



2026 South Dakota Legislature
House Bill 1215
ENROLLED

AN ACT

ENTITLED An Act to authorize counties and municipalities to issue a license for a cigar bar.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That a NEW SECTION be added to chapter 34-46:

A board of county commissioners may approve a license to operate a cigar bar outside of the boundary of a municipality, within its jurisdiction.

A governing body of a municipality may approve a license to operate a cigar bar within its jurisdiction.

Section 2. That a NEW SECTION be added to chapter 34-46:

A person may apply to a county or municipality for a license to operate a cigar bar on the same premises as an establishment licensed under subdivision 35-4-2(4), (6), (12), or (16).

The governing body of the county or municipality shall hold a public hearing and make a final decision on the application for a license to operate a cigar bar in the same manner utilized for an on-sale license application pursuant to § 35-2-1.2.

Section 3. That a NEW SECTION be added to chapter 34-46:

To be eligible for a license issued pursuant to section 1 of this Act, the establishment must:

- (1) Have a humidior on the premises;
 - (2) Be enclosed by solid walls or windows, a solid ceiling, and a solid door;
 - (3) Be equipped with a ventilation system so that exhausted air is not recirculated to nonsmoking areas and smoke is not backstreamed into nonsmoking areas;
 - (4) Be approved for a license classed under subdivision 35-4-2(4), (6), (12), or (16);
- and

- (5) Generate, or is expected to generate, ten percent or more of its annual gross income from the sale of cigars.

For purposes of this section, "cigar" means an individual roll of tobacco that has a wrapper or cover consisting only of tobacco.

Section 4. That a NEW SECTION be added to chapter 34-46:

The provisions of §§ 34-46-13 to 34-46-15, inclusive, do not apply to the premises of an establishment licensed pursuant to section 1 of this Act, except as provided in this section.

An establishment licensed pursuant to section 1 of this Act to operate a cigar bar may permit the smoking of cigars purchased on the premises. An establishment may not permit the smoking of any other tobacco product on the premises. The establishment shall post a notice of the prohibition.

An establishment licensed to operate a cigar bar under section 1 of this Act shall maintain records of the percent of its annual gross income from the sale of cigars, over the previous three years. The records are subject to inspection by the governing body that issued the license.

For purposes of this section, "cigar" means an individual roll of tobacco that has a wrapper or cover consisting only of tobacco.

Section 5. That a NEW SECTION be added to chapter 34-46:

The governing body of a county or municipality may revoke or suspend a license to operate a cigar bar upon proof that:

- (1) The licensee does not meet the requirements provided in section 3 of this Act;
- (2) The licensee, or an agent or employee acting on behalf of the licensee, has violated a provision of this chapter; or
- (3) The licensee, or an agent or employee acting on behalf of the licensee, has violated an ordinance or regulation regarding the sale and distribution of tobacco products.

Section 6. That a NEW SECTION be added to chapter 34-46:

Prior to taking action pursuant to section 5 of this Act, the governing body of the county or municipality shall hold a hearing.

The governing body shall:

- (1) Provide notice of the hearing to the licensee, at the address given on the license, at least thirty days prior to the date of the hearing; and
- (2) Publish notice of the hearing in the official newspaper, at least seven days prior to the hearing.

Section 7. That a NEW SECTION be added to chapter 34-46:

A person issued a license to operate a cigar bar pursuant to section 1 of this Act may not sell or transfer the license to any other person.

An Act to authorize counties and municipalities to issue a license for a cigar bar.

I certify that the attached Act originated in the:
House as Bill No. 1215

Received at this Executive Office this ____ day of _____, 2026 at _____ M.

Chief Clerk of the House

By _____ for the Governor

Speaker of the House

The attached Act is hereby approved this _____ day of _____, A.D., 2026

Attest:

Chief Clerk of the House

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2026 at _____ o'clock __ M.

Secretary of the Senate

Secretary of State

House Bill No. 1215
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State