Department of Legislative Services

Maryland General Assembly 2000 Session

FISCAL NOTE

House Bill 1219 Judiciary (Delegates McHale and Montague)

Crimes - Sale of Bidi Cigarettes - Prohibition

This bill prohibits the sale or offer for sale of "bidi cigarettes." Bidi cigarettes are defined as any size or shaped roll for smoking that is made of tobacco or tobacco mixed with another ingredient and is wrapped in tendu or temburni leaf. Violators are guilty of a misdemeanor and subject to a \$500 fine.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues due to the bill's penalty provision, plus a minimal reduction in sales tax revenues. No effect on expenditures.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The sale of bidi cigarettes is not prohibited.

Background: Bidi cigarettes are small hand-rolled, tobacco-filled, flavored cigarettes that are manufactured in India. They are sold in many convenience stores, gas stations, and smoke shops. The U.S. Attorney General reports that bidi cigarettes contain more than three times the nicotine and five times the tar of a regular cigarette.

Bidi cigarettes are not currently regulated by either the federal or State government. As a result, the packs seldom have warning labels akin to those found on other tobacco products. In Maryland, bidi cigarettes are subject to the sales and use tax, but are not subject to the

tobacco tax because they are not regulated as a tobacco product.

State Revenues: General fund revenues could increase minimally under the bill's monetary penalty provision.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller of the Treasury (Alcohol and Tobacco Tax Division), Department of State Police, Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2000

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