

## CHAPTER 497

### (House Bill 785)

AN ACT concerning

#### **Cigarette Fire Safety Performance Standard and Firefighter Protection Act**

FOR the purpose of prohibiting the manufacture, sale, or offer for sale of cigarettes in the State unless the cigarettes have been tested in a certain manner and meet a certain performance standard and the manufacturer has filed a certain certification with the Comptroller; establishing a certain performance standard for cigarettes; requiring that testing of cigarettes be conducted in a certain manner; requiring laboratories that conduct testing to have certain current certification and implement a certain quality control and quality assurance program; providing for an alternative test method and performance standard under certain circumstances; providing that additional testing is not required under this Act of cigarettes that are tested in a certain manner for other purposes; requiring manufacturers to retain all data from testing for a certain period of time and provide certain data to the Comptroller, State Fire Prevention Commission, or the Attorney General; providing for a civil penalty if certain data is not provided within a certain period of time; requiring that a certain subtitle be implemented in accordance with the implementation and substance of the fire safety standards of a certain state; requiring manufacturers to submit to the Comptroller a certain written certification that a cigarette has been tested and has met the performance standard; requiring recertification of cigarettes after a certain period of time; requiring manufacturers to retest certain altered cigarettes; requiring manufacturers to mark in a certain manner cigarettes that have been certified; requiring manufacturers to request approval of a proposed marking from the Comptroller; requiring manufacturers to provide certain wholesalers with copies of certifications and illustrations of certain markings; requiring wholesalers to provide certain retailers, subwholesalers, and vending machine operators with copies of certain illustrations; requiring retailers, subwholesalers, vending machine operators, and wholesalers to allow the Comptroller or designee to make certain inspections; providing that cigarettes sold or offered for sale in the State that do not comply with a certain standard are deemed contraband; authorizing the Comptroller to adopt certain regulations and establish certain fees; establishing certain civil penalties for certain violations of this Act; authorizing the Attorney General to enjoin acts in violation of this Act and to

recover certain civil penalties; requiring that certain money collected from certain civil penalties be distributed to a certain fund; authorizing police officers and authorized personnel to seize and destroy certain cigarettes; requiring that certain holders of the trademark rights of certain cigarettes be provided the opportunity to inspect certain seized cigarettes prior to destruction; altering the composition of a certain fund; providing that this Act does not prohibit retailers, subwholesalers, vending machine operators, and wholesalers from selling existing inventory if certain tax stamps were affixed to the cigarettes before a certain date under certain circumstances; providing for the construction of this Act; providing that this Act preempts certain local laws, ordinances, or regulations; prohibiting local governmental units from enacting and enforcing certain ordinances, local laws, or regulations; requiring the Comptroller to monitor certain federal actions and notify the Department of Legislative Services of the adoption of a certain federal standard; defining certain terms; providing for a delayed effective date; providing for the termination of this Act; and generally relating to fire safety standards for cigarettes.

BY adding to

Article – Business Regulation

Section 16–601 through 16–610 to be under the new subtitle “Subtitle 6. Fire Safety Performance Standard for Cigarettes” and the amended title “Title 16. Cigarettes”

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Safety

Section 8–102(a) and (b)

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 8–102(d)

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

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

### **Article – Business Regulation**

Title 16. [Cigarette Licenses] CIGARETTES.

**SUBTITLE 6. FIRE SAFETY PERFORMANCE STANDARD FOR CIGARETTES.**

**16-601.**

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) ~~(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, "CIGARETTE"~~ "CIGARETTE" HAS THE MEANING STATED IN § 16-101 OF THIS TITLE.

~~(2) "CIGARETTE" INCLUDES A ROLL OF TOBACCO WRAPPED IN A SUBSTANCE CONTAINING TOBACCO THAT BECAUSE OF ITS APPEARANCE, THE TYPE OF TOBACCO USED IN ITS FILLER, OR ITS PACKAGING AND LABELING IS LIKELY TO BE OFFERED TO OR PURCHASED BY A CONSUMER AS A CIGARETTE AS DEFINED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

(C) "COMMISSION" MEANS THE STATE FIRE PREVENTION COMMISSION.

(D) "MANUFACTURER" MEANS:

(1) A PERSON THAT MANUFACTURES OR OTHERWISE PRODUCES, OR CAUSES TO BE MANUFACTURED OR PRODUCED, CIGARETTES INTENDED FOR SALE IN THIS STATE, INCLUDING CIGARETTES INTENDED FOR SALE IN THE UNITED STATES THROUGH AN IMPORTER;

(2) THE FIRST PURCHASER ANYWHERE THAT INTENDS TO RESELL IN THE UNITED STATES CIGARETTES THAT THE ORIGINAL MANUFACTURER OR MAKER DOES NOT INTEND FOR SALE IN THE UNITED STATES; OR

(3) A PERSON THAT IS A SUCCESSOR OF A PERSON LISTED IN ITEM (1) OR (2) OF THIS SUBSECTION.

(E) "QUALITY CONTROL AND QUALITY ASSURANCE PROGRAM" MEANS LABORATORY PROCEDURES IMPLEMENTED TO ENSURE THAT:

**(1) OPERATOR BIAS, SYSTEMATIC AND NONSYSTEMATIC METHODOLOGICAL ERRORS, AND EQUIPMENT-RELATED PROBLEMS DO NOT AFFECT THE RESULTS OF THE TESTING; AND**

**(2) THE TESTING REPEATABILITY REMAINS WITHIN THE REQUIRED REPEATABILITY VALUE FOR ANY TEST TRIAL USED TO CERTIFY CIGARETTES UNDER THIS SUBTITLE.**

**(F) “REPEATABILITY” MEANS THE RANGE OF VALUES WITHIN WHICH THE REPEAT RESULTS OF CIGARETTE TEST TRIALS FROM A SINGLE LABORATORY FALL 95% OF THE TIME.**

**(G) “RETAILER” HAS THE MEANING STATED IN § 16-201 OF THIS TITLE.**

**(H) “SUBWHOLESALE” HAS THE MEANING STATED IN § 16-201 OF THIS TITLE.**

**(I) “VENDING MACHINE OPERATOR” HAS THE MEANING STATED IN § 16-201 OF THIS TITLE.**

**(J) “WHOLESALE” HAS THE MEANING STATED IN § 16-201 OF THIS TITLE.**

**16-602.**

**(A) CIGARETTES MAY NOT BE MANUFACTURED IN THIS STATE OR SOLD OR OFFERED FOR SALE TO ANY PERSON IN THIS STATE UNLESS:**

**(1) THE CIGARETTES HAVE BEEN TESTED IN ACCORDANCE WITH THE TEST METHOD AND MEET THE PERFORMANCE STANDARD SPECIFIED IN THIS SECTION; AND**

**(2) THE MANUFACTURER HAS FILED A WRITTEN CERTIFICATION WITH THE COMPTROLLER IN ACCORDANCE WITH § 16-603 OF THIS SUBTITLE.**

**(B) THE PERFORMANCE STANDARD FOR CIGARETTES SOLD OR OFFERED FOR SALE IN THE STATE INCLUDES ALL OF THE REQUIREMENTS IN SUBSECTION (E)(1) OF THIS SECTION.**

**(C) (1) TESTING OF CIGARETTES SHALL BE CONDUCTED IN ACCORDANCE WITH THE AMERICAN SOCIETY OF TESTING AND MATERIALS (ASTM) STANDARD E2187-04 "STANDARD TEST METHOD FOR MEASURING THE IGNITION STRENGTH OF CIGARETTES".**

**(2) THE COMPTROLLER, IN CONSULTATION WITH THE COMMISSION, MAY ADOPT A SUBSEQUENT ASTM STANDARD TEST METHOD FOR MEASURING THE IGNITION STRENGTH OF CIGARETTES ON A FINDING THAT THE SUBSEQUENT METHOD DOES NOT RESULT IN A CHANGE IN THE PERCENTAGE OF FULL-LENGTH BURNS EXHIBITED BY ANY TESTED CIGARETTE WHEN COMPARED TO THE PERCENTAGE OF FULL-LENGTH BURNS THE SAME CIGARETTE WOULD EXHIBIT WHEN TESTED IN ACCORDANCE WITH ASTM STANDARD E2187-04 AND THE PERFORMANCE STANDARD OF THIS SECTION.**

**(D) TESTING OF CIGARETTES SHALL BE CONDUCTED ON 10 LAYERS OF FILTER PAPER.**

**(E) (1) NO MORE THAN 25% OF THE CIGARETTES TESTED IN A TEST TRIAL SHALL EXHIBIT FULL-LENGTH BURNS.**

**(2) FORTY REPLICATE TESTS SHALL COMPRISE A COMPLETE TEST TRIAL FOR EACH CIGARETTE TESTED.**

**(F) THE PERFORMANCE STANDARD REQUIRED BY THIS SECTION SHALL ONLY BE APPLIED TO A COMPLETE TEST TRIAL.**

**(G) (1) EACH LABORATORY THAT CONDUCTS TESTS IN ACCORDANCE WITH THIS SECTION SHALL:**

**(I) HAVE CURRENT ACCREDITATION PURSUANT TO STANDARD ISO/IEC 17025 OF THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION, SUBSEQUENT LABORATORY STANDARDIZATION, OR ANOTHER COMPARABLE ACCREDITATION AS DETERMINED BY THE COMPTROLLER; AND**

**(II) IMPLEMENT A QUALITY CONTROL AND QUALITY ASSURANCE PROGRAM THAT INCLUDES A PROCEDURE TO DETERMINE THE REPEATABILITY OF THE TESTING RESULTS.**

**(2) THE REPEATABILITY VALUE SHALL BE NO GREATER THAN 0.19.**

**(H) (1) EACH CIGARETTE LISTED IN A CERTIFICATION THAT USES LOWERED PERMEABILITY BANDS IN THE CIGARETTE PAPER TO ACHIEVE COMPLIANCE WITH THE PERFORMANCE STANDARD OF THIS SECTION SHALL HAVE AT LEAST TWO NOMINALLY IDENTICAL BANDS ON THE PAPER SURROUNDING THE TOBACCO COLUMN.**

**(2) AT LEAST ONE COMPLETE BAND SHALL BE LOCATED AT LEAST 15 MILLIMETERS FROM THE LIGHTING END OF THE CIGARETTE.**

**(3) FOR A CIGARETTE ON WHICH THE BANDS ARE POSITIONED BY DESIGN, AT LEAST TWO BANDS SHALL BE LOCATED AT LEAST 15 MILLIMETERS FROM THE LIGHTING END AND 10 MILLIMETERS FROM THE FILTER END OF THE TOBACCO COLUMN.**

**(4) FOR AN UNFILTERED CIGARETTE, THE TWO COMPLETE BANDS SHALL BE LOCATED AT LEAST 15 MILLIMETERS FROM THE LIGHTING END AND 10 MILLIMETERS FROM THE LABELED END OF THE TOBACCO COLUMN.**

**(I) (1) IF THE COMPTROLLER DETERMINES THAT A CIGARETTE CANNOT BE TESTED IN ACCORDANCE WITH THE TEST METHOD REQUIRED BY THIS SECTION, THE MANUFACTURER OF THE CIGARETTE SHALL PROPOSE TO THE COMPTROLLER A TEST METHOD AND PERFORMANCE STANDARD FOR THAT CIGARETTE.**

**(2) THE COMPTROLLER, IN CONSULTATION WITH THE COMMISSION, MAY APPROVE A TEST METHOD AND PERFORMANCE STANDARD THAT THE COMPTROLLER DETERMINES IS EQUIVALENT TO THE REQUIREMENTS OF THIS SECTION, AND THE MANUFACTURER MAY USE THAT TEST METHOD AND PERFORMANCE STANDARD FOR CERTIFICATION OF A CIGARETTE IN ACCORDANCE WITH § 16-603 OF THIS SUBTITLE.**

**(3) (I) THE COMPTROLLER, IN CONSULTATION WITH THE COMMISSION, SHALL APPROVE A TEST METHOD AND PERFORMANCE STANDARD USED IN ANOTHER STATE IF THE COMPTROLLER DETERMINES THAT:**

**1. THE ~~STATE~~ OTHER STATE HAS ENACTED A REDUCED CIGARETTE IGNITION PROPENSITY STANDARD THAT INCLUDES A TEST METHOD AND PERFORMANCE STANDARD THAT ARE THE SAME AS THE REQUIREMENTS OF THIS SECTION; AND**

**2. THE OFFICIALS RESPONSIBLE FOR IMPLEMENTING THE REQUIREMENTS IN THE OTHER STATE HAVE APPROVED OF THE ALTERNATIVE TEST METHOD AND PERFORMANCE STANDARD FOR A PARTICULAR CIGARETTE UNDER A LEGAL PROVISION COMPARABLE TO THIS SECTION.**

**(II) A MANUFACTURER MAY USE A TEST METHOD AND PERFORMANCE STANDARD APPROVED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR CERTIFICATION IN ACCORDANCE WITH § 16-603 OF THIS SUBTITLE OF THE CIGARETTE USED IN THE APPROVED TEST METHOD.**

**(J) THIS SECTION DOES NOT REQUIRE ADDITIONAL TESTING FOR CIGARETTES THAT ARE TESTED IN A MANNER CONSISTENT WITH THE REQUIREMENTS OF THIS SECTION FOR ANY OTHER PURPOSE.**

**(K) (1) EACH MANUFACTURER SHALL RETAIN COPIES OF THE REPORTS OF ALL TESTS CONDUCTED ON ALL CIGARETTES OFFERED FOR SALE FOR 3 YEARS.**

**(2) (I) ON REQUEST, THE MANUFACTURER SHALL PROVIDE THE DATA RETAINED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE COMPTROLLER, THE COMMISSION, OR THE ATTORNEY GENERAL WITHIN 60 DAYS AFTER RECEIVING THE REQUEST, FOR THE PURPOSE OF ENSURING COMPLIANCE WITH THIS SECTION.**

**(II) A MANUFACTURER WHO DOES NOT PROVIDE THE DATA WITHIN 60 DAYS OF A REQUEST IS SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$10,000 FOR EACH DAY AFTER THE 60TH DAY THAT THE VIOLATION CONTINUES.**

**(L) THIS SUBTITLE SHALL BE IMPLEMENTED IN ACCORDANCE WITH THE IMPLEMENTATION AND SUBSTANCE OF THE NEW YORK FIRE SAFETY STANDARDS FOR CIGARETTES.**

**16-603.**

(A) **(1) EACH MANUFACTURER SHALL SUBMIT TO THE COMPTROLLER WRITTEN CERTIFICATION ATTESTING THAT EACH CIGARETTE HAS BEEN TESTED IN ACCORDANCE WITH AND HAS MET THE PERFORMANCE STANDARD REQUIRED UNDER § 16-602 OF THIS SUBTITLE.**

**(2) A CERTIFICATION UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT LIST MORE THAN 50 CIGARETTES.**

(B) **THE DESCRIPTION OF EACH CIGARETTE LISTED IN THE CERTIFICATION SHALL INCLUDE:**

- (1) THE BRAND OR TRADE NAME ON THE PACKAGE;**
- (2) THE STYLE, SUCH AS LIGHT OR ULTRA LIGHT;**
- (3) THE LENGTH IN MILLIMETERS;**
- (4) THE CIRCUMFERENCE IN MILLIMETERS;**
- (5) THE FLAVOR, SUCH AS MENTHOL OR CHOCOLATE, IF APPLICABLE;**
- (6) WHETHER FILTERED OR NONFILTERED;**
- (7) A PACKAGE DESCRIPTION, SUCH AS A SOFT PACK OR BOX;**
- (8) THE MARK APPROVED IN ACCORDANCE WITH § 16-604 OF THIS SUBTITLE;**
- (9) IF DIFFERENT FROM THE MANUFACTURER, THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE LABORATORY THAT CONDUCTED THE TEST; AND**
- (10) THE DATE OF THE TESTING.**

(C) **THE CERTIFICATION SHALL BE MADE AVAILABLE TO:**

**(1) THE ATTORNEY GENERAL AND THE COMMISSION FOR PURPOSES CONSISTENT WITH THIS SUBTITLE; AND**



**(2) THE COMPTROLLER FOR THE PURPOSE OF ENSURING COMPLIANCE WITH THIS SECTION.**

**(D) (1) EACH CIGARETTE CERTIFIED UNDER THIS SECTION SHALL BE RECERTIFIED EVERY 3 YEARS.**

**(2) IF A MANUFACTURER OF A CIGARETTE THAT HAS BEEN CERTIFIED UNDER THIS SECTION MAKES A CHANGE THAT IS LIKELY TO ALTER THE CIGARETTE'S COMPLIANCE WITH THE PERFORMANCE STANDARD UNDER § 16-602(E) OF THIS SUBTITLE, THAT CIGARETTE MAY NOT BE SOLD IN THIS STATE UNTIL THE MANUFACTURER, IN ACCORDANCE WITH § 16-602 OF THIS SUBTITLE, RETESTS AND MAINTAINS THE PROPER RECORDS OF THE TESTING.**

**16-604.**

**(A) CIGARETTES THAT HAVE BEEN CERTIFIED IN ACCORDANCE WITH § 16-603 OF THIS SUBTITLE SHALL BE MARKED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION.**

**(B) THE MARKING SHALL:**

**(1) CONSIST OF:**

**(I) ANY MARKING IN USE AND APPROVED FOR SALE IN NEW YORK UNDER THE NEW YORK FIRE SAFETY STANDARDS FOR CIGARETTES; OR**

**(II) THE LETTERS "FSC" TO SIGNIFY FIRE STANDARDS COMPLIANT;**

**(2) BE IN A FONT OF AT LEAST 8 POINT TYPE; AND**

**(3) BE PERMANENTLY PRINTED, STAMPED, ENGRAVED, OR EMBOSSED ON THE PACKAGE AT OR NEAR THE AREA OF THE UPC CODE, IF PRESENT.**

**(C) A MANUFACTURER MAY PROPOSE AN ALTERNATIVE MARKING THAT:**

**(1) MEETS THE CRITERIA UNDER SUBSECTION (B)(2) AND (3) OF THIS SECTION; AND**

**(2) CONSISTS OF A VISIBLE COMBINATION OF ALPHANUMERIC OR SYMBOLIC CHARACTERS OR TEXT PERMANENTLY STAMPED, ENGRAVED, EMBOSSED, OR PRINTED:**

**(I) IN CONJUNCTION WITH THE UPC CODE; OR**

**(II) ON THE CIGARETTE PACK OR CELLOPHANE WRAP.**

**(D) (1) A MANUFACTURER SHALL REQUEST APPROVAL OF A PROPOSED MARKING FROM THE COMPTROLLER.**

**(2) (I) THE COMPTROLLER SHALL APPROVE A MARKING SPECIFIED IN SUBSECTION (B)(1) OF THIS SECTION.**

**(II) A MARKING IS DEEMED APPROVED IF THE COMPTROLLER FAILS TO ACT WITHIN 10 BUSINESS DAYS AFTER RECEIVING A REQUEST FOR APPROVAL.**

**(3) A MANUFACTURER MAY NOT USE A MODIFIED MARKING UNLESS THE MODIFICATION HAS BEEN APPROVED IN ACCORDANCE WITH THIS SECTION.**

**(4) A MANUFACTURER SHALL USE ONLY ONE MARKING ON ALL BRANDS THAT THE MANUFACTURER MARKETS.**

**(5) A MARKING OR MODIFIED MARKING APPROVED BY THE COMPTROLLER SHALL BE APPLIED UNIFORMLY ON ALL BRANDS MARKETED AND ON ALL PACKAGES, INCLUDING PACKS, CARTONS, AND CASES MARKETED BY THAT MANUFACTURER.**

**16-605.**

**(A) THE MANUFACTURER SHALL:**

**(1) PROVIDE A COPY OF EACH CERTIFICATION TO EACH WHOLESALER TO WHICH THE MANUFACTURER SELLS CIGARETTES; AND**

**(2) PROVIDE SUFFICIENT COPIES OF AN ILLUSTRATION OF THE PACKAGING MARKING APPROVED AND USED BY THE MANUFACTURER IN**

ACCORDANCE WITH § 16-604 OF THIS SUBTITLE FOR EACH RETAILER, SUBWHOLESALE, AND VENDING MACHINE OPERATOR THAT PURCHASES CIGARETTES FROM THE WHOLESALE.

(B) THE WHOLESALE SHALL PROVIDE A COPY OF THE ILLUSTRATION TO EACH RETAILER, SUBWHOLESALE, AND VENDING MACHINE OPERATOR TO WHICH THE WHOLESALE SELLS CIGARETTES.

(C) EACH RETAILER, SUBWHOLESALE, VENDING MACHINE OPERATOR, AND WHOLESALE SHALL ALLOW THE COMPTROLLER OR DESIGNEE OF THE COMPTROLLER TO INSPECT THE MARKINGS ON CIGARETTE PACKAGING AT ANY TIME.

**16-606.**

ANY CIGARETTES SOLD OR OFFERED FOR SALE IN THE STATE THAT DO NOT COMPLY WITH THE PERFORMANCE STANDARD REQUIRED BY § 16-602 OF THIS SUBTITLE ARE DEEMED TO BE CONTRABAND AND SUBJECT TO §§ 13-836, 13-837, AND 13-839 OF THE TAX - GENERAL ARTICLE.

**16-607.**

**THE COMPTROLLER:**

(1) MAY ADOPT REGULATIONS NECESSARY TO CARRY OUT AND ADMINISTER THIS SUBTITLE;

(2) IN CONSULTATION WITH THE COMMISSION, MAY ADOPT REGULATIONS FOR THE CONDUCT OF RANDOM INSPECTIONS OF RETAILERS, SUBWHOLESALE, VENDING MACHINE OPERATORS, AND WHOLESALE TO ENSURE COMPLIANCE WITH THIS SUBTITLE; AND

(3) MAY ESTABLISH A \$250 FEE FOR EACH ~~CIGARETTE LISTED IN~~ A CERTIFICATION REQUIRED UNDER § 16-603 OF THIS SUBTITLE TO COVER THE EXPENSES OF ADMINISTERING THIS SUBTITLE.

**16-608.**

(A) (1) A MANUFACTURER OR OTHER PERSON THAT KNOWINGLY SELLS OR OFFERS FOR SALE CIGARETTES OTHER THAN BY RETAIL SALE IN

**VIOLATION OF § 16-602 OF THIS SUBTITLE IS SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$100 FOR EACH PACKAGE OF CIGARETTES SOLD OR OFFERED FOR SALE.**

**(2) UNDER THIS SUBSECTION, A TOTAL AMOUNT OF CIVIL PENALTIES IMPOSED ON A MANUFACTURER OR OTHER PERSON MAY NOT EXCEED \$100,000 DURING ANY 30-DAY PERIOD.**

**(B) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A RETAILER, SUBWHOLESALE, WHOLESALER, OR OTHER PERSON THAT KNOWINGLY SELLS CIGARETTES IN VIOLATION OF § 16-602 OF THIS SUBTITLE IS SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$100 FOR EACH PACKAGE OF CIGARETTES SOLD.**

**(2) UNDER THIS SUBSECTION, A TOTAL AMOUNT OF CIVIL PENALTIES IMPOSED ON A RETAILER MAY NOT EXCEED \$25,000 DURING ANY 30-DAY PERIOD.**

**(3) UNDER THIS SUBSECTION, A TOTAL AMOUNT OF CIVIL PENALTIES IMPOSED ON A SUBWHOLESALE, WHOLESALER, OR OTHER PERSON MAY NOT EXCEED \$100,000 DURING ANY 30-DAY PERIOD.**

**(C) A MANUFACTURER THAT KNOWINGLY MAKES A FALSE CERTIFICATION UNDER § 16-603 OF THIS SUBTITLE IS SUBJECT TO A CIVIL PENALTY OF AT LEAST \$75,000 AND NOT EXCEEDING \$250,000 FOR EACH FALSE CERTIFICATION.**

**16-609.**

**(A) TO ENFORCE THIS SUBTITLE:**

**(1) THE ATTORNEY GENERAL MAY BRING AN ACTION TO ENJOIN ANY ACTS IN VIOLATION OF THIS SUBTITLE AND TO RECOVER CIVIL PENALTIES AUTHORIZED UNDER § 16-608 OF THIS SUBTITLE; OR**

**(2) THE ATTORNEY GENERAL OR THE COMPTROLLER MAY EXAMINE THE BOOKS, PAPERS, INVOICES, AND RECORDS OF A PERSON IN POSSESSION, CONTROL, OR OCCUPANCY OF A BUILDING, STRUCTURE, OR LAND WHERE CIGARETTES ARE PLACED, STORED, SOLD, OR OFFERED FOR SALE.**

**(B) MONEY COLLECTED FROM CIVIL PENALTIES RECOVERED UNDER THIS SECTION SHALL BE DISTRIBUTED TO THE SENATOR WILLIAM H. AMOSS FIRE, RESCUE, AND AMBULANCE FUND.**

**16-610.**

**(A) A POLICE OFFICER OR OTHER AUTHORIZED PERSONNEL AS DETERMINED BY REGULATIONS MAY SEIZE CIGARETTES IN THE POSSESSION OF A RETAILER, SUBWHOLESALE, VENDING MACHINE OPERATOR, OR WHOLESALE THAT HAVE NOT BEEN MARKED IN ACCORDANCE WITH § 16-604 OF THIS SUBTITLE. CIGARETTES SEIZED PURSUANT TO THIS SECTION SHALL BE DESTROYED; PROVIDED, HOWEVER, THAT PRIOR TO THE DESTRUCTION OF ANY CIGARETTE SEIZED PURSUANT TO THIS SECTION, THE TRUE HOLDER OF THE TRADEMARK RIGHTS IN THE CIGARETTE BRAND SHALL BE PERMITTED TO INSPECT THE CIGARETTE**

**(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, CIGARETTES SEIZED UNDER THIS SECTION SHALL BE DESTROYED.**

**(2) THE TRUE HOLDER OF THE TRADEMARK RIGHTS IN THE CIGARETTE BRAND SHALL BE PROVIDED THE OPPORTUNITY TO INSPECT ANY CIGARETTES SEIZED UNDER THIS SECTION BEFORE THE CIGARETTES ARE DESTROYED.**

**Article – Public Safety**

**8-102.**

(a) There is a Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

(b) The purposes of the Fund are to promote:

(1) the delivery of effective and high quality fire protection, rescue, and ambulance services in the State;

(2) increased financial support for fire, rescue, and ambulance companies by counties; and

(3) the continued financial viability of volunteer fire, rescue, and ambulance companies given the greatly increased costs of equipment.

(d) The Fund consists of:

(1) money appropriated in the State budget to the Fund; AND

**(2) REVENUE DISTRIBUTED TO THE FUND UNDER § 16-609 OF THE BUSINESS REGULATION ARTICLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That the requirement that cigarettes sold in this State must be in compliance with this Act does not prohibit retailers, subwholesalers, vending machine operators, or wholesalers from selling existing cigarette inventories on or after July 1, 2008, if the retailers, subwholesalers, vending machine operators, or wholesalers can establish that:

(1) the tax stamps were affixed to the cigarettes as required by § 12-304 of the Tax – General Article before July 1, 2008; and

(2) the inventories purchased between July 1, 2007 and July 1, 2008 are in a quantity comparable to the inventories purchased between July 1, 2006 and July 1, 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act may not be construed to prohibit a person from selling or offering for sale cigarettes that have not been certified in accordance with § 16-603 of the Business Regulation Article, as enacted by this Act, if the cigarettes are or will be stamped for sale in another state or are packaged for sale outside the United States.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act preempts any local law, ordinance, or regulation that conflicts with any provision of this Act or any policy of the State implemented in accordance with this Act and, notwithstanding any other provision of law, a governmental unit of this State may not enact or enforce an ordinance, local law, or regulation conflicting with or preempted by this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008. It shall remain effective until a federal reduced cigarette ignition propensity standard is adopted and become effective. If a federal reduced cigarette ignition propensity standard is adopted and becomes effective, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect. The Comptroller shall monitor federal actions regarding the establishment of fire safety standards for cigarettes and promptly forward notice of the adoption of a federal reduced cigarette ignition propensity standard to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

**Approved by the Governor, May 17, 2007.**