
By: **Delegates Cardin and Morhaim**

Introduced and read first time: February 3, 2005

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Cigarette Licenses - Fees and Disciplinary Authority**

3 FOR the purpose of increasing the licensing fees to act as a manufacturer of
4 cigarettes, a retailer of cigarettes, and a cigarette storage warehouse; decreasing
5 the fees to act as a wholesaler of cigarettes; authorizing the State Comptroller to
6 deny, reprimand, suspend, or revoke a cigarette license of an applicant or
7 licensee if an applicant or licensee is held liable for or convicted of selling
8 tobacco to minors in violation of certain civil and criminal laws; and generally
9 relating to the fees for and disciplinary authority over cigarette licenses.

10 BY repealing and reenacting, with amendments,

11 Article - Business Regulation

12 Section 16-204 and 16-210(a)

13 Annotated Code of Maryland

14 (2004 Replacement Volume)

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

17 **Article - Business Regulation**

18 16-204.

19 (a) An applicant for a license to act as a manufacturer shall:

20 (1) submit an application to the Comptroller on the form and containing
21 the information that the Comptroller requires; and

22 (2) pay to the Comptroller a fee of [~~\$25~~] \$30.

23 (b) (1) An applicant for a license to act as a retailer shall:

24 (i) obtain the county license required under § 16-301 of this title;

1 (ii) submit to the clerk an application for each permanent or
2 temporary place of business located in the same enclosure and operated by the same
3 applicant; and

4 (iii) pay to the clerk a fee of [\$30] \$35.

5 (2) The application shall:

6 (i) be made on the form that the clerk requires; and

7 (ii) contain the information that the Comptroller requires.

8 (c) An applicant for a license to act as a storage warehouse shall:

9 (1) submit an application to the Comptroller on the form and containing
10 the information that the Comptroller requires; and

11 (2) pay to the Comptroller a fee of [\$25] \$30.

12 (d) An applicant for a license to act as a subwholesaler shall:

13 (1) submit an application to the Comptroller on the form and containing
14 the information that the Comptroller requires; and

15 (2) pay to the Comptroller a fee of:

16 (i) \$500 for a 1-year term; or

17 (ii) the amount that results when \$500 is prorated to the nearest
18 month, if the application is for less than a 1-year term.

19 (e) An applicant for a license to act as a vending machine operator shall:

20 (1) obtain the county license required under § 16-301 of this title;

21 (2) submit an application to the Comptroller on the form and containing
22 the information that the Comptroller requires; and

23 (3) pay to the Comptroller a fee of \$500.

24 (f) An applicant for a license to act as a wholesaler shall:

25 (1) submit an application to the Comptroller on the form and containing
26 the information that the Comptroller requires; and

27 (2) pay to the Comptroller a fee of \$750.

28 (g) If a person has had a license revoked under § 16-210 of this subtitle, the
29 person may not reapply for a license within 1 year after the date when the prior
30 license was revoked.

1 (h) (1) In addition to the license fee otherwise required under this section:

2 (i) an applicant for the initial issuance of a license issued by the
3 Comptroller under this title shall pay to the Comptroller a nonrefundable application
4 fee of \$200; and

5 (ii) an applicant for renewal of a license issued by the Comptroller
6 under this title shall pay to the Comptroller a renewal fee of [~~\$30~~] \$35.

7 (2) The application and renewal fees required under this subsection do
8 not apply to a license that is issued by the clerk or to a storage warehouse license
9 application.

10 16-210.

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

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

16 (2) fraudulently or deceptively uses a license;

17 (3) fails to comply with the Maryland Cigarette Sales Below Cost Act or
18 regulations adopted under that Act;

19 (4) fails to comply with the provisions of Title 11, Subtitle 5A of the
20 Commercial Law Article;

21 (5) buys cigarettes for resale:

22 (i) in violation of a license; or

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

25 (6) is convicted, under the laws of the United States or of any other state,
26 of:

27 (i) a felony; or

28 (ii) a misdemeanor that is a crime of moral turpitude and is directly
29 related to the fitness and qualification of the applicant or licensee; [or]

30 (7) has not paid a tax due before October 1 of the year after the tax
31 became due; OR

32 (8) IS LIABLE FOR OR CONVICTED OF SELLING TOBACCO TO MINORS IN
33 VIOLATION OF:

1 (I) § 10-107 OF THE CRIMINAL LAW ARTICLE; OR

2 (II) A CIVIL OR CRIMINAL LAW UNDER A COUNTY CODE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2005.