AN ACT concerning State government.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Tobacco Products Manufacturers' Escrow Enforcement Act of 2003 is amended by changing Section 25 as follows:

(30 ILCS 167/25)

Sec. 25. Reporting of information; escrow installments.

- (a) Not later than 20 days after the end of each calendar quarter, and more frequently if so directed by the Attorney General, each distributor shall submit the information as the Attorney General requires to facilitate compliance with this Act, including, but not limited to, a list by brand family of the total number of cigarettes or in the case of roll-your-own, the equivalent stick count for which the distributor affixed stamps during the previous calendar quarter or otherwise paid the tax due for these cigarettes. The distributor shall maintain, and make available to the Attorney General, all invoices and documentation of sales of all non-participating manufacturer cigarettes and any other information relied upon in reporting to the Attorney General for a period of 5 years.
- (b) The Attorney General is authorized to disclose to the Director any information received under this Act for purposes

of determining compliance with and enforcing the provisions of this Act. The Director and Attorney General shall share with each other the information received under this Act, and may share the information with other federal, State, or local agencies only for purposes of enforcement of this Act, the Escrow Act, or corresponding laws of other states. The Director and Attorney General shall also share with each other the information received under the Cigarette Tax Act, the Cigarette Use Tax Act, the Tobacco Products Tax Act of 1995, the Cigarette Machine Operators' Occupation Tax Act, and the Retailers' Occupation Tax Act for the purposes of enforcement of this Act and the Escrow Act.

- (c) The Attorney General may require at any time, from the non-participating manufacturer, proof from the financial institution in which the manufacturer has established a qualified escrow fund for the purpose of compliance with the Escrow Act of the amount of money in the fund being held on behalf of the State and the dates of deposits, and listing the amounts of all withdrawals from the fund and the dates thereof.
- (d) In addition to the information required to be submitted pursuant to this Act, the Attorney General may require a distributor or tobacco product manufacturer to submit any additional information including, but not limited to, samples of the packaging or labeling of each brand family, as is necessary to enable the Attorney General to determine whether a tobacco product manufacturer is in compliance with this Act.

(e) To promote compliance with the provisions of this Act, the Attorney General may promulgate regulations requiring a tobacco product manufacturer subject to the requirements of subsection (a)(2) of Section 15 to make the escrow deposits required in quarterly installments during the year in which the sales covered by the deposits are made. The Attorney General may require production of information sufficient to enable the Attorney General to determine the adequacy of the amount of the installment deposit.

(Source: P.A. 93-446, eff. 1-1-04; 94-575, eff. 8-12-05.)

Section 10. The Cigarette Machine Operators' Occupation Tax Act is amended by changing Section 1-30 as follows:

(35 ILCS 128/1-30)

Sec. 1-30. Cigarette tubes used in cigarette machines.

- (a) All cigarette tubes used in cigarette machines in the possession of cigarette machine operators licensed under Section 1-15 of this Act shall be constructed of paper of a type determined by the Attorney General, pursuant to rules promulgated by the Attorney General under the provisions of the Administrative Procedure Act, to reduce the likely ignition propensity of cigarettes made by those tubes.
- (b) A cigarette machine operator is not required to comply with subsection (a) of this Section until the Attorney General has promulgated rules implementing subsection (a) and the rules

have become effective. The effective date for such rules shall be no earlier than <u>6 months after the date on which an appropriate nationally recognized standard is developed for the reduced ignition propensity of cigarette tubes January 1, 2014.</u>

(Source: P.A. 97-688, eff. 6-14-12.)

Section 99. Effective date. This Act takes effect upon becoming law.