

# HOUSE BILL 238

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HB 609/08 – ECM

9lr0921

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By: **Delegates Tarrant, Anderson, Bronrott, Burns, Cardin, Carr, Frick, Glenn, Holmes, Hucker, McHale, Murphy, Nathan-Pulliam, Olszewski, Robinson, Ross, Schuh, Stukes, Taylor, Valderrama, and Walker**

Introduced and read first time: January 28, 2009

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Cigars – Sales of Less Than Four Per Package – Prohibited**

3 FOR the purpose of prohibiting certain retailers from purchasing from certain  
4 manufacturers or wholesalers, or selling, reselling, distributing, dispensing, or  
5 giving away to certain persons, a package of cigars containing less than a  
6 certain number of cigars; prohibiting certain wholesalers from selling, reselling,  
7 distributing, dispensing, or giving away to certain persons a package of cigars  
8 containing less than a certain number of cigars; requiring the Comptroller to  
9 enforce this Act; requiring the Comptroller to employ certain persons to enforce  
10 this Act; requiring the Comptroller to adopt certain regulations; defining certain  
11 terms; providing for the application of this Act; and generally relating to cigars.

12 BY adding to

13 Article – Commercial Law

14 Section 11–5B–01 through 11–5B–04 to be under the new subtitle “Subtitle 5B.  
15 Cigar Sales of Less Than Four Per Package”

16 Annotated Code of Maryland

17 (2005 Replacement Volume and 2008 Supplement)

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

20 **Article – Commercial Law**

21 **SUBTITLE 5B. CIGAR SALES OF LESS THAN FOUR PER PACKAGE.**

22 **11–5B–01.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 (B) "RETAILER" MEANS A PERSON LOCATED IN THE STATE THAT HOLDS  
4 FOR SALE OR SELLS CIGARS TO A CONSUMER IN THE STATE.

5 (C) "SELL" HAS THE MEANING STATED IN § 11-501 OF THIS TITLE.

6 (D) "WHOLESALER" MEANS A PERSON, WHETHER LOCATED IN OR  
7 OUTSIDE THE STATE, THAT HOLDS FOR SALE OR SELLS CIGARS TO A RETAILER  
8 OR CONSUMER IN THE STATE.

9 **11-5B-02.**

10 (A) THIS SUBTITLE DOES NOT APPLY TO A RETAIL TOBACCO BUSINESS  
11 IF:

12 (1) THE PRIMARY ACTIVITY OF THE BUSINESS IS THE RETAIL  
13 SALE OF TOBACCO PRODUCTS AND ACCESSORIES, OTHER THAN CIGARETTES;  
14 AND

15 (2) THE SALE OF OTHER PRODUCTS IS INCIDENTAL TO THE  
16 BUSINESS.

17 (B) THIS SUBTITLE DOES NOT APPLY TO A CIGAR THAT HAS A  
18 WHOLESALE PRICE OF LESS THAN \$2.

19 **11-5B-03.**

20 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A RETAILER  
21 MAY NOT PURCHASE FROM A TOBACCO PRODUCT MANUFACTURER OR  
22 WHOLESALER, OR SELL, RESELL, DISTRIBUTE, DISPENSE, OR GIVE AWAY TO ANY  
23 PERSON, A PACKAGE OF CIGARS CONTAINING LESS THAN FOUR CIGARS.

24 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A  
25 WHOLESALER MAY NOT SELL, RESELL, DISTRIBUTE, DISPENSE, OR GIVE AWAY  
26 TO ANY PERSON IN THE STATE A PACKAGE OF CIGARS CONTAINING LESS THAN  
27 FOUR CIGARS.

28 **11-5B-04.**

29 (A) THE COMPTROLLER SHALL ENFORCE THIS SUBTITLE.

30 (B) THE COMPTROLLER SHALL:

1                   **(1) EMPLOY AND DETERMINE THE DUTIES AND COMPENSATION**  
2 **OF THE INSPECTORS AND OTHER PERSONNEL NECESSARY TO ENFORCE THIS**  
3 **SUBTITLE; AND**

4                   **(2) ADOPT REGULATIONS NECESSARY TO CARRY OUT AND**  
5 **ENFORCE THE PROVISIONS OF THIS SUBTITLE.**

6                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 July 1, 2009.