C2, I4, Q7

By: Delegates Tarrant, Ali, Barnes, Cane, Cardin, Carr, Frush, Gilchrist, Harrison, Haynes, Howard, Hubbard, Ivey, Manno, McHale, McIntosh, Morhaim, Niemann, Oaks, Pena-Melnyk, Proctor, Ramirez, Rice, Rosenberg, Rudolph, Simmons, Stukes, Taylor, F. Turner, V. Turner, Waldstreicher, and Walker

Introduced and read first time: January 31, 2008

Assigned to: Economic Matters

## A BILL ENTITLED

1 AN ACT concerning

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Cigarette -	<ul> <li>Definition</li> </ul>

- FOR the purpose of altering the definition of cigarette in connection with tobacco taxes, the regulation of cigarette businesses, the sale of cigarettes below cost, and certain cigarette fire safety standards to include certain tobacco products that are wrapped in certain substances and weigh less than a certain amount and certain tobacco products likely to be offered to, or purchased by, consumers as cigarettes; providing for a delayed effective date for certain provisions of this Act; and generally relating to the definition of cigarettes.
- 10 BY repealing and reenacting, with amendments,
- 11 Article Business Regulation
- 12 Section 16–101(b)
- 13 Annotated Code of Maryland
- 14 (2004 Replacement Volume and 2007 Supplement)
- 15 BY repealing and reenacting, with amendments,
- 16 Article Business Regulation
- 17 Section 16–601
- 18 Annotated Code of Maryland
- 19 (2004 Replacement Volume and 2007 Supplement)
- 20 (As enacted by Chapter 497 of the Acts of the General Assembly of 2007)
- 21 BY repealing and reenacting, with amendments,
- 22 Article Commercial Law
- 23 Section 11–501(c)
- 24 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1	(2005 Replacement Volume and 2007 Supplement)			
2	BY repealing and reenacting, with amendments,  Article – Tax – General			
4	Section 12–101(b)			
5	Annotated Code of Maryland			
6	(2004 Replacement Volume and 2007 Supplement)			
7	BY repealing and reenacting, without amendments,			
8	Article – Tax – General			
9	Section 12–101(c)			
10	Annotated Code of Maryland			
11	(2004 Replacement Volume and 2007 Supplement)			
12	BY repealing and reenacting, with amendments,			
13	Article – Business Regulation			
14	Section 16–601			
15	Annotated Code of Maryland			
16	(2004 Replacement Volume and 2007 Supplement)			
17	(As enacted by Section 1 of this Act)			
18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF			
19	MARYLAND, That the Laws of Maryland read as follows:			
20	Article - Business Regulation			
21	16–101.			
22	(b) "Cigarette" means any size or shaped roll for smoking that is made of			
23	tobacco or tobacco mixed with another ingredient and:			
24	(1) IS wrapped in paper or in any other material except tobacco;			
25	(2) IS WRAPPED IN PAPER CONTAINING TOBACCO AND, WITH THE			
26	WRAPPER, WEIGHS LESS THAN 3 POUNDS PER THOUSAND CIGARETTES; OR			
07				
27	(3) (I) CONTAINS TOBACCO, IN ANY FORM, THAT IS			
28	FUNCTIONAL IN THE PRODUCT; AND			
29	(II) IS LIKELY TO BE OFFERED TO, OR PURCHASED BY,			
30	CONSUMERS AS A CIGARETTE, AS DESCRIBED IN ITEMS (1) AND (2) OF THIS			
31	SUBSECTION, BECAUSE OF:			
32	1. ITS APPEARANCE;			
33	2. THE TYPE OF TOBACCO USED IN THE FILLER; OR			
oo	2. THE TYPE OF TOBACCO USED IN THE FILLER; OR			

1		3. ITS PACKAGING.
2	16–601.	
3	(a)	In this subtitle the following words have the meanings indicated.
4 5	(b) SIZE OR SH	"Cigarette" [has the meaning stated in § 16–101 of this title] <b>MEANS ANY</b> APED ROLL FOR SMOKING THAT:
6 7	INGREDIEN	(1) IS MADE OF TOBACCO OR TOBACCO MIXED WITH ANOTHER NT; AND
8 9	TOBACCO.	(2) IS WRAPPED IN PAPER OR IN ANY OTHER MATERIAL EXCEPT
10	(c)	"Commission" means the State Fire Prevention Commission.
11	(d)	"Manufacturer" means:
12 13 14		(1) a person that manufactures or otherwise produces, or causes to be red or produced, cigarettes intended for sale in this State, including attended for sale in the United States through an importer;
15 16 17	States cigar the United	(2) the first purchaser anywhere that intends to resell in the United rettes that the original manufacturer or maker does not intend for sale in States; or
18 19	this subsect	(3) a person that is a successor of a person listed in item (1) or (2) of ion.
20 21	(e) procedures	"Quality control and quality assurance program" means laboratory implemented to ensure that:
22 23	and equipm	(1) operator bias, systematic and nonsystematic methodological errors, ent–related problems do not affect the results of the testing; and
24 25	value for an	(2) the testing repeatability remains within the required repeatability by test trial used to certify cigarettes under this subtitle.
26 27	(f) of cigarette	"Repeatability" means the range of values within which the repeat results test trials from a single laboratory fall $95\%$ of the time.
28	(g)	"Retailer" has the meaning stated in § 16–201 of this title

"Subwholesaler" has the meaning stated in  $\S$  16–201 of this title.

(h)

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$\frac{1}{2}$	(i) "Vending machine operator" has the meaning stated in $\S$ 16–201 of this title.			
3	(j) "Wholesaler" has the meaning stated in § 16–201 of this title.			
4	Article - Commercial Law			
5	11–501.			
6 7	(c) [(1) "Cigarettes"] "CIGARETTE" means any size or shaped roll for smoking that is made of tobacco or tobacco mixed with another ingredient and:			
8	(1) Is wrapped in paper or in any other material except tobacco;			
9 10	(2) Is wrapped in paper containing tobacco and, with the wrapper, weighs less than 3 pounds per thousand cigarettes; or			
11 12	(3) (I) CONTAINS TOBACCO, IN ANY FORM, THAT IS FUNCTIONAL IN THE PRODUCT; AND			
13 14 15	(II) IS LIKELY TO BE OFFERED TO, OR PURCHASED BY, CONSUMERS AS A CIGARETTE, AS DESCRIBED IN ITEMS (1) AND (2) OF THIS SUBSECTION, BECAUSE OF:			
16	1. Its appearance;			
17	2. THE TYPE OF TOBACCO USED IN THE FILLER; OR			
18	3. ITS PACKAGING.			
19	[(2) "Cigarettes" does not include cigars.]			
20	Article - Tax - General			
21	12–101.			
22 23	(b) "Cigarette" means any size or shaped roll for smoking that is made of tobacco or tobacco mixed with another ingredient and:			
24	(1) IS wrapped in paper or in any other material except tobacco;			
25 26	(2) IS WRAPPED IN PAPER CONTAINING TOBACCO AND, WITH THE WRAPPER, WEIGHS LESS THAN 3 POUNDS PER THOUSAND CIGARETTES; OR			

$\frac{1}{2}$	(3) (I) CONTAINS TOBACCO, IN ANY FORM, THAT IS FUNCTIONAL IN THE PRODUCT; AND		
3 4 5	(II) IS LIKELY TO BE OFFERED TO, OR PURCHASED BY, CONSUMERS AS A CIGARETTE, AS DESCRIBED IN ITEMS (1) AND (2) OF THIS SUBSECTION, BECAUSE OF:		
6	1. ITS APPEARANCE;		
7	2. THE TYPE OF TOBACCO USED IN THE FILLER; OR		
8	3. ITS PACKAGING.		
9	(c) "Other tobacco product" means:		
10 11	(1) any cigar or roll for smoking, other than a cigarette, made in whole or in part of tobacco; or		
12 13	(2) any other tobacco or product made primarily from tobacco, other than a cigarette, that is intended for consumption by smoking or chewing or as snuff.		
14 15	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:		
16	Article - Business Regulation		
17	16–601.		
18	(a) In this subtitle the following words have the meanings indicated.		
19	(b) ["Cigarette" means any size or shaped roll for smoking that:		
20	(1) is made of tobacco or tobacco mixed with another ingredient; and		
21	(2) is wrapped in paper or in any other material except tobacco.		
22	(c)] "Commission" means the State Fire Prevention Commission.		
23	[(d)] (C) "Manufacturer" means:		
24 25 26	(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;		

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1 2 3	(2) States cigarettes t the United States;	the first purchaser anywhere that intends to resell in the United that the original manufacturer or maker does not intend for sale in or
4 5	(3) this subsection.	a person that is a successor of a person listed in item (1) or (2) or
6 7	[(e)] <b>(D)</b> procedures implem	"Quality control and quality assurance program" means laboratory nented to ensure that:
8 9	(1) and equipment–re	operator bias, systematic and nonsystematic methodological errors lated problems do not affect the results of the testing; and
10 11	(2) value for any test	the testing repeatability remains within the required repeatability trial used to certify cigarettes under this subtitle.
12 13	[(f)] (E) results of cigarette	"Repeatability" means the range of values within which the repeate test trials from a single laboratory fall 95% of the time.
14	[(g)] <b>(F)</b>	"Retailer" has the meaning stated in § 16–201 of this title.
15	[(h)] (G)	"Subwholesaler" has the meaning stated in § 16–201 of this title.
16 17	[(i)] (H) this title.	"Vending machine operator" has the meaning stated in § 16–201 or
18	[(j)] (I)	"Wholesaler" has the meaning stated in § 16–201 of this title.
19 20	SECTION 3 take effect July 1,	3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall 2009.

SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in

Section 3 of this Act, this Act shall take effect July 1, 2008.