SB0091/323097/1

BY: Economic Matters Committee

<u>AMENDMENTS TO SENATE BILL 91</u> (Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after "products" insert "<u>in certain places</u>"; in line 12, after the first "Act;" insert "<u>requiring that certain moneys be placed in a certain fund</u>; <u>authorizing the Secretary of Health and Mental Hygiene and the Commissioner of</u> <u>Labor and Industry to waive certain penalties under certain circumstances</u>; <u>establishing a certain affirmative defense</u>; providing that an employer who discharges <u>or discriminates against an employee for certain reasons is deemed in violation of</u> <u>certain provisions of law</u>; prohibiting an employee from making certain groundless or <u>malicious complaints or from taking certain actions in bad faith</u>; <u>authorizing the</u> <u>Secretary of Health and Mental Hygiene and the Commissioner of Labor and Industry</u> <u>to bring certain actions against certain persons under certain circumstances</u>;"; and in lines 18 and 19, strike "<u>health officer of a county</u>" and substitute "<u>Secretary of Health</u>

On page 2, strike beginning with "<u>authorizing</u>" in line 1 down through "<u>criteria;</u>" in line 2; and strike in their entirety lines 8 through 12, inclusive.

On page 3, after line 23, insert:

"<u>BY repealing and reenacting, with amendments,</u> <u>Article – State Finance and Procurement</u> <u>Section 7–317(b)</u> <u>Annotated Code of Maryland</u> (2006 Replacement Volume and 2006 Supplement)".

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AMENDMENT NO. 2

On page 3, strike in their entirety lines 26 through 33, inclusive.

On page 9, in line 14, strike "AN" and substitute ":

<u>(1)</u> <u>AN</u>";

and in line 16, after "PERMISSION" insert "; OR

(2) AN INDOOR AREA OF ANY ESTABLISHMENT LICENSED OR PERMITTED UNDER ARTICLE 2B OF THE CODE FOR THE SALE OR POSSESSION OF ALCOHOLIC BEVERAGES".

On page 10, in line 17, strike "AND AUTOMOBILES," and substitute "INCLUDING RESIDENCES USED AS A BUSINESS OR PLACE OF EMPLOYMENT,"; in line 18, strike beginning with "FOR" through the second "CARE," and substitute "<u>BY A</u> <u>PERSON WHO IS LICENSED OR REGISTERED UNDER SUBTITLE 5 OF THE FAMILY</u> <u>LAW ARTICLE TO PROVIDE DAY CARE OR CHILD CARE, AND PRIVATE VEHICLES,</u> <u>UNLESS BEING USED FOR</u>"; and in line 23, after "TOBACCO" insert "<u>SHOP THAT</u> <u>DERIVES ITS PRIMARY REVENUE FROM THE SALE OF TOBACCO PRODUCTS AND</u> <u>TOBACCO-RELATED PRODUCTS AND ACCESSORIES AND DERIVES ONLY</u> INCIDENTAL REVENUE FROM THE SALE OF NONTOBACCO–RELATED PRODUCTS;

(4) ANY FACILITY OF A MANUFACTURER, IMPORTER, WHOLESALER, OR DISTRIBUTOR OF TOBACCO PRODUCTS OR OF ANY TOBACCO LEAF DEALER OR PROCESSOR IN WHICH EMPLOYEES OF THE MANUFACTURER, IMPORTER, WHOLESALER, DISTRIBUTOR, OR PROCESSOR WORK OR CONGREGATE; OR SB0091/323097/1 Amendments to SB 91 Page 3 of 8

(5) <u>A RESEARCH OR EDUCATIONAL LABORATORY FOR THE</u> <u>PURPOSE OF CONDUCTING SCIENTIFIC RESEARCH INTO THE HEALTH EFFECTS</u> OF TOBACCO SMOKE".

AMENDMENT NO. 3

On page 11, strike beginning with "<u>BUSINESS</u>" in line 3 down through "<u>CODE</u>" in line 10.

On page 12, strike in their entirety lines 2 through 24, inclusive, and substitute:

"(A) <u>SUBJECT TO SUBSECTION (C) OF THIS SECTION AND EXCEPT AS</u> <u>PROVIDED IN SUBSECTION (D) OF THIS SECTION, A PERSON WHO VIOLATES A</u> <u>PROVISION OF THIS SUBTITLE OR A REGULATION ADOPTED UNDER § 24–507(A)</u> <u>OF THIS SUBTITLE:</u>

(1) FOR A FIRST VIOLATION, SHALL BE ISSUED A WRITTEN REPRIMAND BY THE SECRETARY OR THE SECRETARY'S DESIGNEE;

(2) FOR A SECOND VIOLATION, IS SUBJECT TO A CIVIL PENALTY OF \$100; AND

(3) FOR EACH SUBSEQUENT VIOLATION, IS SUBJECT TO A CIVIL PENALTY NOT LESS THAN \$250.

(B) <u>THE SECRETARY MAY WAIVE A PENALTY ESTABLISHED UNDER</u> <u>SUBSECTION (A) OF THIS SECTION, GIVING CONSIDERATION TO FACTORS THAT</u> INCLUDE:

(1) <u>THE SERIOUSNESS OF THE VIOLATION; AND</u>

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(2) <u>Any demonstrated good faith measures to comply</u> with the provisions of this subtitle.

(C) (1) THIS SUBSECTION DOES NOT APPLY TO AN ALLEGED VIOLATION OF SUBSECTION (D) OF THIS SECTION.

(2) IT IS AN AFFIRMATIVE DEFENSE TO A COMPLAINT BROUGHT AGAINST A PERSON FOR A VIOLATION OF A PROVISION OF THIS SUBTITLE OR A REGULATION ADOPTED UNDER THIS SUBTITLE THAT THE PERSON OR AN EMPLOYEE OF THE PERSON:

(I) POSTED A "NO SMOKING" SIGN AS REQUIRED UNDER § 24–506 OF THIS SUBTITLE;

(II) <u>REMOVED ALL ASHTRAYS AND OTHER SMOKING</u> PARAPHERNALIA FROM ALL AREAS WHERE SMOKING IS PROHIBITED; AND

(III) IF THE VIOLATION OCCURRED IN A BAR, TAVERN, OR RESTAURANT:

1. <u>Refused to seat or serve any individual</u> <u>who was smoking in a prohibited area; and</u>

2. IF THE INDIVIDUAL CONTINUED TO SMOKE AFTER AN INITIAL WARNING, ASKED THE INDIVIDUAL TO LEAVE THE ESTABLISHMENT.";

and in line 25, strike "(B)" and substitute "(D)".

On page 13, after line 3, insert:

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"(E) (1) AN EMPLOYEE MAY NOT:

(I) <u>Make a groundless or malicious complaint</u> <u>under this subtitle to the Secretary or an authorized</u> <u>representative of the Secretary;</u>

(II) IN BAD FAITH, BRING AN ACTION UNDER THIS SUBTITLE; OR

(III) IN BAD FAITH, TESTIFY IN AN ACTION UNDER THIS SUBTITLE OR A PROCEEDING THAT RELATES TO THE SUBJECT OF THIS SUBTITLE.

(2) <u>THE SECRETARY MAY BRING AN ACTION FOR INJUNCTIVE</u> <u>RELIEF AND DAMAGES AGAINST A PERSON WHO VIOLATES THE PROVISIONS OF</u> <u>PARAGRAPH (1) OF THIS SUBSECTION.</u>

(F) <u>A PENALTY COLLECTED BY THE SECRETARY UNDER THIS SECTION</u> SHALL BE PAID TO THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7–317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

<u>24–509.</u>

(A) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, MAY GRANT A WAIVER FROM THE APPLICATION OF A SPECIFIC PROVISION OF THIS SUBTITLE, IF PRIOR TO THE GRANTING OF THE WAIVER, THE APPLICANT FOR A WAIVER ESTABLISHES IN WRITING:

(1) <u>COMPLIANCE WITH A SPECIFIC PROVISION OF THIS SUBTITLE</u> WOULD CAUSE UNDUE FINANCIAL HARDSHIP; OR

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(2) <u>THE EXISTENCE OF OTHER FACTORS THAT WOULD RENDER</u> COMPLIANCE UNREASONABLE.

(B) THE SECRETARY MAY IMPOSE CONDITIONS OR RESTRICTIONS ON A WAIVER GRANTED UNDER SUBSECTION (A) OF THIS SECTION TO:

(1) MINIMIZE THE ADVERSE EFFECTS OF THE WAIVER ON INDIVIDUALS INVOLUNTARILY EXPOSED TO SECONDHAND SMOKE; AND

(2) ENSURE THAT THE WAIVER IS CONSISTENT WITH THE PURPOSES OF THIS SUBTITLE.

(C) THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO IMPLEMENT THIS SECTION.".

AMENDMENT NO. 4

On page 17, in line 25, after "(**B**)" insert "(<u>1</u>)"; after line 28, insert:

"(2) <u>SUBJECT TO SUBSECTION (C) OF THIS SECTION, A PERSON</u> WHO VIOLATES A REGULATION ADOPTED UNDER THIS SUBTITLE:

(I) FOR A FIRST VIOLATION, SHALL BE ISSUED A WRITTEN REPRIMAND BY THE COMMISSIONER OR THE COMMISSIONER'S DESIGNEE;

(II) FOR A SECOND VIOLATION, IS SUBJECT TO A CIVIL PENALTY OF \$100; AND

(III) FOR EACH SUBSEQUENT VIOLATION, IS SUBJECT TO A CIVIL PENALTY NOT LESS THAN \$250.

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(C) <u>THE COMMISSIONER MAY WAIVE A PENALTY ESTABLISHED UNDER</u> SUBSECTION (B) OF THIS SECTION, GIVING CONSIDERATION TO FACTORS THAT INCLUDE:

(1) THE SERIOUSNESS OF THE VIOLATION; AND

(2) ANY DEMONSTRATED GOOD FAITH MEASURES TO COMPLY WITH THE PROVISIONS OF THIS SUBTITLE.

(D) <u>A PENALTY COLLECTED BY THE COMMISSIONER UNDER THIS</u> SECTION SHALL BE PAID TO THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7–317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.";

in line 29, strike "(C)" and substitute "<u>(E)</u>"; and in line 30, after "**REPORT**" insert "<u>, IN</u> <u>ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE</u>,".

On page 18, in line 6, strike "(**D**)" and substitute "(**F**)"; and after line 13, insert:

"(G) (1) AN EMPLOYEE MAY NOT:

(I) <u>Make a groundless or malicious complaint to</u> <u>The Commissioner or an authorized representative of the</u> <u>Commissioner;</u>

(II) IN BAD FAITH, BRING AN ACTION UNDER THIS SUBTITLE; OR

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(III) IN BAD FAITH, TESTIFY IN AN ACTION UNDER THIS SUBTITLE OR A PROCEEDING THAT RELATES TO THE SUBJECT OF THIS SUBTITLE.

(2) <u>THE COMMISSIONER MAY BRING AN ACTION FOR INJUNCTIVE</u> <u>RELIEF AND DAMAGES AGAINST A PERSON WHO VIOLATES THE PROVISIONS OF</u> <u>PARAGRAPH (1) OF THIS SUBSECTION.</u>

<u>Article – State Finance and Procurement</u>

7-317.

(b) (1) The Fund is a continuing, nonlapsing fund that is not subject to § 7–302 of this subtitle.

(2) There shall be credited to the Fund all revenues consisting of funds received by the State from any source resulting, directly or indirectly, from any judgment against or settlement with tobacco product manufacturers, tobacco research associations, or any other person in the tobacco industry relating to litigation, administrative proceedings, or any other claims made or prosecuted by the State to recover damages for violations of State law.

(3) THERE SHALL BE CREDITED TO THE FUND ALL MONEYS COLLECTED UNDER § 24–508 OF THE HEALTH – GENERAL ARTICLE OR § 5–608 OF THE LABOR AND EMPLOYMENT ARTICLE.".