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By: **Delegates Rosenberg and Wood**  
Introduced and read first time: February 9, 2006  
Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Tobacco Product Manufacturers - Master Settlement Agreement -**  
3                                   **Definitions - Modifications**

4 FOR the purpose of making certain technical changes to certain definitions in a prior  
5 enactment of the General Assembly to conform the enactment to the model  
6 statute provided by the Master Settlement Agreement between the State of  
7 Maryland and certain tobacco manufacturers in the United States; and  
8 generally relating to conforming a prior enactment of the General Assembly to a  
9 certain model statute.

10 BY repealing and reenacting, with amendments,  
11 Chapter 169 of the Acts of the General Assembly of 1999, as amended by  
12 Chapter 141 of the Acts of the General Assembly of 2001 and Chapter 348  
13 of the Acts of the General Assembly of 2004  
14 Section 1 2.(j)(1)

15 BY repealing and reenacting, with amendments,  
16 Chapter 169 of the Acts of the General Assembly of 1999  
17 Section 1 2.(k)

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

20                                   **Chapter 169 of the Acts of 1999, as amended by Chapter 141 of the Acts of**  
21                                   **2001 and Chapter 348 of the Acts of 2004**

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

24 2. (j) (1) "Tobacco product manufacturer" means an entity that, after the date of  
25 enactment of this Act, directly [and] (AND not exclusively through any [affiliate]  
26 AFFILIATE):

1 (i) manufacturers cigarettes anywhere that [the] SUCH  
2 manufacturer intends them to be sold in the United States, including cigarettes  
3 intended to be sold in the United States through an importer (except where such  
4 importer is an original participating manufacturer (as that term is defined in the  
5 Master Settlement Agreement) that will be responsible for the payments under the  
6 Master Settlement Agreement with respect to such cigarettes as a result of the  
7 provisions of subsection II(mm) of the Master Settlement Agreement and that pays  
8 the taxes specified in subsection II(z) of the Master Settlement Agreement, and  
9 provided that the manufacturer of [the] SUCH cigarettes does not market or  
10 advertise the cigarettes in the United States);

11 (ii) is the first purchaser anywhere for resale in the United States  
12 of cigarettes manufactured anywhere that the manufacturer does not intend to be  
13 sold in the United States; or

14 (iii) becomes a successor of an entity described in subparagraph (i)  
15 or (ii) of this paragraph or paragraph (2) of this subsection.

16 **Chapter 169 of the Acts of 1999**

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

20 (k) "Units sold" means the number of individual cigarettes:

21 (1) sold in the State by the applicable tobacco product manufacturer,  
22 whether directly or through a distributor, retailer, or similar intermediary or  
23 intermediaries, during the year in question; and

24 (2) as measured by excise taxes collected by the State on packs [or] (OR  
25 "roll-your-own" tobacco [containers] CONTAINERS) bearing the excise tax stamp of  
26 the State OR ON UNSTAMPED "ROLL-YOUR-OWN" TOBACCO CONTAINERS, WITH  
27 EACH 0.09 OUNCES OF "ROLL-YOUR-OWN" TOBACCO EQUALING ONE (1) UNIT SOLD.  
28 The State Comptroller shall promulgate regulations necessary to ascertain the  
29 amount of State excise tax paid on the cigarettes of such tobacco product  
30 manufacturer for each year.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
32 June 1, 2006.