easy to access flavored tobacco products in retail stores has declined since implementation of the ban, over 70 percent still believe it is easy to access these products. Nearly 90 percent of California high school e-cigarette users report using flavored e-cigarettes.

(c) In 2024, California tobacco retailers still sold tobacco to underage buyers at a rate of 18.9 percent. Regular compliance inspections are proven to reduce youth access to tobacco products.

(d) The California Department of Tax and Fee Administration (CDTFA) issues, administers, and enforces the state’s tobacco retailer license program. There are about 30,000 licensed tobacco retailers in California.

(e) The fee for the tobacco retailer license is \$265 per year. This fee is unchanged since 2016. The passage of California’s law banning the sale of most flavored tobacco products resulted in a significant increase in seizure costs that have drastically affected the total number of inspections the CDTFA is able to complete.

(f) Currently, the CDTFA inspects fewer than 15 percent of the retailers annually and violations have risen, since passage of the ban on sale of flavored tobacco products, from 2 percent of retailers inspected to 14 percent. This means that retailers are only likely to be inspected once every eight years, while violations are on the rise.

(g) Increasing the tobacco retailer fee would ensure that more retailers are inspected annually by the CDTFA and would bolster compliance with the state flavored tobacco licensing and tax laws, and the Stop Tobacco Access to Kids Enforcement Act.

### **SEC. 2.** Section 22971 of the Business and Professions Code is amended to read:

**22971.** For purposes of this division, the following terms shall have the following meanings:

(a) “Brand family” has the same meaning as that term is defined in paragraph (2) of subdivision (a) of Section 30165.1 of the Revenue and Taxation Code.

(b) “Cigarette” means a cigarette as defined in Section 30003 of the Revenue and Taxation Code.

(c) (1) “Control” or “controlling” means possession, direct or indirect, of the power:

(A) To vote 25 percent or more of any class of the voting securities issued by a person.

(B) To direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, other than a commercial contract for goods or nonmanagement services, or as otherwise provided; however, no individual shall be deemed to control a person solely on account of being a director, officer, or employee of that person.

(2) For purposes of subparagraph (B) of paragraph (1), a person who, directly or indirectly, owns, controls, holds, with the power to vote, or holds proxies representing 10 percent or more of the then outstanding voting securities issued by another person, is presumed to control that other person.

(3) For purposes of this division, the department may determine whether a person in fact controls another person.

(d) "Department" means the California Department of Tax and Fee Administration.

(e) "Display for sale" means the placement of cigarettes or tobacco products in a vending machine or in retail stock for the purpose of selling or gifting the cigarettes or tobacco products. For purposes of this definition, the clear and easily visible display of cigarettes or tobacco products shall create a rebuttable presumption that either were displayed for sale.

(f) "Distributor" means a distributor as defined in Section 30011 of the Revenue and Taxation Code.

(g) "Flavored tobacco product" has the same meaning as that term is defined in Section 104559.5 of the Health and Safety Code.

(h) "Gifting" means any transfer of title or possession without consideration, exchange, or barter, in any manner or by any means, of cigarettes or tobacco products that have been purchased for resale under a license issued pursuant to this division if the transfer occurs while the license is suspended or after the effective date of its revocation.

(i) "Importer" means an importer as defined in Section 30019 of the Revenue and Taxation Code.

(j) "Law enforcement agency" means a sheriff, a police department, or a city, county, or city and county agency or department designated by the governing body of that agency to enforce this chapter or to enforce local smoking and tobacco ordinances and regulations.

(k) "License" means a license issued by the department pursuant to this division.

(l) "Licensee" means a person holding a license issued by the department pursuant to this division.

(m) "Local lead agency" means an agency designated as a local lead agency pursuant to Section 104400 of the Health and Safety Code.

(n) "Manufacturer" means a manufacturer of cigarettes or tobacco products sold in this state.

(o) "Notice" or "notification" means, unless as otherwise provided, the written notice or notification provided to a licensee by the department by either actual delivery to the licensee or by first-class mail addressed to the licensee at the address on the license.

(p) "Package of cigarettes" means a package as defined in Section 30015 of the Revenue and Taxation Code.

(q) "Person" means a person as defined in Section 30010 of the Revenue and Taxation Code.

(r) "Retailer" means a person who engages in this state in the sale of cigarettes or tobacco products directly to the public from a retail location. Retailer includes a person who operates vending machines from which cigarettes or tobacco products are sold in this state.

(s) "Retail location" means both of the following:

(1) Any building from which cigarettes or tobacco products are sold at retail.

(2) A vending machine.

(t) "Sale" or "sold" means a sale as defined in Section 30006 of the Revenue and Taxation Code.

(u) "Tobacco product flavor enhancer" has the same meaning as that term is defined in Section 104559.5 of the Health and Safety Code.

(v) "Tobacco products" means tobacco products as defined in subdivision (b) of Section 30121 and subdivision (b) of Section 30131.1 of the Revenue and Taxation Code.

(w) "Unstamped package of cigarettes" means a package of cigarettes that does not bear a tax stamp as required under Part 13 (commencing with Section 30001) of Division 2 of the Revenue and Taxation Code, including a package of cigarettes that bears a

tax stamp of another state or taxing jurisdiction, a package of cigarettes that bears a counterfeit tax stamp, or a stamped or unstamped package of cigarettes that is marked "Not for sale in the United States."

(x) "Wholesaler" means a wholesaler as defined in Section 30016 of the Revenue and Taxation Code.

**SEC. 3.** Section 22971.7 of the Business and Professions Code is amended to read:

**22971.7.** (a) For the purposes of this chapter, except as provided in subdivision (b), and notwithstanding subdivision (v) of Section 22971, a "tobacco product" includes a product or device as defined in subdivision (d) of Section 22950.5.

(b) This section does not apply to subdivision (b) of Section 22974.3.

(c) This section shall be operative on January 1, 2017.

**SEC. 4.** Section 22973 of the Business and Professions Code is amended to read:

**22973.** (a) An application for a retailer license, as defined in Section 22972, shall be filed in a form and manner prescribed by the department and shall include the following:

(1) The name, address, and telephone number of the applicant.

(2) The business name, address, and telephone number of each retail location. For applicants who control more than one retail location, an address for receipt of correspondence or notices from the department, such as a headquarters or corporate office of the retailer, shall also be included on the application and listed on the license. Citations issued to licensees shall be forwarded to all addressees on the license.

(3) A statement by the applicant affirming that the applicant has not been convicted of a felony and has not violated and will not violate or cause or permit to be violated any of the provisions of this division or any rule of the department applicable to the applicant or pertaining to the manufacture, sale, or distribution of cigarettes or tobacco products. If the applicant is unable to affirm this statement, the application shall contain a statement by the applicant of the nature of any violation or the reasons that will prevent the applicant from complying with the requirements with respect to the statement.

(4) If any other licenses or permits have been issued by the department or the Department of Alcoholic Beverage Control to the applicant, the license or permit number of those licenses or permits then in effect.

(5) A statement by the applicant that the contents of the application are complete, true, and correct. Any person who signs a statement pursuant to this subdivision that asserts the truth of any material matter that they know to be false is guilty of a misdemeanor punishable by imprisonment of up to one year in the county jail, or a fine of not more than one thousand dollars (\$1,000), or both the imprisonment and the fine.

(6) The signature of the applicant.

(7) Any other information the department may require.

(b) The department may investigate to determine the truthfulness and completeness of the information provided in the application. The department may issue a retailer license without further investigation to an applicant for a retail location if the applicant holds a valid license from the Department of Alcoholic Beverage Control for that same location.

(c) The department shall provide electronic means for applicants to download and submit applications.

(d) (1) Each application for a retailer license filed on or after June 9, 2016, and before July 1, 2026, shall be accompanied with a fee of two hundred sixty-five dollars (\$265) per retail location. An applicant that owns or controls more than one retail location shall obtain a separate license for each retail location, but may submit a single application for those licenses with an application license fee of two hundred sixty-five dollars (\$265) per location. The fee shall be for the period provided in subdivision (d) of Section 22972 and shall not be prorated.

(2) Each application for a retailer license filed on or after July 1, 2026, shall be accompanied with a fee of four hundred fifty dollars (\$450) per retail location and shall not be prorated.

(e) Every retailer shall file an application for renewal of the retailer license in the form and manner prescribed by the department and shall be accompanied with the applicable fee, as follows:

(1) Each application for renewal of the retailer license filed on or after January 1, 2017, and before July 1, 2026, shall be accompanied with a fee of two hundred sixty-five dollars (\$265) per retail location.

(2) Each application for renewal of the retailer license filed on or after July 1, 2026, shall be accompanied with a fee of four hundred fifty dollars (\$450) per retail location.

(f) The department may, by regulation, adjust the license application fee amount set forth in paragraph (2) of subdivision (d) and the renewal license fee amount set forth in paragraph (2) of subdivision (e) to an amount not to exceed six hundred dollars (\$600) per retail location to maintain the Cigarette and Tobacco Products Compliance Fund at a level that is no more than necessary to cover the reasonable costs of the department to administer this division.

**SEC. 5.** Section 22973.3 of the Business and Professions Code is amended to read:

**22973.3.** (a) Notwithstanding any other law, an application for a retailer license, as defined in Section 22972, for the sale of a tobacco product, as defined in paragraph (1) of subdivision (d) of Section 22950.5, that is not subject to a tax imposed by the Cigarette and Tobacco Products Tax Law pursuant to Part 13 (commencing with Section 30001) of Division 2 of the Revenue and Taxation Code shall be filed in a form and manner prescribed by the department and shall include the following:

(1) The name, address, and telephone number of the applicant.

(2) The business name, address, and telephone number of each retail location. For applicants who control more than one retail location, an address for receipt of correspondence or notices from the department, such as a headquarters or corporate office of the retailer, shall also be included on the application and listed on the license. Citations issued to licensees shall be forwarded to all addressees on the license.

(3) A statement by the applicant affirming that the applicant has not been convicted of a felony and has not violated and will not violate or cause or permit to be violated any of the provisions of this division or any rule of the department applicable to the applicant or pertaining to the manufacture, sale, or distribution of cigarettes or tobacco products. If the applicant is unable to affirm this statement, the application shall contain a statement by the applicant of the nature of any violation or the reasons that will prevent the applicant from complying with the requirements with respect to the statement.

(4) If any other licenses or permits have been issued by the department or the Department of Alcoholic Beverage Control to the applicant, the license or permit number of those licenses or permits then in effect.

(5) A statement by the applicant that the contents of the application are complete, true, and correct. Any person who signs a statement pursuant to this subdivision that asserts the truth of any material matter that they know to be false is guilty of a misdemeanor punishable by imprisonment of up to one year in a county jail, or a fine of not more than one thousand dollars (\$1,000), or both the imprisonment and the fine.

(6) The signature of the applicant.

(7) Any other information the department may require.

(b) The department may investigate to determine the truthfulness and completeness of the information provided in the application. The department may issue a retailer license without further investigation to an applicant for a retail location if the applicant holds a valid license from the Department of Alcoholic Beverage Control for that same location.

(c) The department shall provide electronic means for applicants to download and submit applications.

(d) (1) Each application for a retailer license filed on or after January 1, 2017, and before July 1, 2026, shall be accompanied with a fee of two hundred sixty-five dollars (\$265) per retail location. An applicant that owns or controls more than one retail location shall obtain a separate license and shall pay a separate fee for each retail location, but may submit a single application for those retailer licenses with an application license fee of two hundred sixty-five dollars (\$265) per retail location. The fee per retail location shall be for the period provided in subdivision (d) of Section 22972 and shall not be prorated.

(2) Each application for a retailer license filed on or after July 1, 2026, shall be accompanied with a fee of four hundred fifty dollars (\$450) per retail location and shall not be prorated.

(e) (1) Every retailer shall file an application for renewal of the retailer license in the form and manner prescribed by the department and shall be accompanied with the applicable fee, as follows:

(2) Each application for renewal of the retailer license filed on or after January 1, 2017, and before July 1, 2026, shall be accompanied with a fee of two hundred sixty-five dollars (\$265) per retail location.

(3) Each application for renewal of the retailer license filed on or after July 1, 2026, shall be accompanied with a fee of four hundred fifty dollars (\$450) per retail location.

(f) The department may, by regulation, adjust the application license fee amount set forth in paragraph (2) of subdivision (d) and the renewal license fee amount set forth in paragraph (3) of subdivision (e) to an amount not to exceed six hundred dollars (\$600) per retail location to maintain the Cigarette and Tobacco Products Compliance Fund at a level that is no more than necessary to cover the reasonable costs of the department to administer this division.

(g) (1) The department shall report back to the Legislature no later than January 1, 2019, regarding the adequacy of funding for the Cigarette and Tobacco Products Licensing Act of 2003 with regard to tobacco products for which a license is required by this section. The report shall include data and recommendations about whether the annual licensing fee funding levels are set at an appropriate level to maintain an effective enforcement program.

(2) The report required by paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(h) (1) This section applies to a retailer who sells a tobacco product, as defined in subdivision (d) of Section 22950.5, that is not subject to a tax imposed by the Cigarette and Tobacco Products Tax Law pursuant to Part 13 (commencing with Section 30001) of Division 2 of the Revenue and Taxation Code, and who does not already possess a valid retailer license to sell cigarettes or tobacco products issued pursuant to Section 22972.

(2) A retailer that possesses a valid retailer license to sell cigarettes and tobacco products issued pursuant to Section 22972 may also sell under that license a tobacco product, as defined in subdivision (d) of Section 22950.5, that is not subject to a tax imposed by the Cigarette and Tobacco Products Tax Law pursuant to Part 13 (commencing with Section 30001) of Division 2 of the Revenue and Taxation Code.

**SEC. 6.** Section 22973.4 is added to the Business and Professions Code, to read:

**22973.4.** (a) On or before December 1, 2027, and again on or before December 1, 2029, the Legislative Analyst shall prepare and submit a report to the Legislature on the tobacco retailer enforcement landscape, including enforcement of California's flavor, youth access, taxation, and licensing laws. The California Department of Tax and Fee Administration and the State Department of Public Health, including the Office of Youth Tobacco Enforcement, shall cooperate with the Legislative Analyst in the preparation and production of the report. To the extent information is available, the report shall include, but not be limited to:

(1) Strategies and tools to bolster coordination and efficiency between state and federal agencies and local authorities regarding enforcement of all tobacco laws and to ensure state compliance with the federal Synar regulations requiring no more than a 20 percent retailer violation rate for tobacco sales to youth and young adults under 21 years of age.

(2) Data and recommendations about whether the annual licensing fees are set at appropriate levels to maintain an effective licensing program and an adequate rate of inspection of retailers and attain a reasonable reduction in the availability of flavored tobacco products and tobacco product flavor enhancers.

(3) Costs for transport, storage, and disposal of hazardous waste, universal waste, and other waste arising from seizures of tobacco products.

(4) An evaluation of whether prior violations of analogous federal and local laws regarding the sale of tobacco products to minors should be considered when considering escalating penalties for violations of state laws regarding the sale of tobacco products to minors.

(5) Data and recommendations about the enforcement of youth access and flavor restriction laws performed by the Office of Youth Tobacco Enforcement, including whether funding is at appropriate levels to maintain an adequate rate of inspection of retailers and to attain a reasonable reduction in the availability of flavored tobacco products.

(b) To prepare the reports required by this section, the Legislative Analyst may request information from any state or local agency involved in enforcement of laws regulating cigarette and tobacco products retailers.

(c) The reports required by this section shall be submitted in compliance with Section 9795 of the Government Code and shall not include any personally identifiable information.

(d) Pursuant to Section 10231.5 of the Government Code, this section shall become inoperative on December 1, 2033, and is repealed on January 1, 2034.

**SEC. 7.** Section 22974.1 of the Business and Professions Code is repealed.

**SEC. 8.** Section 22978.3 of the Business and Professions Code is amended to read:

**22978.3.** (a) (1) Notwithstanding any other provision of this division, upon discovery by the department or a law enforcement agency that a wholesaler possesses, stores, or owns flavored tobacco products or tobacco product flavor enhancers, or has

made a sale of flavored tobacco products or tobacco product flavor enhancers in violation of Section 104559.1 of the Health and Safety Code, the department or the law enforcement agency may seize the flavored tobacco products or tobacco product flavor enhancers possessed, stored, owned, or sold by the wholesaler.

(2) Any flavored tobacco products or tobacco product flavor enhancers seized by a law enforcement agency shall be delivered to the department, or its designee, within 30 days, unless the seized flavored tobacco products or tobacco product flavor enhancers will be destroyed by that law enforcement agency, or unless the seized flavored tobacco products or tobacco product flavor enhancers are otherwise required to be used as evidence in an administrative, criminal, or civil proceeding, or as part of an ongoing law enforcement operation. Any flavored tobacco products or tobacco product flavor enhancers seized by the department or delivered to the department by a law enforcement agency shall be deemed forfeited to the state and the department shall comply with procedures set forth in Chapter 7.5 (commencing with Section 30435) of Part 13 of Division 2 of the Revenue and Taxation Code.

(b) (1) In addition to seizure and forfeiture of the flavored tobacco products or tobacco product flavor enhancers described in subdivision (a), the department shall impose a civil penalty upon the wholesaler equal to fifty dollars (\$50) per individual package of flavored tobacco product or tobacco product flavor enhancer seized or delivered to the department by a law enforcement agency regardless of the authority used by the law enforcement agency to seize the flavored tobacco product or tobacco product flavor enhancer. The department shall impose the civil penalty in accordance with the procedures applicable to the civil penalty authorized in Section 22978.7.

(2) In the case of a second seizure and forfeiture of flavored tobacco products or tobacco product flavor enhancers made pursuant to subdivision (a), the department shall suspend the license of the wholesaler in accordance with the procedures set forth in Section 22980.3.

(3) In the case of a third seizure and forfeiture of flavored tobacco products or tobacco product flavor enhancers made pursuant to subdivision (a), the department shall revoke the license of the wholesaler in accordance with the procedures set forth in Section 22980.3.

(4) Civil penalties collected pursuant to this section shall be deposited into the Cigarette and Tobacco Products Compliance Fund created pursuant to Section 22990.

(5) For purposes of paragraph (1), "package" means the individual packet, box, or other container of flavored tobacco products or tobacco product flavor enhancers that are normally sold or intended to be sold at retail. "Package" does not include containers that contain smaller packaging units of flavored tobacco products or tobacco product flavor enhancers, including, but not limited to, cartons, cases, bales, or boxes.

(c) Upon discovery by the department that a distributor, wholesaler, or other person has made a sale in violation of Section 104559.1 of the Health and Safety Code, and, for wholesalers, if neither the department nor a law enforcement agency seized flavored tobacco products or tobacco product flavor enhancers from the wholesaler pursuant to subdivision (a), all of the following shall apply:

(1) Upon a first offense, the department shall issue a warning notice to the distributor, wholesaler, or other person.

(2) Upon a second offense, the department shall suspend the license of the distributor, wholesaler, or person in accordance with the procedures set forth in Section 22980.3.

(3) Upon a third offense, the department shall revoke the license of the distributor, wholesaler, or other person in accordance with the procedures set forth in Section 22980.3.

(d) The appeals procedures applicable to Section 22978.7 shall apply to the warning notice, suspension, and revocation actions taken by the department pursuant to this section.

**SEC. 9.** Section 22980.2 of the Business and Professions Code is amended to read:

**22980.2.** (a) A person or entity that engages in the business of selling cigarettes or tobacco products in this state either without a valid license or after a license has been suspended or revoked, and each officer of any corporation that so engages in this business, is guilty of a misdemeanor punishable as provided in Section 22981.

(b) Each day after notification by the board or by a law enforcement agency that a manufacturer, wholesaler, distributor, importer, retailer, or any other person required to be licensed under this division offers cigarette and tobacco products for sale or exchange without a valid license for the location from which they are offered for sale shall constitute a separate violation.

(c) Continued sales or gifting of cigarettes and tobacco products either without a valid license or after a notification of suspension or revocation shall constitute a violation punishable as provided in Section 22981, and shall result in the seizure of all cigarettes

and tobacco products in the possession of the person by the board or a law enforcement agency. Any cigarettes and tobacco products seized by the board or by a law enforcement agency shall be deemed forfeited.

(d) For the purposes of this section, notwithstanding subdivision (v) of Section 22971, "tobacco products" includes a product or device as defined in subdivision (d) of Section 22950.5.

(e) This section shall be operative on January 1, 2017.

**SEC. 10.** The Legislature finds and declares that Section 6 of this act, which adds and repeals Section 22973.4 of the Business and Professions Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

This act strikes a balance between reporting essential information to the Legislature to ensure adequate funding for the cigarette and tobacco product retailer licensing program while protecting the privacy of individuals.