§ 66-294.1. Duties of Attorney General.

(a) Annual Lists. – The Office of the Attorney General shall prepare the following lists annually and shall make those lists available for public inspection:

(1) Participating manufacturers. – A list of the participating manufacturers and all brand families of each participating manufacturer that the manufacturer has identified to the Attorney General, in accordance with G.S. 66-294.

(2) Compliant nonparticipating manufacturers. – A list of the nonparticipating manufacturers whose applications for inclusion have been found to be complete and accurate and whose escrow agreements have been approved by the Office of the Attorney General. The list must include those brand families that the manufacturer has identified to the Attorney General, in accordance with G.S. 66-294.

(b) Supplemental Lists. – The Office of the Attorney General must supplement the annual lists as necessary to reflect additions to or deletions of manufacturers and brand families. The Attorney General shall delete a nonparticipating manufacturer and its brand families from the list if it determines that the manufacturer fails to comply with the duties listed in G.S. 66-294. The Attorney General must add a nonparticipating manufacturer and its brand families to the list if it determines all of the following:

(1) The nonparticipating manufacturer, as well as any joint and severally liable importer, has submitted an application under G.S. 66-294, and it is found to be complete and accurate.

(2) The Office of the Attorney General has approved the manufacturer's escrow agreement.

(3) The manufacturer has made any past due payments owed to its escrow account for any of its listed brand families.

(4) The manufacturer has resolved any outstanding penalty demands or adjudicated penalties for its listed brand families.

(c) Quarterly Escrow Installments. – To promote compliance with this Article, the Attorney General shall require a nonparticipating manufacturer to make the escrow deposits required by G.S. 66-291(a)(2) in quarterly installments during the year in which the sales covered by the deposits are made if one or more of the conditions in this subsection apply. A quarterly installment must be made by the last day of the month following the end of the quarter. The Attorney General must notify a nonparticipating manufacturer required to make quarterly escrow deposits under this subsection of its duty to do so by first-class mail sent to the manufacturer's last known address. The Attorney General may require production of information sufficient to enable the Attorney General to determine the adequacy of the amount of any installment escrow payment.

(1) The nonparticipating manufacturer has not previously established and funded a qualified escrow fund in North Carolina.

(2) The nonparticipating manufacturer has not made any escrow deposits for more than one year.

(3) The nonparticipating manufacturer has failed to make a timely and complete escrow deposit in any prior calendar year.

(4) The nonparticipating manufacturer has failed to pay any judgment, including any civil penalty.

(5) The Attorney General has reasonable cause to believe that the nonparticipating manufacturer may not make its full required escrow deposit by April 15 of the year following the year in which the cigarette sales are made. (2002-145, s. 3; 2007-435, s. 1; 2015-241, s. 6.24(f).)