

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE

House Bill 1124  
Economic Matters

(Delegate Conaway, *et al.*)

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**Baltimore City - Prohibition Against Sales of Tobacco Products to Minors - Signs**

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This bill requires licensed cigarette retailers in Baltimore City to conspicuously post a sign that states “It is illegal under Maryland law to sell tobacco products to a person under the age of 18.”

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**Fiscal Summary**

**State Effect:** Potential minimal increase in general fund revenues due to the bill’s penalty provisions. Expenditures can be handled with existing resources.

**Local Effect:** None. The bill does not materially affect local government finances or operations.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** A person who violates the bill’s provisions may be fined up to \$300 for a first offense and up to \$1,000 for a second or subsequent offense within a two-year period. A licensee may also be reprimanded, or have the license suspended or revoked, by the Comptroller for violating the bill’s provisions.

The Comptroller must adopt guidelines for the design of a sign required by the bill.

**Current Law:** A person licensed in the State to distribute cigarettes may not distribute to a minor a tobacco product, a cigarette rolling paper, or a coupon redeemable for a tobacco product. Distribution includes selling, giving, or offering to sell. A person other

than a commercial distributor may not purchase for, or sell a tobacco product to, a minor or distribute cigarette rolling papers to a minor. A violator is guilty of a misdemeanor and subject to the following penalties: \$300 for a first offense; \$1,000 for a second offense occurring within two years after the first offense; and \$3,000 for each subsequent violation occurring within two years after the preceding offense.

Retailers who sell cigarettes in the State, including through a vending machine, must have a license for each separate business or vending machine. By regulation, the Comptroller's Office requires retailers to display the license prominently in each place of business or on a vending machine.

The Comptroller may deny a license to an applicant, reprimand a licensee, or suspend or revoke a license for:

- fraudulently or deceptively obtaining or attempting to obtain a license for another person;
- fraudulently or deceptively using a license;
- failing to comply with the Maryland Cigarette Sales Below Cost Act;
- violation of cigarette sales of less than 20 per package;
- illegally buying cigarettes for resale;
- a felony conviction or a misdemeanor that is a crime of moral turpitude directly related to the fitness or qualification of the licensee or applicant; or
- failing to pay a tax.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore City, Comptroller's Office, Department of Legislative Services

**Fiscal Note History:** First Reader - March 11, 2011  
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