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AN ACT

RELATING TO TOBACCO; AMENDING THE ESCROW FUND ACT TO ALLOW  
THE ATTORNEY GENERAL TO REQUIRE QUARTERLY DEPOSITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 6-4-21 NMSA 1978 (being Laws 2003, Chapter 114,  
Section 8) is amended to read:

"6-4-21. REPORTING OF INFORMATION--ESCROW INSTALLMENTS.--

A. A distributor shall submit to the department by the twenty-fifth day  
of each month a list by brand family of the total number of cigarettes, or equivalent  
stick count in the case of roll-your-own, for which the distributor affixed tax stamps  
or otherwise paid the tax due during the previous calendar month, and any other  
information that the department or attorney general may require. A distributor shall  
maintain and make available to the department and attorney general all invoices  
and documentation of sales of all nonparticipating manufacturer cigarettes and any  
other information relied upon in reporting to the department and attorney general for  
a period of five years.

B. The department and attorney general shall share information  
received pursuant to the Tobacco Escrow Fund Act, and may share information with  
other federal, state or local agencies for purposes of enforcement of that act,  
enforcement of Section 6-4-13 NMSA 1978 or enforcement of corresponding laws  
of other states.

C. The attorney general may require proof from a nonparticipating  
manufacturer that it has established a qualified escrow fund with verification of the  
amount of money in the fund exclusive of interest, including the balance, dates and  
amounts of deposits and dates and amounts of withdrawals.

D. The attorney general and the department may require a

1 distributor or tobacco product manufacturer to submit additional information as  
2 necessary to determine compliance with the Tobacco Escrow Fund Act, including  
3 samples of the packaging or labeling of each brand family.

4 E. The attorney general may require a nonparticipating manufacturer  
5 to make escrow fund deposits quarterly and may require information sufficient to  
6 determine the adequacy of the amount of the quarterly deposit.

7 F. The attorney general or the department may seek an injunction to  
8 compel compliance with this section. In any action brought pursuant to this  
9 subsection, the state shall be entitled to recover the costs of investigation, costs of  
10 the  
11 action and reasonable attorney fees."

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