



2026 SESSION POSITION PAPER

BILL: SB 249 - Tobacco Product Licensees – Additional Licensure for Electronic Smoking Devices
COMMITTEE: Senate Finance Committee
POSITION: Letter of Information
BILL ANALYSIS: Repeals a provision authorizing a person holding a license relating to cigarettes or other tobacco products to manufacture, distribute, or sell electronic smoking devices (ESDs) in the same capacity as a person holding a license relating to ESDs; exempts the holder from the requirement to pay an additional license fee for the license; etc.

POSITION RATIONALE: The Maryland Association of County Health Officers (MACHO) submits this LOI for SB 249. The primary purpose of this bill is to enable the Maryland Alcohol Tobacco and Cannabis Commission (ATCC) to more accurately identify which retailers sell electronic smoking devices (ESDs). Under the current licensing structure, sales of cigarettes and ESDs are authorized under a single license. As a result, the ATCC is unable to distinguish between retailers that sell only cigarettes and those that also sell ESDs.

MACHO supports ATCC's goal of improving oversight of ESD sales. However, we are concerned that the proposed licensing framework may allow retailers to be cited for repeat violations under one license while continuing to operate under another. This outcome would significantly weaken important enforcement mechanisms designed to prevent the sale of tobacco products to underage customers. Accordingly, we respectfully request that the Finance Committee and the Department of Legislative Services confirm with the ATCC and other subject matter experts that, **in the event of repeat violations for sales of tobacco products to underage customers, regardless of product type (i.e., cigarettes, OTPs, or ESDs)**, the law would allow for the following:

- The ability of the ATCC to take regulatory action against **all** tobacco-related licenses held by a retailer; and
- The ability of local jurisdictions to impose progressive penalties, even when subsequent violations involve products covered under different license categories. For example, if a retailer sells cigarettes to an underage customer and later in the year sells vape products to an underage customer, the latter violation would be treated as a second offense, subject to a \$1,000 fine (the penalty for a second violation) and not a \$500 fine (the penalty for a first violation).

This will provide important clarity for those enforcing these provisions. If SB 249 allows for this enforcement approach, MACHO fully supports ATCC's goals for this legislation. If not, we are concerned that the bill may allow retailers who repeatedly sell tobacco products to underage customers to continue sales under an alternate tobacco license.

For these reasons, the Maryland Association of County Health Officers submits this LOI for SB 249. For more information, please contact Ruth Maiorana, MACHO Executive Director at rmaiora1@jhu.edu or 410-937-1433. *This communication reflects the position of MACHO.*