County of Santa Clara Public Health Department

Public Health Administration 150 W. Tasman Drive, 2nd Floor San José, CA 95134 408.792.5040



May 20, 2024

Dear Business Owner,

On behalf of the City of Palo Alto and County of Santa Clara Public Health Department, you are receiving this letter to inform you about potential changes to the Palo Alto City Ordinance Chapter 4.64 "Permits for Retailers of Tobacco Products" which may have an impact on you and your business.

Proposed changes to the Tobacco Retail Permit (TRP) Ordinance include, but are not limited to, the following:

- 1. Increase fines and penalties for tobacco retailers operating with a valid TRP as follows:
 - Up to \$1,000 in fines for violations of the TRP ordinance identified during the first inspection within a 5-year period.
 - Up to \$2,500 and up to a 180-day suspension of the retailer's TRP permit for violations of the TRP ordinance identified during a second inspection within a 5-year period.
 - Require the permanent revocation of a TRP for violations of the TRP Ordinance identified during a third inspection within a 5-year period. Any retailer continuing to sell tobacco products after TRP revocation will be subject to additional fines.
- 2. Increase fines and penalties for tobacco retailers operating without a valid TRP as follows:
 - Up to \$2,500 in fines and 30 days of TRP ineligibility for violations of the TRP Ordinance identified during a first inspection within a 5-year period.
 - Up to \$5,000 in fines and one year of TRP ineligibility for violations identified during a second inspection within a five-year period.
 - Up to \$10,000 in fines for each subsequent violation within a five-year period and permanent TRP ineligibility.
- 3. Require retailers that have their TRP suspended to post a prominent public notice at their business during the entire suspension period.
- 4. Require retailers, as a condition of their TRPs, to (1) consent to inspection by the County of all areas and records; and (2) comply with any impound or seizure order issued by the County. Violations of these provisions would be a basis for suspension/revocation of a TRP.
- 5. Require that if inspections reveal noncompliance with any of the ordinance requirements such that reinspection is needed to determine compliance, the cost of such reinspection will be billed to the retailer.
- 6. Clarify that a retailer is liable for all enforcement-related fees and costs.
- 7. Make explicit that all tobacco retailers are responsible for the actions of their employees relating to the sale and furnishing of tobacco products at the retail location, and that nothing in the ordinance shall be construed to penalize the purchase, use, or possession of a tobacco product by any person not engaged in tobacco retailing.

8. Require retailers to examine an individual's identification to confirm the age of that person, regardless of appearance, prior to selling tobacco products to any person.

These proposed changes are currently scheduled to be voted on at the Palo Alto City Council Meeting on Monday, September 9th, 2024. Council agendas are subject to change so please review agenda before attending the meeting remotely or in-person.

To view meeting materials for this topic, including the proposed ordinance, please visit: <u>cityofpaloalto.org/Departments/City-Clerk/Citys-Meeting-Agendas/Meeting-Agendas-and-Minutes.</u> Meeting materials are typically available 11 days before the meeting and uploaded to the City's web pages after 5:30 p.m. on Thursdays. Public comments may be submitted via email, teleconference, in person, or by phone. Current ordinance language and related resources are available at <u>cityofpaloalto.org/smokingordinance.</u>

Should the Palo Alto City Council approve these changes, we will provide another notice to you with additional information about when those changes would go into effect.

If you would like to provide feedback or have any questions, you may contact Joyce Villalobos at the Santa Clara County Public Health Department by calling (408) 483-6183 or emailing joyce.villalobos@phd.sccgov.org. We request your input by June 7th, 2024 so that it can be summarized and incorporated within the Staff Report to City Council.

Sincerely,

Joyce Villalobos, MPH Program Manager, Tobacco and Substance Use Prevention Program County of Santa Clara Public Health Department