

# HOUSE BILL 523

C2

(7lr1286)

## ENROLLED BILL

— Economic Matters/Finance —

Introduced by **Delegates Jameson, Barron, Chang, Frick, Frush, Healey, Hixson, Jalisi, Kelly, Kramer, Krimm, Lafferty, Lam, Luedtke, Morales, Morhaim, Patterson, Rosenberg, Sanchez, Sophocleus, Stein, Valderrama, Valentino-Smith, ~~and Waldstreicher~~ Waldstreicher, Aumann, Barkley, Brooks, Fennell, Glenn, Lisanti, and C. Wilson**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Electronic Nicotine Delivery Systems and Vaping Liquid – Licensing**

3 FOR the purpose of requiring a person to have an appropriate license whenever the person  
4 acts in the State as an electronic nicotine delivery systems manufacturer, retailer,  
5 ~~storage warehouse,~~ vape shop vendor, ~~or~~ wholesaler distributor, or wholesaler  
6 importer; providing for a certain exception for certain retailers and wholesalers;  
7 requiring a license to act as an electronic nicotine delivery system retailer or vape  
8 shop vendor for each place of business of the retailer or vape shop vendor; making  
9 holders of electronic nicotine delivery systems licenses subject to certain restrictions  
10 and requirements; providing for certain application procedures and fees; requiring  
11 the display of a license in a certain manner; prohibiting a person from reapplying for

---

### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



1 a license within a certain period after the person's license was revoked; requiring ~~the~~  
 2 ~~Comptroller certain clerks of the circuit court~~ *the Comptroller* to issue electronic  
 3 nicotine delivery systems licenses to manufacturers, ~~storage warehouses, and~~  
 4 ~~wholesalers~~ wholesaler distributors, and wholesaler importers in the State under  
 5 certain circumstances; requiring certain clerks of the circuit court to issue electronic  
 6 nicotine delivery systems products licenses to retailers and vape shop vendors under  
 7 certain circumstances; requiring certain clerks of the circuit court to forward certain  
 8 applications to the Comptroller within a certain time; specifying the scope of the  
 9 licenses; providing for the renewal of a license; ~~authorizing the Comptroller to~~  
 10 ~~delegate certain powers and duties; providing for certain disciplinary actions and~~  
 11 ~~proceedings; authorizing the Comptroller to adopt certain regulations; granting~~  
 12 ~~certain rights to judicial review under certain circumstances; prohibiting~~ *authorizing*  
 13 *the Comptroller to delegate certain powers and duties; exempting certain persons from*  
 14 *obtaining certain licenses under certain conditions; providing for certain disciplinary*  
 15 *actions and proceedings; authorizing the Comptroller to adopt certain regulations;*  
 16 *granting certain rights to judicial review under certain circumstances; prohibiting*  
 17 a person from acting, attempting to act, or offering to act in the State as an electronic  
 18 nicotine delivery systems manufacturer, retailer, ~~storage warehouse,~~ vape shop  
 19 vendor, ~~or~~ wholesaler distributor, or wholesaler importer unless the person has an  
 20 appropriate license; requiring the Comptroller to pay certain fees into the General  
 21 Fund of the State; stating the intent of the General Assembly; requiring a person who  
 22 transports electronic nicotine delivery systems by vehicle on a public road to have  
 23 certain information; authorizing the Comptroller by regulation to require a common  
 24 carrier that brings electronic nicotine delivery systems products into the State to  
 25 submit certain information; ~~requiring the Comptroller to pay certain fees into the~~  
 26 ~~General Fund of the State; stating the intent of the General Assembly; requiring a~~  
 27 ~~person who transports electronic nicotine delivery systems by vehicle on a public~~  
 28 ~~road to have certain information; authorizing the Comptroller by regulation to~~  
 29 ~~require a common carrier that brings electronic nicotine delivery systems products~~  
 30 ~~into the State to submit certain information; prohibiting a person from shipping,~~  
 31 importing, or selling electronic nicotine delivery systems into or within the State  
 32 except under certain circumstances; ~~requiring a person that ships, imports, or sells~~  
 33 ~~electronic nicotine delivery systems to take certain actions;~~ placing certain  
 34 restrictions on the sale, storage, and distribution of electronic nicotine delivery  
 35 systems; establishing certain penalties; prohibiting the sale, distribution, or offer for  
 36 sale of electronic nicotine delivery systems to minors; defining certain terms; and  
 37 generally relating to licenses for electronic nicotine distribution systems  
 38 manufacturers, retailers, ~~storage warehouses,~~ vape shop vendors, ~~and wholesalers~~  
 39 wholesaler distributors, and wholesaler importers in the State.

40 BY adding to

41 Article – Business Regulation

42 Section 16.7–101 through ~~16.7–218~~ 16.7–214 to be under the new title “Title 16.7.  
 43 Electronic Nicotine Delivery Systems Licenses”

44 Annotated Code of Maryland

45 (2015 Replacement Volume and 2016 Supplement)

1 BY repealing and reenacting, with amendments,  
2 Article – Health – General  
3 Section 24–305(b)  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2016 Supplement)

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

8 **Article – Business Regulation**

9 **TITLE 16.7. ELECTRONIC NICOTINE DELIVERY SYSTEMS LICENSES.**

10 **SUBTITLE 1. DEFINITIONS; ~~GENERAL PROVISIONS~~; GENERAL PROVISIONS.**

11 **16.7–101.**

12 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
13 INDICATED.

14 (B) “COUNTY LICENSE” MEANS A LICENSE ISSUED BY THE CLERK TO SELL  
15 ELECTRONIC NICOTINE DELIVERY SYSTEMS TO CONSUMERS IN A COUNTY.

16 (C) (1) “ELECTRONIC NICOTINE DELIVERY SYSTEM” MEANS AN  
17 ELECTRONIC DEVICE, A COMPONENT FOR AN ELECTRONIC DEVICE, OR A PRODUCT  
18 USED TO REFILL OR RESUPPLY AN ELECTRONIC DEVICE THAT CAN BE USED TO  
19 DELIVER NICOTINE TO AN INDIVIDUAL INHALING FROM THE DEVICE.

20 (2) “ELECTRONIC NICOTINE DELIVERY SYSTEM” INCLUDES AN  
21 ELECTRONIC CIGARETTE, AN ELECTRONIC CIGAR, AN ELECTRONIC CIGARILLO, ~~OR~~  
22 AN ELECTRONIC PIPE, AND VAPING LIQUID.

23 (3) “ELECTRONIC NICOTINE DELIVERY SYSTEM” DOES NOT INCLUDE:

24 (I) A NICOTINE DEVICE THAT CONTAINS OR DELIVERS  
25 NICOTINE INTENDED FOR HUMAN CONSUMPTION IF THE DEVICE HAS BEEN  
26 APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION FOR SALE  
27 AS A TOBACCO CESSATION PRODUCT AND IS BEING MARKETED AND SOLD SOLELY  
28 FOR THAT PURPOSE;

29 (II) CANNABIS OIL OR ANY OTHER UNLAWFUL SUBSTANCE; OR

30 (III) AN ELECTRONIC DEVICE THAT IS BEING USED TO DELIVER  
31 CANNABIS OIL OR ANOTHER UNLAWFUL SUBSTANCE.

1 (D) "ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER" MEANS  
2 A PERSON THAT:

3 (1) MANUFACTURES, MIXES, OR OTHERWISE PRODUCES ELECTRONIC  
4 NICOTINE DELIVERY SYSTEMS INTENDED FOR SALE IN THE STATE, INCLUDING  
5 ELECTRONIC NICOTINE DELIVERY SYSTEMS INTENDED FOR SALE IN THE UNITED  
6 STATES THROUGH AN IMPORTER; AND

7 (2) (I) SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS TO A  
8 CONSUMER, IF THE CONSUMER PURCHASES OR ORDERS THE SYSTEMS THROUGH THE  
9 MAIL, A COMPUTER NETWORK, A TELEPHONIC NETWORK, OR ANOTHER ELECTRONIC  
10 NETWORK, A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
11 DISTRIBUTOR, OR A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
12 WHOLESALER IMPORTER IN THE STATE; ~~OR~~

13 ~~(II) SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS THAT~~  
14 ~~MAY BE LAWFULLY SOLD IN THE STATE TO A LICENSED ELECTRONIC NICOTINE~~  
15 ~~DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR ELECTRONIC NICOTINE~~  
16 ~~DELIVERY SYSTEMS WHOLESALER IMPORTER LOCATED OUTSIDE THE STATE;~~

17 ~~(III) UNLESS OTHERWISE PROHIBITED OR RESTRICTED UNDER~~  
18 ~~LOCAL LAW, THIS ARTICLE, OR THE CRIMINAL LAW ARTICLE, DISTRIBUTES SAMPLE~~  
19 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS TO CONSUMERS LOCATED IN THE~~  
20 ~~STATE; OR~~

21 ~~(IV) STORES ELECTRONIC NICOTINE DELIVERY SYSTEMS IN A~~  
22 ~~STORAGE WAREHOUSE IN THE STATE FOR SUBSEQUENT SHIPMENT TO LICENSED~~  
23 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALERS, FEDERAL~~  
24 ~~RESERVATIONS, OR PERSONS OUTSIDE THE STATE; OR~~

25 ~~(V) (II)~~ IF THE ELECTRONIC NICOTINE DELIVERY SYSTEMS  
26 MANUFACTURER ALSO HOLDS A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
27 DELIVERY SYSTEMS RETAILER OR A VAPE SHOP VENDOR, SELLS ELECTRONIC  
28 NICOTINE DELIVERY SYSTEMS TO CONSUMERS LOCATED IN THE STATE; OR

29 (III) UNLESS OTHERWISE PROHIBITED OR RESTRICTED UNDER  
30 LOCAL LAW, THIS ARTICLE, OR THE CRIMINAL LAW ARTICLE, DISTRIBUTES SAMPLE  
31 ELECTRONIC NICOTINE DELIVERY SYSTEMS TO A LICENSED ELECTRONIC NICOTINE  
32 DELIVERY SYSTEMS RETAILER OR VAPE SHOP VENDOR.

33 (E) "ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER" MEANS A  
34 PERSON THAT:

35 (1) SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS TO

1 CONSUMERS; ~~OR~~

2 (2) HOLDS ELECTRONIC NICOTINE DELIVERY SYSTEMS FOR SALE TO  
3 CONSUMERS; OR

4 (3) UNLESS OTHERWISE PROHIBITED OR RESTRICTED UNDER LOCAL  
5 LAW, THIS ARTICLE, THE CRIMINAL LAW ARTICLE, OR § 24-305 OF THE HEALTH –  
6 GENERAL ARTICLE, DISTRIBUTES SAMPLE ELECTRONIC NICOTINE DELIVERY  
7 SYSTEMS TO CONSUMERS IN THE STATE.

8 ~~(F) “ELECTRONIC NICOTINE DELIVERY SYSTEMS STORAGE WAREHOUSE”~~  
9 ~~MEANS A STORAGE FACILITY IN THE STATE OPERATED FOR THE PURPOSE OF~~  
10 ~~STORING ELECTRONIC NICOTINE DELIVERY SYSTEMS ON BEHALF OF AN~~  
11 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER.~~

12 ~~(G)~~ (F) “ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
13 DISTRIBUTOR” MEANS A PERSON THAT:

14 (1) OBTAINS AT LEAST 70% OF ITS ELECTRONIC NICOTINE DELIVERY  
15 SYSTEMS FROM A HOLDER OF AN ELECTRONIC NICOTINE DELIVERY SYSTEMS  
16 MANUFACTURER LICENSE UNDER THIS SUBTITLE OR A BUSINESS ENTITY LOCATED  
17 IN THE UNITED STATES; AND

18 (2) (I) HOLDS ELECTRONIC NICOTINE DELIVERY SYSTEMS FOR  
19 SALE TO ANOTHER PERSON FOR RESALE; OR

20 ~~(2)~~ (II) SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS TO  
21 ANOTHER PERSON FOR RESALE.

22 ~~(H)~~ (G) “ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
23 IMPORTER” MEANS A PERSON THAT:

24 (1) OBTAINS AT LEAST 70% OF ITS ELECTRONIC NICOTINE DELIVERY  
25 SYSTEMS FROM A BUSINESS ENTITY LOCATED IN A FOREIGN COUNTRY; AND

26 (2) (I) HOLDS ELECTRONIC NICOTINE DELIVERY SYSTEMS FOR  
27 SALE TO ANOTHER PERSON FOR RESALE; OR

28 (II) SELLS ELECTRONIC NICOTINE DELIVERY SYSTEMS TO  
29 ANOTHER PERSON FOR RESALE.

30 ~~(H)~~ (H) “LICENSE” MEANS:

31 ~~(I)~~ (I) A LICENSE ISSUED BY THE ~~COMPTROLLER~~ CLERK

1 COMPTROLLER UNDER ~~§ 16.7-204(A)~~ ~~16.7-204~~ ~~16.7-203~~ 16.7-203(A) OF THIS TITLE  
2 TO:

3 ~~(I)~~ ~~(1)~~ (I) ACT AS A LICENSED ELECTRONIC NICOTINE DELIVERY  
4 SYSTEMS MANUFACTURER;

5 ~~(II)~~ ~~(2)~~ (II) ACT AS A LICENSED ELECTRONIC NICOTINE DELIVERY  
6 SYSTEMS WHOLESALER DISTRIBUTOR; ~~OR~~ OR

7 ~~(3)~~ (III) ACT AS A LICENSED ELECTRONIC NICOTINE DELIVERY  
8 SYSTEMS WHOLESALER IMPORTER; OR

9 ~~(III)~~ ~~(4)~~ ~~(2)~~ ~~ACT AS A LICENSED ELECTRONIC NICOTINE DELIVERY~~  
10 ~~SYSTEMS STORAGE WAREHOUSE; OR~~

11 ~~(2)~~ ~~(5)~~ ~~A LICENSE ISSUED BY THE CLERK UNDER § 16.7-204(B) OF~~  
12 ~~THIS TITLE TO~~ A LICENSE ISSUED BY THE CLERK UNDER § 16.7-203(B) OF THIS TITLE  
13 TO:

14 (I) ACT AS ~~AN~~ A LICENSED ELECTRONIC NICOTINE DELIVERY  
15 SYSTEMS RETAILER; OR ~~A~~

16 ~~(6)~~ ~~(5)~~ (II) ACT AS A LICENSED VAPE SHOP VENDOR.

17 ~~(I)~~ ~~(J)~~ (I) “SELL” MEANS TO EXCHANGE OR TRANSFER, OR TO AGREE TO  
18 EXCHANGE OR TRANSFER, TITLE OR POSSESSION OF PROPERTY, IN ANY MANNER OR  
19 BY ANY MEANS, FOR CONSIDERATION.

20 ~~(J)~~ ~~(K)~~ (J) “VAPE SHOP VENDOR” MEANS AN ELECTRONIC NICOTINE  
21 DELIVERY SYSTEMS BUSINESS THAT DERIVES AT LEAST 70% OF ITS REVENUES,  
22 MEASURED BY AVERAGE DAILY RECEIPTS, FROM THE SALE OF ELECTRONIC  
23 NICOTINE DELIVERY SYSTEMS AND RELATED ACCESSORIES.

24 ~~(I)~~ (K) “VAPING LIQUID” MEANS A LIQUID THAT:

25 (1) CONSISTS OF ~~PROPYLENE~~ PROPYLENE GLYCOL, VEGETABLE  
26 GLYCERIN, OR OTHER SIMILAR SUBSTANCE;

27 (2) ~~CONTAINS~~ MAY OR MAY NOT CONTAIN NATURAL OR ARTIFICIAL  
28 FLAVORS;

29 (3) MAY OR MAY NOT CONTAIN NICOTINE; AND

30 (4) CONVERTS TO VAPOR INTENDED FOR INHALATION WHEN HEATED

1 IN AN ELECTRONIC DEVICE.

2 16.7-102.

3 (A) THE COMPTROLLER MAY DELEGATE ANY POWER OR DUTY OF THE  
4 COMPTROLLER UNDER THIS TITLE.

5 (B) ANY PERSON LICENSED UNDER TITLE 16 OR TITLE 16.5 OF THIS  
6 ARTICLE, OR AN AFFILIATE, AS DEFINED UNDER § 16-402(C) OF THIS ARTICLE, OF A  
7 PERSON LICENSED UNDER TITLE 16 OF THIS ARTICLE:

8 (1) IS AUTHORIZED TO MANUFACTURE, DISTRIBUTE, OR SELL  
9 ELECTRONIC NICOTINE DELIVERY SYSTEMS PURSUANT TO THIS TITLE IN THE SAME  
10 CAPACITY AS THE PERSON IS LICENSED UNDER TITLE 16 OR TITLE 16.5 OF THIS  
11 ARTICLE; AND

12 (2) MAY NOT BE REQUIRED TO OBTAIN AN ADDITIONAL LICENSE  
13 UNDER THIS TITLE.

14 ~~16.7-102.~~

15 ~~THE COMPTROLLER MAY DELEGATE ANY POWER OR DUTY OF THE~~  
16 ~~COMPTROLLER UNDER THIS TITLE.~~

17 SUBTITLE 2. ELECTRONIC NICOTINE DELIVERY SYSTEMS LICENSES.

18 16.7-201.

19 (A) A PERSON MUST HOLD AN APPROPRIATE LICENSE BEFORE THE PERSON  
20 MAY ACT AS:

21 (1) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER;

22 (2) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER;

23 ~~(3) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS STORAGE~~  
24 ~~WAREHOUSE;~~

25 ~~(4) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER;~~  
26 WHOLESALER DISTRIBUTOR;

27 ~~(5) (4) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
28 WHOLESALER ~~IMPORTER~~ IMPORTER; OR

1           ~~(5) (6) (5)~~ A VAPE SHOP VENDOR.

2           (B) A PLACE OF BUSINESS IN WHICH A PERSON ACTS AS AN ELECTRONIC  
3 NICOTINE DELIVERY SYSTEMS RETAILER OR A VAPE SHOP VENDOR MUST HOLD AN  
4 APPROPRIATE LICENSE.

5 ~~16.7-202.~~

6           ~~(A) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
7 DELIVERY SYSTEMS MANUFACTURER SHALL MAINTAIN IN THE STATE AN  
8 ESTABLISHED PLACE OF BUSINESS FOR THE MANUFACTURE AND STORAGE OF  
9 ELECTRONIC NICOTINE DELIVERY SYSTEMS.~~

10           ~~(B) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
11 DELIVERY SYSTEMS STORAGE WAREHOUSE SHALL MAINTAIN AN ESTABLISHED  
12 PLACE OF BUSINESS FOR STORAGE OF ELECTRONIC NICOTINE DELIVERY SYSTEMS.~~

13           ~~(C) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
14 DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR AS AN ELECTRONIC NICOTINE  
15 DELIVERY SYSTEMS WHOLESALER IMPORTER SHALL MAINTAIN AN ESTABLISHED  
16 PLACE OF BUSINESS, INCLUDING WAREHOUSE FACILITIES, FOR THE SALE OF  
17 ELECTRONIC NICOTINE DELIVERY SYSTEMS.~~

18 ~~16.7-203.~~ 16.7-202.

19           (A) (1) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC  
20 NICOTINE DELIVERY SYSTEMS MANUFACTURER, ~~ELECTRONIC NICOTINE DELIVERY  
21 SYSTEMS STORAGE WAREHOUSE,~~ ELECTRONIC NICOTINE DELIVERY SYSTEMS  
22 WHOLESALER DISTRIBUTOR, OR ELECTRONIC NICOTINE DELIVERY SYSTEMS  
23 WHOLESALER IMPORTER SHALL:

24           (1) (I) ~~SUBMIT~~ OBTAIN AN APPROPRIATE COUNTY LICENSE BY  
25 SUBMITTING AN APPLICATION TO THE ~~COMPTROLLER CLERK~~ COMPTROLLER ON  
26 THE FORM AND CONTAINING THE INFORMATION THAT THE ~~COMPTROLLER CLERK~~  
27 COMPTROLLER REQUIRES; ~~AND~~

28           (II) INDICATE THE LICENSES FOR WHICH THE APPLICANT IS  
29 APPLYING; AND

30           ~~(2)~~ (III) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS  
31 SUBSECTION, PAY TO THE ~~COMPTROLLER CLERK~~ COMPTROLLER A FEE OF \$25 FOR  
32 EACH LICENSE FOR WHICH THE APPLICANT APPLIES.

33           (2) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC



1 NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR ELECTRONIC  
2 NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER SHALL PAY TO THE ~~CLERK~~  
3 COMPTROLLER A FEE OF \$150.

4 ~~(3) A PERSON THAT IS ISSUED A LICENSE UNDER TITLE 16 OR TITLE~~  
5 ~~16.5 OF THIS ARTICLE TO ACT AS A CIGARETTE WHOLESALER OR OTHER TOBACCO~~  
6 ~~PRODUCTS WHOLESALER OR TO ACT AS A CIGARETTE SUBWHOLESALER OR OTHER~~  
7 ~~TOBACCO PRODUCTS SUBWHOLESALER IS NOT REQUIRED TO PAY THE LICENSE FEE~~  
8 ~~FOR AN ELECTRONIC DELIVERY SYSTEM WHOLESALER DISTRIBUTOR OR AN~~  
9 ~~ELECTRONIC NICOTINE DELIVERY SYSTEM WHOLESALER IMPORTER.~~

10 (B) (1) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC  
11 NICOTINE DELIVERY SYSTEMS RETAILER OR A VAPE SHOP VENDOR:

12 (I) SHALL OBTAIN A COUNTY LICENSE BY SUBMITTING TO THE  
13 CLERK AN APPLICATION FOR EACH PERMANENT OR TEMPORARY PLACE OF  
14 BUSINESS LOCATED IN THE SAME ENCLOSURE AND OPERATED BY THE SAME  
15 APPLICANT; AND

16 (II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
17 SUBSECTION, SHALL PAY TO THE CLERK A FEE OF \$25.

18 (2) ~~A PERSON THAT HAS A LICENSE ISSUED UNDER TITLE 16 OR~~  
19 ~~TITLE 16.5 OF THIS ARTICLE TO ACT AS A CIGARETTE RETAILER OR OTHER TOBACCO~~  
20 ~~PRODUCTS RETAILER IS NOT REQUIRED TO PAY THE LICENSE FEE.~~

21 (3) THE APPLICATION SHALL:

22 (I) BE MADE ON THE FORM THAT THE CLERK REQUIRES; AND

23 (II) CONTAIN THE INFORMATION THAT THE ~~COMPTROLLER~~  
24 ~~CLERK~~ COMPTROLLER REQUIRES.

25 (C) ~~AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC NICOTINE~~  
26 ~~DELIVERY SYSTEMS STORAGE WAREHOUSE SHALL:~~

27 (1) ~~SUBMIT AN APPLICATION TO THE COMPTROLLER ON THE FORM~~  
28 ~~AND CONTAINING THE INFORMATION THAT THE COMPTROLLER REQUIRES; AND~~

29 (2) ~~PAY TO THE COMPTROLLER A FEE OF \$25.~~

30 (D) (1) ~~AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC~~  
31 ~~NICOTINE DELIVERY SYSTEMS WHOLESALER SHALL:~~

1 ~~(I) SUBMIT AN APPLICATION TO THE COMPTROLLER ON THE~~  
 2 ~~FORM AND CONTAINING THE INFORMATION THAT THE COMPTROLLER REQUIRES;~~  
 3 ~~AND~~

4 ~~(H) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~  
 5 ~~SUBSECTION, PAY TO THE COMPTROLLER A FEE OF \$250.~~

6 ~~(2) A PERSON THAT HAS A LICENSE ISSUED UNDER TITLE 16 OR~~  
 7 ~~TITLE 16.5 OF THIS ARTICLE TO ACT AS A CIGARETTE WHOLESALER OR OTHER~~  
 8 ~~TOBACCO PRODUCTS WHOLESALER OR TO ACT AS A CIGARETTE SUBWHOLESALER~~  
 9 ~~OR OTHER TOBACCO PRODUCTS SUBWHOLESALER IS NOT REQUIRED TO PAY THE~~  
 10 ~~LICENSE FEE.~~

11 ~~(E) (C)~~ A LICENSEE SHALL DISPLAY A LICENSE IN THE WAY THAT THE  
 12 COMPTROLLER REQUIRES BY REGULATION.

13 ~~(F) (D)~~ IF A PERSON HAS HAD A LICENSE REVOKED UNDER ~~§ 16.7-208~~ §  
 14 16.7-207 OF THIS SUBTITLE, THE PERSON MAY NOT REAPPLY FOR A LICENSE WITHIN  
 15 1 YEAR AFTER THE DATE WHEN THE PRIOR LICENSE WAS REVOKED.

16 ~~16.7-204, 16.7-203.~~

17 (A) THE ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL ISSUE AN  
 18 APPROPRIATE LICENSE TO EACH APPLICANT THAT MEETS THE REQUIREMENTS OF  
 19 THIS SUBTITLE FOR A LICENSE TO ACT AS AN ELECTRONIC NICOTINE DELIVERY  
 20 SYSTEMS MANUFACTURER, ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
 21 ~~WAREHOUSE,~~ OR ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
 22 DISTRIBUTOR, OR ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
 23 IMPORTER.

24 (B) THE CLERK SHALL ISSUE TO EACH APPLICANT THAT MEETS THE  
 25 REQUIREMENTS OF THIS SUBTITLE A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
 26 DELIVERY SYSTEMS RETAILER OR A VAPE SHOP VENDOR.

27 (C) THE CLERK SHALL FORWARD A COPY OF AN APPLICATION RECEIVED  
 28 FOR EACH LICENSE ISSUED UNDER SUBSECTION (B) OF THIS SECTION TO THE  
 29 COMPTROLLER WITHIN 30 DAYS OF ISSUANCE OF THE LICENSE.

30 ~~16.7-205, 16.7-204.~~

31 (A) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER  
 32 LICENSE AUTHORIZES THE LICENSEE TO:

33 (1) SELL ELECTRONIC NICOTINE DELIVERY SYSTEMS TO:

1 (I) A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
2 WHOLESALER LOCATED IN THE STATE;

3 (II) ~~A LICENSED~~ AN ELECTRONIC NICOTINE DELIVERY SYSTEMS  
4 WHOLESALER OR RETAILER LOCATED OUTSIDE THE STATE IF THE ELECTRONIC  
5 NICOTINE DELIVERY SYSTEMS MAY BE SOLD LAWFULLY IN MARYLAND; ~~AND~~

6 (III) A LICENSED VAPE SHOP VENDOR; AND

7 (IV) A CONSUMER IF:

8 1. THE LICENSEE MANUFACTURED THE SYSTEMS; AND

9 2. THE CONSUMER PURCHASES OR ORDERS THE  
10 SYSTEMS THROUGH THE MAIL, A COMPUTER NETWORK, A TELEPHONIC NETWORK, OR  
11 ANOTHER ELECTRONIC NETWORK; AND

12 ~~(2) EXCEPT AS OTHERWISE PROHIBITED OR RESTRICTED UNDER~~  
13 ~~LOCAL LAW, THIS ARTICLE, OR THE CRIMINAL LAW ARTICLE, DISTRIBUTE SAMPLE~~  
14 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS PRODUCTS TO CONSUMERS LOCATED IN~~  
15 ~~THE STATE;~~

16 ~~(3) STORE ELECTRONIC NICOTINE DELIVERY SYSTEMS IN A LICENSED~~  
17 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS STORAGE WAREHOUSE FOR~~  
18 ~~SUBSEQUENT SHIPMENT TO LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
19 ~~WHOLESALERS, FEDERAL RESERVATIONS, OR PERSONS OUT OF STATE; AND~~

20 ~~(4)~~ (2) IF THE ELECTRONIC NICOTINE DELIVERY SYSTEMS  
21 MANUFACTURER LICENSEE ALSO HOLDS A LICENSE TO ACT AS AN ELECTRONIC  
22 NICOTINE DELIVERY SYSTEMS RETAILER OR A VAPE SHOP VENDOR, TRANSFER  
23 ELECTRONIC NICOTINE DELIVERY SYSTEMS TO INVENTORY FOR SALE UNDER THE  
24 RETAIL LICENSE OR VAPE SHOP LICENSE; AND

25 (3) EXCEPT AS OTHERWISE PROHIBITED OR RESTRICTED UNDER  
26 LOCAL LAW, THIS ARTICLE, OR THE CRIMINAL LAW ARTICLE, DISTRIBUTE  
27 ELECTRONIC NICOTINE DELIVERY SYSTEMS PRODUCTS TO A LICENSED ELECTRONIC  
28 NICOTINE DELIVERY SYSTEMS RETAILER OR VAPE SHOP VENDOR; ~~AND~~

29 ~~(5) ON APPROVAL OF THE COMPTROLLER, ACT AS AN AGENT OF A~~  
30 ~~STATE LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER FOR~~  
31 ~~DISTRIBUTION OF ELECTRONIC NICOTINE DELIVERY SYSTEMS.~~

32 (B) (1) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER

1 LICENSE AUTHORIZES THE LICENSEE TO:

2 ~~(1)~~ (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
 3 SUBSECTION, SELL ELECTRONIC NICOTINE DELIVERY SYSTEMS TO CONSUMERS;  
 4 ~~AND~~

5 ~~(2)~~ (II) BUY ELECTRONIC NICOTINE DELIVERY SYSTEMS FROM AN  
 6 ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR  
 7 ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER; ~~AND~~

8 ~~(3)~~ (III) IF THE ELECTRONIC NICOTINE DELIVERY SYSTEMS  
 9 RETAILER LICENSEE ALSO HOLDS A LICENSE TO ACT AS AN ELECTRONIC NICOTINE  
 10 DELIVERY SYSTEMS MANUFACTURER, SELL AT RETAIL ELECTRONIC NICOTINE  
 11 DELIVERY SYSTEMS MANUFACTURED UNDER THE MANUFACTURER LICENSE; ~~AND~~

12 ~~(4)~~ (IV) EXCEPT AS OTHERWISE PROHIBITED OR RESTRICTED  
 13 UNDER LOCAL LAW, THIS ARTICLE, THE CRIMINAL LAW ARTICLE, OR § 24-305 OF  
 14 THE HEALTH - GENERAL ARTICLE, DISTRIBUTE SAMPLE ELECTRONIC NICOTINE  
 15 DELIVERY SYSTEMS PRODUCTS TO CONSUMERS IN THE STATE.

16 (2) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER  
 17 LICENSE DOES NOT AUTHORIZE THE LICENSEE TO SHIP, SELL, OR CAUSE TO BE  
 18 SHIPPED TO A CONSUMER WHO PURCHASES OR ORDERS AN ELECTRONIC NICOTINE  
 19 DELIVERY SYSTEM THROUGH THE MAIL, A COMPUTER NETWORK, A TELEPHONIC  
 20 NETWORK, OR ANOTHER ELECTRONIC NETWORK.

21 ~~(C) (1) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS WAREHOUSE~~  
 22 ~~STORAGE LICENSE AUTHORIZES THE LICENSEE TO OPERATE A STORAGE FACILITY~~  
 23 ~~FOR THE PURPOSE OF STORING ELECTRONIC NICOTINE DELIVERY SYSTEMS ON~~  
 24 ~~BEHALF OF A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
 25 ~~MANUFACTURER.~~

26 ~~(2) IF AN ELECTRONIC NICOTINE DELIVERY SYSTEMS STORAGE~~  
 27 ~~WAREHOUSE LICENSEE IS A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
 28 ~~WHOLESALER DISTRIBUTOR OR ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
 29 ~~WHOLESALER IMPORTER, THE ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
 30 ~~STORAGE WAREHOUSE LICENSE AUTHORIZES THE HOLDER TO STORE ELECTRONIC~~  
 31 ~~NICOTINE DELIVERY SYSTEMS.~~

32 ~~(D)~~ (C) AN ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER  
 33 DISTRIBUTOR LICENSE OR ELECTRONIC NICOTINE DELIVERY SYSTEMS  
 34 WHOLESALER IMPORTER LICENSE AUTHORIZES THE LICENSEE TO:

35 (1) SELL ELECTRONIC NICOTINE DELIVERY SYSTEMS TO ELECTRONIC

1 NICOTINE DELIVERY SYSTEMS RETAILERS;

2 (2) BUY ELECTRONIC NICOTINE DELIVERY SYSTEMS DIRECTLY FROM  
3 AN ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER AND AN  
4 ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR  
5 ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER;

6 (3) HOLD ELECTRONIC NICOTINE DELIVERY SYSTEMS;

7 (4) ~~TRANSPORT ELECTRONIC NICOTINE DELIVERY SYSTEMS IN THE~~  
8 ~~STATE~~;

9 ~~(5)~~ SELL ELECTRONIC NICOTINE DELIVERY SYSTEMS TO ANOTHER  
10 LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR  
11 OR ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER ~~IF THE~~  
12 ~~COMPTROLLER SPECIFICALLY AUTHORIZES THE SALE~~; AND

13 ~~(6)~~ (5) STORE ELECTRONIC NICOTINE DELIVERY SYSTEMS AT A  
14 LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS STORAGE WAREHOUSE.

15 ~~(E)~~ (D) A VAPE SHOP VENDOR LICENSE AUTHORIZES THE LICENSEE TO:

16 (1) SELL ELECTRONIC NICOTINE DELIVERY SYSTEMS AS A VAPE SHOP  
17 VENDOR; ~~AND~~

18 (2) IF THE VAPE SHOP VENDOR LICENSEE ALSO HOLDS A LICENSE TO  
19 ACT AS AN ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER, SELL AT  
20 RETAIL ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURED UNDER THE  
21 MANUFACTURER LICENSE; AND

22 (3) BUY ELECTRONIC NICOTINE DELIVERY SYSTEMS FROM AN  
23 ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER.

24 ~~16.7-206.~~ 16.7-205.

25 (A) UNLESS A LICENSE IS RENEWED FOR A 1-YEAR TERM AS PROVIDED IN  
26 THIS SECTION, THE LICENSE EXPIRES ON THE DATE SET BY THE ISSUING OFFICIAL.

27 (B) AT LEAST 1 MONTH BEFORE A LICENSE ISSUED UNDER THIS SUBTITLE  
28 EXPIRES, THE ISSUING OFFICIAL SHALL SEND TO THE LICENSEE A RENEWAL NOTICE  
29 THAT STATES THE DATE ON WHICH THE CURRENT LICENSE EXPIRES.

30 (C) BEFORE A LICENSE ISSUED UNDER THIS SUBTITLE EXPIRES, THE  
31 LICENSEE MAY RENEW THE LICENSE FOR AN ADDITIONAL 1-YEAR TERM, IF THE

1 LICENSEE:

2 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

3 (2) SUBMITS TO THE ISSUING OFFICIAL A RENEWAL APPLICATION ON  
4 THE FORM THAT THE ISSUING OFFICIAL REQUIRES; AND

5 (3) PAYS TO THE ISSUING OFFICIAL THE LICENSE FEE REQUIRED  
6 UNDER § 16.7-203 OF THIS SUBTITLE.

7 (D) THE ISSUING OFFICIAL SHALL RENEW THE LICENSE OF EACH LICENSEE  
8 THAT MEETS THE REQUIREMENTS OF THIS SECTION.

9 ~~16.7-207.~~ 16.7-206.

10 (A) (1) A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
11 RETAILER OR A LICENSED VAPE SHOP VENDOR MAY NOT ASSIGN THE LICENSE.

12 (2) IF A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
13 WHOLESALE DISTRIBUTOR OR ELECTRONIC NICOTINE DELIVERY SYSTEMS  
14 WHOLESALE IMPORTER SELLS THE LICENSEE'S ELECTRONIC NICOTINE DELIVERY  
15 SYSTEMS BUSINESS AND PAYS TO THE ~~COMPTROLLER CLERK~~ COMPTROLLER A  
16 LICENSE ASSIGNMENT FEE OF \$10, THE LICENSEE MAY ASSIGN THE LICENSE TO THE  
17 BUYER OF THE BUSINESS IF THE BUYER OTHERWISE QUALIFIES UNDER THIS TITLE  
18 FOR AN ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALE DISTRIBUTOR  
19 OR IMPORTER LICENSE.

20 (B) IF THE ELECTRONIC NICOTINE DELIVERY SYSTEMS BUSINESS OF A  
21 LICENSEE IS TRANSFERRED BECAUSE OF BANKRUPTCY, DEATH, INCOMPETENCY,  
22 RECEIVERSHIP, OR OTHERWISE BY OPERATION OF LAW, THE ~~COMPTROLLER CLERK~~  
23 COMPTROLLER SHALL TRANSFER THE LICENSE WITHOUT CHARGE TO THE NEW  
24 OWNER OF THE LICENSEE'S BUSINESS IF THE TRANSFEREE OTHERWISE QUALIFIES  
25 UNDER THIS TITLE FOR THE LICENSE BEING TRANSFERRED.

26 (C) (1) IF A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
27 WHOLESALE DISTRIBUTOR OR ELECTRONIC NICOTINE DELIVERY SYSTEMS  
28 WHOLESALE IMPORTER SURRENDERS THE LICENSE TO THE ~~COMPTROLLER CLERK~~  
29 COMPTROLLER AND IF NO DISCIPLINARY PROCEEDINGS ARE PENDING AGAINST THE  
30 LICENSEE, THE ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL REFUND A PRO RATA  
31 PORTION OF THE LICENSE FEE FOR THE UNEXPIRED TERM OF THE LICENSE.

32 (2) A LICENSED ELECTRONIC NICOTINE DELIVERY SYSTEMS  
33 RETAILER OR A LICENSED VAPE SHOP VENDOR IS NOT ALLOWED A REFUND FOR THE  
34 UNEXPIRED TERM OF THE LICENSE.

1 ~~16.7-208.~~ 16.7-207.

2 (A) SUBJECT TO THE HEARING PROVISIONS OF ~~§ 16.7-209~~ § 16.7-208 OF  
3 THIS SUBTITLE, THE ~~COMPTROLLER CLERK~~ COMPTROLLER MAY DENY A LICENSE  
4 TO AN APPLICANT, REPRIMAND A LICENSEE, OR SUSPEND OR REVOKE A LICENSE IF  
5 THE APPLICANT OR LICENSEE:

6 (1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO  
7 OBTAIN A LICENSE FOR THE APPLICANT, LICENSEE, OR ANOTHER PERSON;

8 (2) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE;

9 (3) BUYS ELECTRONIC NICOTINE DELIVERY SYSTEMS FOR RESALE:

10 (I) IN VIOLATION OF A LICENSE; OR

11 (II) FROM A PERSON THAT IS NOT A LICENSED ELECTRONIC  
12 NICOTINE DELIVERY SYSTEMS MANUFACTURER OR A LICENSED ELECTRONIC  
13 NICOTINE DELIVERY SYSTEMS WHOLESALER;

14 (4) IS CONVICTED, UNDER THE LAWS OF THE UNITED STATES OR OF  
15 ANY OTHER STATE, OF:

16 (I) A FELONY; OR

17 (II) A MISDEMEANOR THAT IS A CRIME OF MORAL TURPITUDE  
18 AND IS DIRECTLY RELATED TO THE FITNESS AND QUALIFICATION OF THE  
19 APPLICANT OR LICENSEE;

20 (5) VIOLATES FEDERAL, STATE, OR LOCAL LAW REGARDING THE SALE  
21 OF ELECTRONIC NICOTINE DELIVERY SYSTEMS; OR

22 (6) VIOLATES THIS TITLE, TITLE 16, OR TITLE 16.5 OF THIS ARTICLE  
23 OR REGULATIONS ADOPTED UNDER THESE TITLES.

24 (B) SUBJECT TO THE HEARING PROVISIONS OF ~~§ 16.7-209~~ § 16.7-208 OF  
25 THIS SUBTITLE, THE ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL DENY A LICENSE  
26 TO ANY APPLICANT THAT HAS HAD A LICENSE REVOKED UNDER THIS SECTION  
27 UNTIL:

28 (1) 1 YEAR HAS PASSED SINCE THE LICENSE WAS REVOKED; AND

29 (2) IT SATISFACTORILY APPEARS TO THE ~~COMPTROLLER CLERK~~ COMPTROLLER

1 COMPTROLLER THAT THE APPLICANT WILL COMPLY WITH THIS TITLE AND ANY  
2 REGULATIONS ADOPTED UNDER THIS TITLE.

3 (C) PRIOR TO THE ISSUANCE OR RENEWAL OF ANY LICENSE, THE  
4 ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL CONDUCT AN INVESTIGATION WITH  
5 REGARD TO:

6 (1) THE APPLICANT;

7 (2) THE BUSINESS TO BE OPERATED; AND

8 (3) THE FACTS SET FORTH IN THE APPLICATION.

9 ~~16.7-209.~~ 16.7-208.

10 (A) EXCEPT AS OTHERWISE PROVIDED IN § 10-226 OF THE STATE  
11 GOVERNMENT ARTICLE, BEFORE THE ~~COMPTROLLER CLERK~~ COMPTROLLER  
12 TAKES ANY FINAL ACTION UNDER ~~§ 16.7-208~~ § 16.7-207 OF THIS SUBTITLE, THE  
13 ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL GIVE THE PERSON AGAINST WHOM  
14 THE ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING BEFORE THE  
15 ~~COMPTROLLER CLERK~~ COMPTROLLER.

16 (B) THE ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL GIVE NOTICE AND  
17 HOLD THE HEARING IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE  
18 GOVERNMENT ARTICLE.

19 (C) THE ~~COMPTROLLER CLERK~~ COMPTROLLER MAY ADMINISTER OATHS IN  
20 A PROCEEDING UNDER THIS SECTION.

21 (D) THE PERSON AGAINST WHICH THE ACTION IS CONTEMPLATED MAY BE  
22 REPRESENTED AT THE HEARING BY COUNSEL.

23 (E) IF, AFTER DUE NOTICE, THE PERSON AGAINST WHICH THE ACTION IS  
24 CONTEMPLATED DOES NOT APPEAR, THE ~~COMPTROLLER CLERK~~ COMPTROLLER  
25 MAY NEVERTHELESS HEAR AND DETERMINE THE MATTER.

26 ~~16.7-210.~~ 16.7-209.

27 (A) SUBJECT TO THE NOTICE REQUIREMENT OF SUBSECTION (C) OF THIS  
28 SECTION, IF A LICENSEE ENGAGES IN AN ACT OR OMISSION THAT IS GROUNDS FOR  
29 DISCIPLINE UNDER ~~§ 16.7-208~~ § 16.7-207 OF THIS SUBTITLE, THE ~~COMPTROLLER~~  
30 ~~CLERK~~ COMPTROLLER MAY SUSPEND THE LICENSE FOR A CONSECUTIVE PERIOD OF  
31 TIME THAT:



1 (1) FOR A FIRST OFFENSE, IS NOT LESS THAN 5 AND NOT MORE THAN  
2 20 BUSINESS DAYS; AND

3 (2) FOR A SUBSEQUENT OFFENSE, IS NOT LESS THAN 20 BUSINESS  
4 DAYS AND NOT MORE THAN 6 MONTHS.

5 (B) SUBJECT TO THE NOTICE REQUIREMENT UNDER SUBSECTION (C) OF  
6 THIS SECTION, THE ~~COMPTROLLER CLERK~~ COMPTROLLER MAY REVOKE A LICENSE  
7 IF A LICENSEE WILLFULLY AND PERSISTENTLY ENGAGES IN AN ACT OR OMISSION  
8 THAT IS GROUNDS FOR DISCIPLINE UNDER ~~§ 16.7-208(A)~~ § 16.7-207(A) OF THIS  
9 SUBTITLE.

10 (C) IF A LICENSE IS SUSPENDED OR REVOKED UNDER THIS SECTION:

11 (1) THE ~~COMPTROLLER CLERK~~ COMPTROLLER SHALL GIVE THE  
12 LICENSEE NOTICE OF THE SUSPENSION OR REVOCATION; AND

13 (2) THE SUSPENSION OR REVOCATION OF A LICENSE MAY NOT BAR OR  
14 ABATE A DISCIPLINARY ACTION UNDER THIS SECTION.

15 (D) THE TRANSFER, RENEWAL, OR EXPIRATION OF A LICENSE MAY NOT BAR  
16 OR ABATE A DISCIPLINARY ACTION UNDER THIS SECTION.

17 (E) (1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
18 PARAGRAPH, IF A LICENSE ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE IS  
19 SUSPENDED OR REVOKED BY THE ~~COMPTROLLER CLERK~~ COMPTROLLER, THE  
20 LICENSEE MAY, BEFORE THE EFFECTIVE DATE OF THE SUSPENSION OR  
21 REVOCATION, PETITION THE ~~COMPTROLLER CLERK~~ COMPTROLLER FOR  
22 PERMISSION TO MAKE AN OFFER OF COMPROMISE CONSISTING OF A SUM OF MONEY  
23 IN LIEU OF SERVING THE SUSPENSION OR REVOCATION.

24 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY  
25 IF A LICENSE IS SUSPENDED OR REVOKED FOR A VIOLATION OF § 24-305 OF THE  
26 HEALTH – GENERAL ARTICLE, OR ANY OTHER FEDERAL, STATE, OR LOCAL LAW  
27 PROHIBITING THE SALE OF ELECTRONIC NICOTINE DELIVERY SYSTEMS TO MINORS.

28 ~~(2) MONEY PAID IN LIEU OF SUSPENSION OR REVOCATION SHALL BE~~  
29 ~~PAID INTO THE GENERAL FUND OF THE STATE.~~

30 ~~(3)~~ (2) MONEY PAID IN LIEU OF SUSPENSION OR REVOCATION  
31 SHALL BE PAID INTO THE GENERAL FUND OF THE STATE.

32 (3) AN OFFER OF COMPROMISE MAY NOT EXCEED \$2,000 FOR RETAIL  
33 LICENSEES OR \$50,000 FOR OTHER LICENSEES.

1           ~~(4) (3) (4)~~ THE ~~COMPTROLLER CLERK~~ COMPTROLLER MAY ACCEPT  
2 THE OFFER OF COMPROMISE IF:

3           (I) THE PUBLIC WELFARE AND MORALS WOULD NOT BE  
4 IMPAIRED BY ALLOWING THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR  
5 THE SUSPENSION OR REVOCATION; AND

6           (II) THE PAYMENT OF THE SUM OF MONEY WILL ACHIEVE THE  
7 DESIRED DISCIPLINARY PURPOSES.

8           ~~(5) THE COMPTROLLER MAY ADOPT REGULATIONS TO CARRY OUT  
9 THIS SUBSECTION.~~

10           ~~(4) (5)~~ THE COMPTROLLER MAY ADOPT REGULATIONS TO CARRY  
11 OUT THIS SUBSECTION.

12 16.7-210.

13           A PARTY TO A PROCEEDING BEFORE THE COMPTROLLER THAT IS AGGRIEVED  
14 BY A FINAL DECISION OF THE COMPTROLLER IN A CONTESTED CASE, AS DEFINED IN  
15 § 10-202 OF THE STATE GOVERNMENT ARTICLE, IS ENTITLED TO JUDICIAL REVIEW  
16 AS PROVIDED IN §§ 10-222 AND 10-223 OF THE STATE GOVERNMENT ARTICLE.

17 16.7-211.

18           ~~A PARTY TO A PROCEEDING BEFORE THE COMPTROLLER THAT IS AGGRIEVED~~  
19 ~~BY A FINAL DECISION OF THE COMPTROLLER IN A CONTESTED CASE, AS DEFINED~~  
20 ~~IN § 10-202 OF THE STATE GOVERNMENT ARTICLE, IS ENTITLED TO JUDICIAL~~  
21 ~~REVIEW AS PROVIDED IN §§ 10-222 AND 10-223 OF THE STATE GOVERNMENT~~  
22 ~~ARTICLE.~~

23 ~~16.7-212.~~

24           (A) A PERSON MAY NOT ACT, ATTEMPT TO ACT, OR OFFER TO ACT AS AN  
25 ELECTRONIC NICOTINE DELIVERY SYSTEMS MANUFACTURER, AN ELECTRONIC  
26 NICOTINE DELIVERY SYSTEMS RETAILER, ~~AN ELECTRONIC NICOTINE DELIVERY~~  
27 ~~SYSTEMS STORAGE WAREHOUSE,~~ AN ELECTRONIC NICOTINE DELIVERY SYSTEMS  
28 WHOLESALE~~R,~~ OR DISTRIBUTOR, AN ELECTRONIC NICOTINE DELIVERY SYSTEMS  
29 WHOLESALE~~R~~ IMPORTER, OR A VAPE SHOP VENDOR IN THE STATE UNLESS THE  
30 PERSON HAS AN APPROPRIATE LICENSE.

31           (B) (1) A PERSON THAT VIOLATES THIS SECTION IS GUILTY OF A  
32 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000

1 OR IMPRISONMENT NOT EXCEEDING 30 DAYS OR BOTH.

2 (2) EACH DAY THAT A VIOLATION OF THIS SECTION CONTINUES IS A  
3 SEPARATE OFFENSE.

4 ~~16.7-213.~~

5 (A) (1) ~~THE COMPTROLLER SHALL PAY INTO THE GENERAL FUND OF~~  
6 ~~THE STATE ALL LICENSE FEES COLLECTED UNDER THIS TITLE.~~

7 (2) ~~ALL LICENSE FEES COLLECTED BY THE COUNTIES UNDER THIS~~  
8 ~~TITLE ARE SUBJECT TO THE DISTRIBUTION PROVISIONS OF § 17-206 OF THIS~~  
9 ~~ARTICLE.~~

10 (B) ~~THE GENERAL ASSEMBLY INTENDS THAT THESE LICENSE FEES BE~~  
11 ~~USED TO ADMINISTER THIS TITLE.~~

12 ~~16.7-214.~~ 16.7-212.

13 (A) ~~EACH ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER~~  
14 ~~DISTRIBUTOR OR ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER~~  
15 ~~IMPORTER;~~

16 (1) ~~SHALL OBTAIN AN INVOICE FOR EACH PURCHASE OF ELECTRONIC~~  
17 ~~NICOTINE DELIVERY SYSTEMS;~~

18 (2) ~~SHALL KEEP A RECORD OF ALL ELECTRONIC NICOTINE DELIVERY~~  
19 ~~SYSTEMS RECEIVED, TO WHICH THE ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
20 ~~WHOLESALER DISTRIBUTOR OR ELECTRONIC NICOTINE DELIVERY SYSTEMS~~  
21 ~~WHOLESALER IMPORTER SHALL POST EACH DAY:~~

22 (I) ~~THE INVOICE NUMBER;~~

23 (II) ~~THE DATE OF RECEIPT;~~

24 (III) ~~THE QUANTITY RECEIVED;~~

25 (IV) ~~THE BRAND;~~

26 (V) ~~THE MANUFACTURER; AND~~

27 (VI) ~~THE NAME OF THE PERSON FROM WHOM THE ELECTRONIC~~  
28 ~~NICOTINE DELIVERY SYSTEMS ARE RECEIVED;~~

1           ~~(3) FOR ELECTRONIC NICOTINE DELIVERY SYSTEMS SALES TO OTHER~~  
2 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILERS AND VAPE SHOP VENDORS;~~

3           ~~(I) SHALL KEEP A RECORD OF THE NAME AND ADDRESS OF~~  
4 ~~EACH ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER AND VAPE SHOP~~  
5 ~~VENDOR TO WHOM A SALE IS MADE; AND~~

6           ~~(H) EXCEPT FOR A TRANSFER OF ELECTRONIC NICOTINE~~  
7 ~~DELIVERY SYSTEMS TO RETAIL STOCK BY A WRITTEN MEMORANDUM, SHALL~~  
8 ~~PREPARE FOR EACH SALE AN INVOICE THAT SHOWS THE POLITICAL SUBDIVISION~~  
9 ~~WHERE EACH ELECTRONIC NICOTINE DELIVERY SYSTEMS RETAILER AND VAPE~~  
10 ~~SHOP VENDOR IS LOCATED; AND~~

11           ~~(4) SHALL KEEP A COMPLETE AND ACCURATE RECORD OF EACH SALE~~  
12 ~~OF ELECTRONIC NICOTINE DELIVERY SYSTEMS TO AN OUT OF STATE PERSON FOR~~  
13 ~~RESALE TO OUT OF STATE CONSUMERS.~~

14           ~~(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,~~  
15 ~~EACH ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR~~  
16 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER SHALL MAKE~~  
17 ~~AN INVENTORY RECORD EACH MONTH OF ALL ELECTRONIC NICOTINE DELIVERY~~  
18 ~~SYSTEMS ON THE PREMISES OR UNDER THE CONTROL OF THE ELECTRONIC~~  
19 ~~NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR ELECTRONIC~~  
20 ~~NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER;~~

21           ~~(I) AT THE BEGINNING OR END OF THE MONTH; OR~~

22           ~~(H) ON ANOTHER SPECIFIC DAY OF THE MONTH, IF THE~~  
23 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER DISTRIBUTOR OR~~  
24 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER IMPORTER FINDS IT~~  
25 ~~MORE PRACTICABLE TO TAKE INVENTORY ON THAT DAY AND NOTIFIES THE~~  
26 ~~COMPTROLLER THAT THE INVENTORY WILL BE TAKEN ON THAT DAY.~~

27           ~~(2) ELECTRONIC NICOTINE DELIVERY SYSTEMS TRANSFERRED TO~~  
28 ~~RETAIL STOCK BY WRITTEN MEMORANDUM NEED NOT BE INCLUDED IN THE~~  
29 ~~INVENTORY RECORD.~~

30           ~~(C) EACH ELECTRONIC NICOTINE DELIVERY SYSTEMS WHOLESALER SHALL:~~

31           ~~(1) KEEP THE RECORDS REQUIRED BY THIS SECTION FOR 6 YEARS OR~~  
32 ~~FOR A SHORTER TIME SET BY THE COMPTROLLER; AND~~

33           ~~(2) ALLOW THE COMPTROLLER TO EXAMINE THE RECORDS.~~

1           (A) (1) THE COMPTROLLER SHALL PAY INTO THE GENERAL FUND OF THE  
2 STATE ALL LICENSE FEES COLLECTED UNDER THIS TITLE.

3           (2) ALL LICENSE FEES COLLECTED BY THE COUNTIES UNDER THIS  
4 TITLE ARE SUBJECT TO THE DISTRIBUTION PROVISIONS OF § 17-205 OF THIS  
5 ARTICLE.

6           (B) THE GENERAL ASSEMBLY INTENDS THAT THESE LICENSE FEES BE USED  
7 TO ADMINISTER THIS TITLE.

8 ~~16.7-215.~~

9           (A) ~~A PERSON THAT TRANSPORTS ELECTRONIC NICOTINE DELIVERY~~  
10 ~~SYSTEMS BY VEHICLE ON A PUBLIC ROAD SHALL HAVE IN THE VEHICLE A DELIVERY~~  
11 ~~TICKET OR AN INVOICE THAT STATES:~~

12           (1) ~~THE NAME AND ADDRESS OF THE SELLER OR CONSIGNOR;~~

13           (2) ~~THE NAME AND ADDRESS OF A BUYER OR CONSIGNEE THAT IS~~  
14 ~~AUTHORIZED TO HOLD ELECTRONIC NICOTINE DELIVERY SYSTEMS; AND~~

15           (3) ~~THE QUANTITY AND BRANDS OF THE ELECTRONIC NICOTINE~~  
16 ~~DELIVERY SYSTEMS THAT ARE BEING TRANSPORTED.~~

17           (B) ~~THE COMPTROLLER BY REGULATION MAY REQUIRE A COMMON~~  
18 ~~CARRIER THAT BRINGS ELECTRONIC NICOTINE DELIVERY SYSTEMS INTO THE STATE~~  
19 ~~TO SUBMIT TO THE COMPTROLLER A COPY OF ANY FREIGHT BILL RELATING TO THE~~  
20 ~~ELECTRONIC NICOTINE DELIVERY SYSTEMS SHIPMENT.~~

21 ~~16.7-216.~~ 16.7-213.

22           (A) A PERSON MAY NOT SHIP, IMPORT, OR SELL INTO OR WITHIN THE STATE  
23 ANY ELECTRONIC NICOTINE DELIVERY SYSTEMS UNLESS THE PERSON:

24           (1) (i) ~~IS THE OWNER OF THE BRAND;~~

25                   (ii) ~~IS THE UNITED STATES IMPORTER FOR THE BRAND; OR~~

26                   (iii) ~~IS A DESIGNATED AGENT IN MARYLAND OF:~~

27                           1. ~~THE OWNER OF THE BRAND; OR~~

28                           2. ~~THE UNITED STATES IMPORTER OF THE BRAND; AND~~

1           ~~(2)~~   HOLDS ANY LICENSE REQUIRED BY THIS SUBTITLE.

2           (B)   A PERSON THAT SHIPS, IMPORTS, OR SELLS ELECTRONIC NICOTINE  
3 DELIVERY SYSTEMS INTO OR WITHIN THE STATE:

4           (1)   SHALL COMPLY WITH ANY FEDERAL AND STATE REQUIREMENTS  
5 CONCERNING THE PLACEMENT OF WARNING LABELS OR OTHER INFORMATION ON  
6 THE CONTAINERS OR INDIVIDUAL PACKAGES OF ELECTRONIC NICOTINE DELIVERY  
7 SYSTEMS; AND

8           (2)   SHALL ENSURE THAT THE CONTAINERS OR INDIVIDUAL  
9 PACKAGES OF ELECTRONIC NICOTINE DELIVERY SYSTEMS DO NOT CONTAIN ANY  
10 INFORMATION OR MARKINGS THAT ARE FALSE, MISLEADING, OR CONTRARY TO:

11                   (I)   FEDERAL TRADEMARK LAWS; OR

12                   (II)   THE TRADEMARK LAW OF THE STATE UNDER TITLE 1,  
13 SUBTITLE 4 OF THIS ARTICLE.

14           (C)   A PERSON THAT SHIPS, IMPORTS, OR SELLS ELECTRONIC NICOTINE  
15 DELIVERY SYSTEMS INTO OR WITHIN THE STATE IN VIOLATION OF THIS SECTION IS  
16 SUBJECT TO DISCIPLINARY ACTION BY THE ~~COMPTROLLER CLERK~~ COMPTROLLER  
17 UNDER § ~~16.7-208~~ 16.7-207 OF THIS SUBTITLE.

18 ~~16.7-217.~~

19           ~~(A)   THIS SECTION APPLIES TO A PERSON THAT IS ENGAGED IN THE~~  
20 ~~BUSINESS OF SELLING OR DISTRIBUTING ELECTRONIC NICOTINE DELIVERY~~  
21 ~~SYSTEMS.~~

22           ~~(B)   A PERSON MAY NOT:~~

23                   ~~(1)   SELL OR SHIP ELECTRONIC NICOTINE DELIVERY SYSTEMS,~~  
24 ~~ORDERED OR PURCHASED BY MAIL OR THROUGH A COMPUTER NETWORK,~~  
25 ~~TELEPHONIC NETWORK, OR OTHER ELECTRONIC NETWORK BY A CONSUMER OR~~  
26 ~~OTHER UNLICENSED RECIPIENT, DIRECTLY TO A CONSUMER OR OTHER~~  
27 ~~UNLICENSED RECIPIENT IN THE STATE; OR~~

28                   ~~(2)   CAUSE ELECTRONIC NICOTINE DELIVERY SYSTEMS, ORDERED OR~~  
29 ~~PURCHASED BY MAIL OR THROUGH A COMPUTER NETWORK, TELEPHONIC~~  
30 ~~NETWORK, OR OTHER ELECTRONIC NETWORK BY A CONSUMER OR OTHER~~  
31 ~~UNLICENSED RECIPIENT, TO BE SHIPPED DIRECTLY TO A CONSUMER OR OTHER~~  
32 ~~UNLICENSED RECIPIENT IN THE STATE.~~

~~(c) (1) A PERSON OTHER THAN A LICENSEE THAT SELLS OR SHIPS ELECTRONIC NICOTINE DELIVERY SYSTEMS IN VIOLATION OF THIS SECTION OR CAUSES ELECTRONIC NICOTINE DELIVERY SYSTEMS TO BE SHIPPED IN VIOLATION OF THIS SECTION IS GUILTY OF A FELONY AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$500 PER TRANSACTION OR IMPRISONMENT NOT EXCEEDING 2 YEARS OR BOTH.~~

~~(2) A LICENSEE THAT SELLS AND SHIPS ELECTRONIC NICOTINE DELIVERY SYSTEMS IN VIOLATION OF THIS SECTION OR CAUSES ELECTRONIC NICOTINE DELIVERY SYSTEMS TO BE SHIPPED IN VIOLATION OF THIS SECTION IS:~~

~~(i) SUBJECT TO DISCIPLINE BY THE COMPTROLLER UNDER § 16.7-208 OF THIS SUBTITLE; AND~~

~~(ii) GUILTY OF A FELONY AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$500 FOR EACH PACKAGE OF ELECTRONIC NICOTINE DELIVERY SYSTEMS TRANSPORTED OR IMPRISONMENT NOT EXCEEDING 2 YEARS OR BOTH.~~

~~16.7-218. 16.7-214.~~

UNLESS OTHERWISE SPECIFIED IN THIS TITLE, A PERSON THAT VIOLATES ANY PROVISION OF THIS TITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000 OR IMPRISONMENT NOT EXCEEDING 30 DAYS OR BOTH.

## Article – Health – General

24–305.

(b) (1) Except as provided in paragraph (2) of this subsection, a person may not sell, distribute, or offer for sale to a minor an [electronic device, a component for an electronic device, or a product used to refill or resupply an electronic device that can be used to deliver nicotine to the individual inhaling from the device, including an electronic cigarette, cigar, cigarillo, or pipe] **ELECTRONIC NICOTINE DELIVERY SYSTEM, AS DEFINED IN § 16.7–101(C) OF THE BUSINESS REGULATION ARTICLE.**

(2) This subsection does not apply to [a] **AN ELECTRONIC** nicotine [device] **DELIVERY SYSTEM** that contains or delivers nicotine intended for human consumption if the device has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product and is being marketed and sold solely for this purpose.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.