

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 5: BUSINESS REGULATION**

**§ 50165. Penalties and Other Remedies.**

(a) *License Revocation and Civil Penalty.* In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that any person has violated 4 CMC § 50162(c) herein, or any regulation adopted pursuant to this Act, or the Model Escrow Statute, the Director of the Alcohol Beverage and Tobacco Control Division, Department of Commerce, may revoke or suspend the license of a person, business, or organization to sell tobacco products in the Commonwealth, pursuant to 4 CMC § 50131(b). The wholesale agent, or other licensee, shall be entitled, upon request, to an administrative hearing pursuant to the procedures established under the Administrative Procedure Act, 1 CMC §§ 9108-9115. Each sale or offer to sell cigarettes in violation of 4 CMC § 50162(c) shall constitute a separate violation. For each violation hereof, the Director of Alcoholic Beverage Control Division, Department of Commerce, may also impose a civil penalty in an amount not to exceed the greater of 500% of the retail value of the cigarettes or \$5,000 upon a determination of violation of 4 CMC § 50162(c) of this Act or any regulations adopted pursuant thereto. Such penalty shall be imposed in the manner provided pursuant to the procedures established under the Administrative Procedure Act, 1 CMC §§ 9108-9115.

(b) *Contraband and Seizure.* Any cigarettes that have been sold, offered for sale, or possessed for sale, in this Commonwealth, or imported for commercial or personal consumption in this Commonwealth, in violation of 4 CMC § 50162(c) shall be deemed contraband under 6 CMC § 2301 and such cigarettes shall be subject to seizure and forfeiture as provided in 6 CMC § 2150, and all such cigarettes so seized and forfeited shall be destroyed and not resold.

(c) *Injunction.* The Attorney General, on behalf of the Secretary of Finance, may seek an injunction to restrain a threatened or actual violation of 4 CMC §§ 50162(c), 50164(a) or 50164(d) by a wholesale agent and to compel the wholesale agent to comply with such sections. In any action brought pursuant to this section, the Commonwealth shall be entitled to recover the costs of investigation, costs of the action and reasonable attorney fees.

(d) *Unlawful Sale and Distribution.* It shall be unlawful for a person to:

(A) Sell or distribute cigarettes, or

(B) Acquire, hold, own, possess, transport, import, or cause to be imported cigarettes, that the person knows or should know are intended for distribution or sale in the Commonwealth in violation of 4 CMC § 50162(c). A violation of this section shall be a misdemeanor and upon conviction, a person shall be punished by a fine of not more than \$1,000 and/or up to one year in jail, or shall be required to perform no more than 250 hours of community service.

(e) *Unfair and Deceptive Trade Practice.* A person who violates 4 CMC § 50162(c) of this Act engages in an unfair and deceptive trade practice in violation of 4 CMC § 5105(m).

**Source:** PL 14-10, § 6, modified.

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**Commission Comment:** PL 13-15, referred to as the “Model Escrow Statute” by PL 14-10, is codified at 3 CMC §§ 2171 and 2172. The Commission changed the capitalization of words throughout the section above, changed number designations in subsection (d), corrected the references to the Administrative Procedure Act in subsection (a), and substituted the proper section numbers in place of general references throughout the above section pursuant to its authority by 1 CMC § 3806(f), (a), (g), and (d), respectively. The words “section” and “subsection” were used loosely throughout PL 14-10 and the Commission made its best effort to discern and substitute the correct sections being referenced.