Smoking and Tobacco Use Restrictions
Smoking is prohibited in several specific types of places in North Carolina, including:

- state government buildings and vehicles,
- long-term care facilities and
- all restaurants and bars.

The use of tobacco products, including e-cigarettes, is prohibited completely in and on the grounds of:

- public schools and
- state correctional facilities.

G.S. 130A-491 to 130A-498 (Effective 2010), G.S. 115C-407 (Effective 2007), G.S. 131D-4.4 (Effective 2007) and G.S. 131E-114.3 (Effective 2007).

Administrative rules 10A NCAC 39C .0101-.0103 implemented for the smoke-free restaurants and bars law. (Effective 2010)

Stronger Local Government Laws on Smoking and Tobacco Use
Stronger local laws/ordinances further restricting smoking and tobacco use are allowed in enclosed public places, (where the public is permitted or invited), local government buildings, local government vehicles and all local government grounds.

G.S.130A-498 (Effective 2010)

Local community college boards of trustees are allowed to prohibit the use of any tobacco product on community college campuses, in community college vehicles, on any other community college property and any community college-sponsored event.

G.S.115D-20.1 (Effective 2008)

UNC system universities are allowed to prohibit smoking within 100 linear feet of campus buildings. The law also allows the medical facilities of UNC-Chapel Hill and East Carolina University to completely prohibit smoking on the grounds and walkways of these facilities.

G.S.143-596 (Effective 2007)
Child Care Facilities
Tobacco use is prohibited on the property of child care centers at all times and tobacco use is prohibited on the property of family child care homes during operational hours. All tobacco materials shall be kept in locked storage or out of the reach of children.

10A NC ADMIN CODE 09.0604 (Effective 2017)

State Operated Health Care Facilities
NC Mental Health Commission amended a rule to prohibit the use of tobacco anywhere on the grounds of state operated healthcare facilities. All 14 state operated mental health, developmental disability and substance abuse treatment facilities adopted a tobacco-free campus policy. The policy includes all tobacco products, including e-cigarettes. (Effective July 2015).

Medicaid Tobacco-free Policy for Standard and Tailored Plans
Tobacco-free policy requirements for Standard Plans and Tailored Plans contracted medical, behavioral health, intellectual/developmental disabilities (I/DD), and traumatic brain injury (TBI) service providers will be effective Dec. 1, 2022. These requirements will apply to both Medicaid and state-funded service providers. The Department will work with the Standard Plans and Tailored Plans to include these requirements, as appropriate, in advance of Dec. 1, 2022.

https://medicaid.ncdhhs.gov/blog/2022/01/25/north-carolina-standard-tailored-plan-tobacco-free-policy-requirement

Privately Owned, Government-Subsidized Housing
In order to receive tax credits from the NC Housing Finance Agency to finance the development of affordable housing, a housing developer must agree that the property being developed will have a smoke-free policy. This requirement first went into effect in the agency’s 2015 Qualified Allocation Plan. It reads: “Owners must prohibit smoking in all indoor common areas, individual living areas (including patios and balconies), and within 25 feet of building entries or ventilation intakes. A non-smoking clause must be included in the lease for each household.”

Tax on Cigarettes
Tax rate per pack of 20: 45 cents
Dates of last changes: 5 cents to 35 cents in 2005-06 and from 35 cents to 45 cents in 2009.

G.S.105-113.5 (Amended Effective 2006) and (Amended Effective 2009)
**Tax on Other Tobacco Products**
Tax rate is 12.8 percent of the wholesale price of the products.
Dates of last changes: 3% to 10% of the wholesale price of the products in 2005 and 10% to 12.8% of the wholesale price of the products in 2009.

G.S. 105-113.35(a) (Effective 2005) and (Amended Effective 2009)

**Tax on Cigars**
Tax rate is 12.8 percent of the wholesale price of the products with a cap of 30 cents.

G.S. 105-113.36A (Effective July 1, 2022)

**Tax on E-cigarettes**
Tax rate is 5 cents per milliliter of consumable nicotine product.
Dates of last change: 5 cents per milliliter of consumable nicotine solution in 2014. (Effective June 1, 2015).

G.S. 105-113.35(a) (Effective 2014)

**Use of Other Tobacco Products Tax Revenue - Summary**
Revenue from 3 percent of the tax on the cost price of tobacco products is deposited in the state general fund, and the revenue from the remaining 9.8 percent of the tax on the cost price of tobacco products is deposited in the University Cancer Research Fund established pursuant to North Carolina General Statute section 116-29.1. Revenue from the separate e-cigarette products tax is deposited in the state General Fund.

G.S. 105-113.40A (Effective 2021)

**Tobacco Treatment by Immunizing Pharmacists**
Allows an immunizing pharmacist to dispense, deliver, or administer the following medications: Nicotine replacement therapy that is approved by the United States Food and Drug Administration.

Standing Order required by NC DHHS Chief Medical Officer and State Health Director.

G.S. 90-85.15B (Effective 2021)

**Prohibiting Youth Access to Tobacco Products**
Law prohibits the sale of all tobacco products to persons under the age of 18, including tobacco-derived products or e-cigarettes. The law prohibits a person under the age of 18 to purchase or accept receipt, or attempt to purchase or accept receipt, of any tobacco products. Law requires photo identification checks, prohibits internet sales to minors, prohibits vending machines unless equipped
with a lockout device, requires law enforcement supervision for compliance checks (except for federally required Synar compliance data), preempts stronger local laws, rule and ordinances that further restrict youth access to tobacco products.

G.S. 14-313(c) (Effective 1997) and (Amended Effective 2013)

State funding is $300,000 recurring for enforcement of the state youth access to tobacco law.

Alcohol Law Enforcement has jurisdiction and primary responsibility to enforce G.S. 14-313 regarding youth access to tobacco products.

SECTION 16B.3.(a) G.S. 143B-928 and SECTION 16B.3.(b) G.S. 18B-500(b)

Preemption of Point-of-Sale Regulations
State law preempts stronger state Executive Branch rules or executive orders and local government laws, rules and ordinances regarding the sale, distribution, display and promotion of tobacco products.

G.S. 14-313(c) (Effective 1997)

Child Resistant Packaging and Labeling for E-Liquid Containers
The statute makes it unlawful for any person, firm, or corporation to sell, offer for sale, or introduce into commerce in this State an e-liquid container unless the container constitutes child-resistant packaging. Also, an e-liquid container product containing nicotine must have package label stating that the product contains nicotine.

G.S. 14-401.18A (Effective 2015)

Use of Tobacco Master Settlement Dollars - Summary
All annual Master Settlement Agreement (MSA) payments are allocated to the Settlement Reserve Fund, which is established in the state General Fund. All proceeds from ongoing litigation between the states and tobacco companies is also deposited into the Settlement Reserve Fund. Funds credited to the Settlement Reserve Fund shall be included in General Fund availability as non-tax revenue for the next fiscal year.

N.C. Session Law 1999-2 as amended by Session Law 2011-145 6.11(d), Session Law 2011-391 7(b) and S.B. 402 6.4 enacted (Effective 7/26/13) and G.S. 143C-9-3 (Effective 2013).
Current FY21-22 State Funding:
$0 for evidence-based Tobacco Use Prevention Interventions. $300,000 (Recurring) for enforcement of the state youth access to tobacco law.

$1,580,833 million (Recurring) for QuitlineNC

$269,167 (Recurring) for You Quit Two Quit program.

JUUL Settlement
JUUL shall pay $40 million to the State over six years, with payment to be used to fund e-cigarette prevention, cessation, evaluation, a document depository; and litigation costs.
- $13 million in Year 1
- $8 million in Year 2
- $7.5 million in Year 3
- $7 million in Year 4
- $2.25 million in Year 5 and 6
JUUL may apply for a waiver for the 5th/6th year payments. The settlement requires NC DHHS and the AG’s Office to assess whether to grant the waiver after year 4 depending on the progress.

Years 1-2 funds were included in the State Budget
FY21-22 $11 million and FY22-23 $8 million