

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 884*
Judiciary II Committee Substitute Adopted 5/11/09
House Committee Substitute Favorable 7/23/09

Short Title: Smoking Prohibition Exemption.

(Public)

Sponsors:

Referred to:

March 26, 2009

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT THE TERM 'CIGAR BAR' INCLUDES A 'HOOKAH BAR'
2 FOR PURPOSES OF EXTENDING TO HOOKAH BARS AND NO OTHERS THE
3 EXEMPTION OF CIGAR BARS FROM THE SMOKING PROHIBITIONS OF
4 G.S. 130A-496(B)(2) AND G.S. 130A-498(B1)(6) IF THE HOOKAH BAR MEETS THE
5 FOLLOWING FIVE REQUIREMENTS AND NO OTHERS: (1) THE HOOKAH BAR'S
6 PRIMARY BUSINESS IS TO RENT TO PATRONS A HOOKAH PIPE THAT
7 CONTAINS A SPECIFIED AMOUNT OF FLAVORED TOBACCO FOR THE
8 PURPOSE OF SMOKING THE HOOKAH PIPE ON THE PREMISES, (2) FORTY
9 PERCENT OF THE HOOKAH BAR'S QUARTERLY GROSS REVENUE IS
10 GENERATED FROM HOOKAH PIPE RENTALS AND THE SALE OF FLAVORED
11 TOBACCO, (3) THE HOOKAH BAR PROHIBITS INDIVIDUALS UNDER THE AGE
12 OF EIGHTEEN FROM ENTERING THE HOOKAH BAR PREMISES AND DOES NOT
13 ALLOW INDIVIDUALS UNDER THE AGE OF TWENTY-ONE TO ENTER THE
14 PREMISES IF IT HAS A PERMIT TO SELL ALCOHOLIC BEVERAGES, (4) THE
15 HOOKAH BAR PROHIBITS THE SMOKING OF CIGARETTES AND CIGARS ON
16 THE HOOKAH BAR'S PREMISES, AND (5) THE HOOKAH BAR MEETS THE
17 APPLICABLE REQUIREMENTS OF ARTICLE 23 OF CHAPTER 130A OF THE
18 GENERAL STATUTES PERTAINING TO QUARTERLY REVENUE REPORTING
19 AND VERIFICATION AND TO STRUCTURAL AND SMOKE MIGRATION
20 REQUIREMENTS.
21

22 The General Assembly of North Carolina enacts:

23 **SECTION 1.** Effective January 2, 2010, G.S. 130A-492(1a) reads as rewritten:

24 "(1a) "Cigar bar". – An establishment with a permit to sell alcoholic beverages
25 pursuant to subdivision (1), (3), (5), or (10) of G.S. 18B-1001 that satisfies
26 all of the ~~following~~ following, except sub-subdivision d. of this subdivision:

- 27 a. Generates sixty percent (60%) or more of its quarterly gross revenue
28 from the sale of alcoholic beverages and twenty-five percent (25%)
29 or more of its quarterly gross revenue from the sale of cigars;
30 b. Has a humidor on the premises; and
31 c. Does not allow individuals under the age of 21 to enter the premises.
32 Revenue generated from other tobacco sales, including cigarette vending
33 machines, shall not be used to determine whether an establishment satisfies
34 the definition of cigar bar.



- 1 d. The term cigar bar includes a hookah bar for the purposes of
2 exemptions from smoking prohibitions under G.S. 130A-496(b)(2)
3 and G.S. 130A-498(b1)(6) if the hookah bar satisfies all of the
4 following:
- 5 1. Is an establishment whose primary business is to rent to
6 patrons a hookah pipe that contains a specified amount of
7 flavored tobacco for the purpose of smoking the hookah pipe
8 on the premises.
 - 9 2. Generates forty percent (40%) or more of its quarterly gross
10 revenue from hookah pipe rentals and the sale of flavored
11 tobacco and complies with reporting and verification
12 requirements pertaining to quarterly gross revenue.
 - 13 3. Does not allow individuals under the age of 18 to enter the
14 premises. If the establishment has a permit to sell alcoholic
15 beverages, the establishment shall not allow individuals under
16 the age of 21 to enter the premises.
 - 17 4. Prohibits the smoking of cigarettes and cigars on the hookah
18 bar's premises.
 - 19 5. Complies with free-standing structure and smoke migration
20 requirements of G.S. 130A-496(b)(2)."

21 **SECTION 2.** This act is effective when it becomes law.