

HOUSE BILL 95

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P3

2000 Regular Session  
0lr0003

(PRE-FILED)

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By: **Chairman, Economic Matters Committee (Departmental - Comptroller)**

Requested: November 15, 1999  
Introduced and read first time: January 12, 2000  
Assigned to: Economic Matters

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Committee Report: Favorable with amendments  
House action: Adopted with floor amendments  
Read second time: February 24, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Comptroller - Issuance of Cigarette Licenses**

3 FOR the purpose of requiring the Comptroller to investigate applications for certain  
4 licenses issued or renewed by the Comptroller; ~~requiring that certain licenses be~~  
5 ~~denied under certain circumstances;~~ expanding the circumstances under which  
6 the Comptroller may deny a license to any applicant, reprimand a licensee, or  
7 suspend or revoke a license; requiring the Comptroller to grant a waiver from  
8 certain provisions of this Act to certain persons under certain circumstances;  
9 and generally relating to the powers of the Comptroller to issue business  
10 licenses.

11 BY repealing and reenacting, with amendments,  
12 Article - Business Regulation  
13 Section ~~16-205~~ 16-210  
14 Annotated Code of Maryland  
15 (1998 Replacement Volume and 1999 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Business Regulation**

19 ~~16-205-~~

20 (a) ~~[The] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE Comptroller~~  
21 ~~shall issue an appropriate license to each applicant who meets the requirements of~~

1 ~~this subtitle for a license to act as a manufacturer, storage warehouse, subwholesaler,~~  
 2 ~~vending machine operator, or wholesaler.~~

3 ~~(B) (1) PRIOR TO THE ISSUANCE OF ANY LICENSE, THE COMPTROLLER~~  
 4 ~~SHALL CONDUCT AN INVESTIGATION WITH REGARD TO:~~

5 ~~(I) THE APPLICANT;~~

6 ~~(II) THE BUSINESS TO BE OPERATED; AND~~

7 ~~(III) THE FACTS AS SET FORTH IN THE APPLICATION.~~

8 ~~(2) THE COMPTROLLER SHALL DENY A LICENSE OR RENEWAL OF A~~  
 9 ~~LICENSE IF THE COMPTROLLER IS OF THE OPINION THAT:~~

10 ~~(I) THE APPLICANT IS NOT A FIT PERSON TO RECEIVE THE~~  
 11 ~~LICENSE APPLIED FOR;~~

12 ~~(II) THE APPLICANT HAS MADE A MATERIAL FALSE STATEMENT IN~~  
 13 ~~THE APPLICATION;~~

14 ~~(III) THE APPLICANT HAS PRACTICED FRAUD IN CONNECTION WITH~~  
 15 ~~THE APPLICATION; OR~~

16 ~~(IV) THERE ARE OTHER REASONS, IN THE DISCRETION OF THE~~  
 17 ~~COMPTROLLER, WHY THE LICENSE SHOULD NOT BE ISSUED.~~

18 ~~{(b)} (C) The clerk shall issue to each applicant who meets the requirements of~~  
 19 ~~this subtitle a license to act as a retailer.~~

20 16-210.

21 (a) Subject to the hearing provisions of § 16-211 of this subtitle, the  
 22 Comptroller may deny a license to an applicant, reprimand a licensee, or suspend or  
 23 revoke a license if the applicant or licensee:

24 (1) fraudulently or deceptively obtains or attempts to obtain a license for  
 25 the applicant or licensee or for another person;

26 (2) fraudulently or deceptively uses a license;

27 (3) fails to comply with the Maryland Cigarette Sales Below Cost Act or  
 28 regulations adopted under that Act; [or]

29 (4) buys cigarettes for resale:

30 (i) in violation of a license; or

31 (ii) from a person who is not a cigarette manufacturer, licensed  
 32 subwholesaler, licensed vending machine operator, or licensed wholesaler;

1           (5)    IS CONVICTED, UNDER THE LAWS OF THE UNITED STATES OR OF ANY  
2 OTHER STATE, OF:

3                   (I)       A FELONY; OR

4                   (II)      A MISDEMEANOR THAT IS A CRIME OF MORAL TURPITUDE AND  
5 IS DIRECTLY RELATED TO THE FITNESS AND QUALIFICATION OF THE APPLICANT OR  
6 LICENSEE; OR

7           (6)    HAS NOT PAID A TAX DUE BEFORE OCTOBER 1 OF THE YEAR AFTER  
8 THE TAX BECAME DUE.

9       (b)     Subject to the hearing provisions of § 16-211 of this subtitle, the  
10 Comptroller may suspend or revoke a license if the licensee violates:

11           (1)     Title 12 of the Tax - General Article, or regulations adopted under  
12 that title; or

13           (2)     Title 16 of the Business Regulation Article, or regulations adopted  
14 under that title.

15       (c)     Subject to the hearing provisions of § 16-211 of this subtitle, the  
16 Comptroller shall deny a license to any applicant who has had a license revoked  
17 under this section until:

18           (1)     1 year has passed since the license was revoked; and

19           (2)     it satisfactorily appears to the Comptroller that the applicant will  
20 comply with this title and any regulations adopted under this title.

21       (D)     PRIOR TO THE ISSUANCE OR RENEWAL OF ANY LICENSE, THE  
22 COMPTROLLER SHALL CONDUCT AN INVESTIGATION WITH REGARD TO:

23           (1)     THE APPLICANT;

24           (2)     THE BUSINESS TO BE OPERATED; AND

25           (3)     THE FACTS SET FORTH IN THE APPLICATION.

26       SECTION 2. AND BE IT FURTHER ENACTED, That the Comptroller shall  
27 grant a waiver from the provisions of § 16-210(a)(5) of the Business Regulation  
28 Article to any individual who is licensed under Title 16 of the Business Regulation  
29 Article as of the effective date of this Act for a conviction occurring prior the effective  
30 date of this Act.

31       ~~SECTION 3.~~ SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
32 effect October 1, 2000.

