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By: **Delegate McIntosh**

Introduced and read first time: January 26, 2005

Assigned to: Environmental Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 15, 2005

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CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Maryland Tobacco Authority - Sunset Extension and Program Evaluation**

3 FOR the purpose of continuing the Maryland Tobacco Authority in accordance with  
4 the provisions of the Maryland Program Evaluation Act (Sunset Law) by  
5 extending to a certain date the termination provisions relating to the statutory  
6 and regulatory authority of the Authority; altering the number of members of  
7 the Authority, the membership criteria, and the process for nominating  
8 members; repealing a provision of law for compensation of certain members of  
9 the Authority; repealing a certain requirement that the Authority conduct  
10 certain studies and investigations; altering certain fees; requiring that an  
11 evaluation of the Authority and the statutes and regulations that relate to the  
12 Authority be performed on or before a certain date; requiring the Authority to  
13 submit a certain report to certain committees of the General Assembly on or  
14 before a certain date; and generally relating to the Maryland Tobacco Authority.

15 BY repealing and reenacting, with amendments,  
16 Article - Agriculture  
17 Section 7-201.1, 7-202, 7-203(b), 7-206(c), and 7-412(a)  
18 Annotated Code of Maryland  
19 (1999 Replacement Volume and 2004 Supplement)

20 BY repealing and reenacting, without amendments,  
21 Article - State Government  
22 Section 8-403(a)  
23 Annotated Code of Maryland  
24 (2004 Replacement Volume)

1 BY repealing and reenacting, with amendments,  
2 Article - State Government  
3 Section 8-403(b)(68)  
4 Annotated Code of Maryland  
5 (2004 Replacement Volume)

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

8 **Article - Agriculture**

9 7-201.1.

10 Subject to the provisions of the Maryland Program Evaluation Act, the  
11 provisions of this subtitle and of any rule or regulation relating to the Tobacco  
12 Authority under this subtitle shall terminate and be of no effect after July 1, [2006]  
13 2011.

14 7-202.

15 (a) The Authority consists of [eight] SIX members appointed by the Governor  
16 as follows:

17 (1) A person familiar with the economics and marketing of tobacco in the  
18 State to be selected from three nominees submitted by the Secretary;

19 (2) A person in the business of selling leaf tobacco in the State;

20 (3) A person in the business of buying leaf tobacco; and

21 (4) [Five] THREE persons who produce leaf tobacco at the time of their  
22 selection and do not have any direct or indirect financial or other interest in the  
23 buying or selling of leaf tobacco, except a producer's interest.

24 (B) [They] THE MEMBERS OF THE AUTHORITY APPOINTED IN ACCORDANCE  
25 WITH SUBSECTION (A)(4) OF THIS SECTION shall be selected from a list of [15]  
26 nominees submitted by the [Maryland Farm Bureau, Inc.] DEPARTMENT. [At least  
27 two of the five members shall be members of the political party which received the  
28 second highest number of votes in the preceding gubernatorial election. No two  
29 producer members of the Authority may be residents of the same county.]

30 [(b)] (C) The term of each member is three years or until his successor is  
31 selected and qualifies.

32 [(c)] (D) If a vacancy occurs for any reason, the Governor shall appoint  
33 another person to serve for the remaining portion of the unexpired term. Any new  
34 appointee for an expired or unexpired term shall be a person with qualifications  
35 similar to those of the next previous incumbent, so as to preserve the balance of  
36 representation for the several groups provided in this section.

1 7-203.

2 (b) [Each member shall be paid \$750 annually except that any member who is  
3 a regular employee of the State shall serve without compensation. Any] A member of  
4 the Authority may be reimbursed for the member's reasonable traveling expenses  
5 incurred on behalf of the Authority in accordance with the Standard State Travel  
6 Regulations.

7 7-206.

8 (c) The Authority shall[:

9 (1) Conduct studies and investigations covering each phase of the  
10 production and marketing of tobacco in the State and collaborate with any person or  
11 government agency, including the University System of Maryland; and

12 (2) Report] REPORT, in consultation with the Department and subject to  
13 § 2-1246 of the State Government Article, to the General Assembly by December 1  
14 annually on the status of tobacco growing in the State, including:

15 [(i)] (1) The number of acres being farmed;

16 [(ii)] (2) The number of pounds expected to be produced and sold;

17 and

18 [(iii)] (3) Information regarding the implementation and status of  
19 transition or buyout programs established in the State.

20 7-412.

21 (a) Every commission selling agency shall collect from the owner or seller of  
22 tobacco sold on its sales floor, a fee not exceeding the rate of [1/5] 1/4 of 1 cent per  
23 pound. At any time less than 60 days prior to the opening of the selling season, the  
24 Authority may establish a lower rate for that one season in consideration of its need  
25 for funds in the next fiscal year, or other potentially available revenues, and funds the  
26 State Comptroller holds on its account. Any lower rate shall be at a level sufficient to  
27 keep the special fund at an adequate level to meet requirements of this subtitle.

28 **Article - State Government**

29 8-403.

30 (a) On or before December 15 of the 2nd year before the evaluation date of a  
31 governmental activity or unit, the Legislative Policy Committee, based on a  
32 preliminary evaluation, may waive as unnecessary the evaluation required under this  
33 section.

34 (b) Except as otherwise provided in subsection (a) of this section, on or before  
35 the evaluation date for the following governmental activities or units, an evaluation

1 shall be made of the following governmental activities or units and the statutes and  
2 regulations that relate to the governmental activities or units:

3 (68) Tobacco Authority (§ 7-201 of the Agriculture Article: July 1,  
4 [2005] 2010);

5 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Tobacco  
6 Authority shall report to the Senate Education, Health, and Environmental Affairs  
7 Committee and the House Environmental Matters Committee on or before October 1,  
8 2006, in accordance with § 2-1246 of the State Government Article, on the  
9 implementation of the recommendations made by the Department of Legislative  
10 Services contained in the sunset evaluation report dated October 2004.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 2005.