

HB0570/463795/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 570

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Walker” and substitute “Walker, Burns, Hershey, Impallaria, W. Miller, Olszewski, and Schuh”; in line 2, strike “Licenses – Repeal” and substitute “– Restrictions on Sale, Distribution, and Shipment – Exemptions”; and in line 3, after the first “of” insert “providing that certain provisions of law relating to the regulation of other tobacco products do not apply to a seller located outside the State when selling, holding for sale, shipping, or delivering certain cigars or pipe tobacco to consumers in the State; providing that certain provisions of law regulating the sale and distribution of other tobacco products do not apply to the order, purchase, sale, or shipment of certain cigars or pipe tobacco by a licensed other tobacco products retailer or licensed tobacconist; and generally relating to the regulation of other tobacco products.”.

On pages 1 and 2, strike beginning with “repealing” in line 3 on page 1 down through “State.” in line 6 on page 2.

On page 2, strike in their entirety lines 7 through 17, inclusive; after line 17, insert:

“BY adding to

Article - Business Regulation

Section 16.5-103 to be under the amended subtitle “Subtitle 1. Definitions; General Provisions”

Annotated Code of Maryland

(2010 Replacement Volume and 2011 Supplement)”;

(Over)

in line 20, strike “16-219” and substitute “16.5-217”; and strike in their entirety lines 23 through 33, inclusive.

AMENDMENT NO. 2

On page 2, strike beginning with “Section(s)” in line 35 down through “That” in line 38.

On page 3, after line 1, insert:

“Subtitle 1. Definitions; **GENERAL PROVISIONS.**”

16.5-103.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, THIS TITLE DOES NOT APPLY TO A SELLER LOCATED OUTSIDE THE STATE WHEN SELLING, HOLDING FOR SALE, SHIPPING, OR DELIVERING PREMIUM CIGARS OR PIPE TOBACCO TO CONSUMERS IN THE STATE.

16.5-217.

(a) This section applies to a person who is engaged in the business of selling or distributing other tobacco products.

(b) **(1) THIS SUBSECTION DOES NOT APPLY TO THE ORDER, PURCHASE, SALE, OR SHIPMENT OF PREMIUM CIGARS OR PIPE TOBACCO BY A LICENSED OTHER TOBACCO PRODUCTS RETAILER OR LICENSED TOBACCONIST.**

[(1)] **(2)** Except as provided in paragraph [(2)] **(3)** of this subsection, a person covered under this section may not:

(i) sell or ship other tobacco products, ordered or purchased by mail or through a computer network, telephonic network, or other electronic network by a consumer or other unlicensed recipient, directly to a consumer or other unlicensed recipient in this State; or

(ii) cause other tobacco products, ordered or purchased by mail or through a computer network, telephonic network, or other electronic network by a consumer or other unlicensed recipient, to be shipped directly to a consumer or other unlicensed recipient in this State.

[(2)] (3) A licensed other tobacco products retailer or licensed tobacconist may deliver not more than two packages of other tobacco products directly to a consumer if the delivery is made by the licensed other tobacco products retailer or licensed tobacconist or an employee of the licensed other tobacco products retailer or licensed tobacconist.

(c) (1) A licensee who sells or ships other tobacco products in violation of this section or causes other tobacco products to be shipped in violation of this section is:

(i) subject to discipline by the Comptroller under § 16.5–208 of this subtitle; and

(ii) guilty of a felony and on conviction is subject to a fine not exceeding \$50 for each package of other tobacco products transported or imprisonment not exceeding 2 years or both.

(2) A person other than a licensee who sells or ships other tobacco products in violation of this section or causes other tobacco products to be shipped in violation of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$50 for each package of other tobacco products transported or imprisonment not exceeding 2 years or both.”.

On pages 3 through 11, strike in their entirety the lines beginning with line 2 on page 3 through line 5 on page 11, inclusive.

On page 11, in line 6, strike “3.” and substitute “2.”; and in line 7, strike “July” and substitute “June”.