



STATE OF IDAHO

OFFICE OF THE ATTORNEY GENERAL
RAÚL R. LABRADOR

NOTICE

To Tobacco Product Manufacturers who are not Signatories to the Master Settlement Agreement and Idaho Stamping Agents, Wholesalers, and Distributors Concerning RYO Tobacco

On July 1, 2005, an amendment to Idaho's Tobacco Master Settlement Agreement Act (the Act), codified at Title 39, Chapter 78, Idaho Code, became effective that specifically clarified that each .09 ounces of roll-your-own tobacco (RYO) sold in Idaho is one "unit sold" under the Act.

The effect of the amendment requires all tobacco product manufacturers of RYO that are not participants in the Master Settlement Agreement (Non-Participating Manufacturers) to annually certify themselves and their RYO products. Such manufacturers also are required to make deposits into a qualified escrow fund on an annual or quarterly basis for the benefit of the state of Idaho based upon the number of RYO "units sold" in Idaho. The result of the amendment is that RYO manufacturers will now have the same legal and reporting requirements as cigarette manufacturers.

All Non-Participating Manufacturers (NPMs) that fail to certify or escrow for the sale of cigarettes in Idaho, including RYO, can be subject to the consequences outlined in the Act and the Idaho Tobacco Master Settlement Agreement Complementary Act (Complementary Act), including civil penalties, removal of noncompliant brand families and manufacturers from the Attorney General's Directory of Compliant Tobacco Product Manufacturers and Brand Families (Directory), and seizure of the noncompliant cigarette or RYO as contraband. The Directory lists the names of tobacco product manufacturers, together with the brand families they manufacture, that have been certified by the Attorney General as being compliant with Idaho law. The Directory is posted on the Attorney General's Website at <http://www.ag.idaho.gov> and is updated regularly. **Only brand families and manufacturers listed on the Directory are legally allowed to be stamped, offered for sale, possessed for sale or sold in Idaho.** Persons who stamp, sell, offer or possess for sale noncompliant cigarettes, including RYO, can be subject to the consequences outlined in the Complementary Act, including seizure and forfeiture of noncompliant product, suspension of their wholesalers permit, stamping license and civil penalties.