

# SENATE BILL 842

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CF 5lr3247

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By: **Senator Beidle**

Introduced and read first time: January 28, 2025

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Other Tobacco Products and Electronic Smoking Devices – Seizure and**  
3 **Wholesaler Licensure Requirements**

4 FOR the purpose of authorizing the Executive Director of the Alcohol, Tobacco, and  
5 Cannabis Commission or a peace officer to seize other tobacco products and electronic  
6 smoking devices that are sold or offered for sale in violation of certain provisions of  
7 law without a warrant; establishing procedures for the return and destruction of  
8 certain property seized by the Executive Director or a peace officer; establishing an  
9 electronic smoking devices wholesaler license and certain record-keeping  
10 requirements for electronic smoking devices wholesalers; and generally relating to  
11 other tobacco products and electronic smoking devices.

12 BY renumbering

13 Article – Business Regulation  
14 Section 16.7–213.1  
15 to be Section 16.7–213.2  
16 Annotated Code of Maryland  
17 (2024 Replacement Volume)

18 BY adding to

19 Article – Business Regulation  
20 Section 16.5–217.2, 16.7–101(f), 16.7–213.1, and 16.7–213.3  
21 Annotated Code of Maryland  
22 (2024 Replacement Volume)

23 BY repealing and reenacting, without amendments,

24 Article – Business Regulation  
25 Section 16.7–101(a)  
26 Annotated Code of Maryland  
27 (2024 Replacement Volume)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,  
2 Article – Business Regulation  
3 Section 16.7–101(d) and (f) through (l), 16.7–201, 16.7–202(a), 16.7–203(a), 16.7–204,  
4 16.7–206, and 16.7–211(a)  
5 Annotated Code of Maryland  
6 (2024 Replacement Volume)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
8 That Section(s) 16.7–213.1 of Article – Business Regulation of the Annotated Code of  
9 Maryland be renumbered to be Section(s) 16.7–213.2.

10 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
11 as follows:

12 **Article – Business Regulation**

13 **16.5–217.2.**

14 (A) THE EXECUTIVE DIRECTOR OR A PEACE OFFICER MAY SEIZE OTHER  
15 TOBACCO PRODUCTS THAT ARE SOLD OR OFFERED FOR SALE IN THE STATE IN  
16 VIOLATION OF THIS TITLE WITHOUT A WARRANT.

17 (B) (1) THE EXECUTIVE DIRECTOR OR PEACE OFFICER SHALL GIVE  
18 NOTICE OF A SEIZURE TO THE PERSON FROM WHOM THE PROPERTY IS SEIZED AT  
19 THE TIME OF SEIZURE.

20 (2) A NOTICE OF SEIZURE SHALL STATE THE RIGHT OF THE OWNER  
21 OR OTHER INTERESTED PERSON TO FILE A CLAIM FOR RETURN OF THE SEIZED  
22 PROPERTY.

23 (C) A PEACE OFFICER WHO SEIZES OTHER TOBACCO PRODUCTS UNDER  
24 SUBSECTION (A) OF THIS SECTION SHALL DELIVER THE SEIZED OTHER TOBACCO  
25 PRODUCTS TO THE EXECUTIVE DIRECTOR OR TAKE IT TO A LOCATION DESIGNATED  
26 BY THE EXECUTIVE DIRECTOR.

27 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE OWNER  
28 OR ANOTHER INTERESTED PERSON MAY FILE A CLAIM FOR RETURN OF THE  
29 PROPERTY WITH THE EXECUTIVE DIRECTOR WITHIN 30 DAYS AFTER THE SEIZURE  
30 OF THE PROPERTY.

31 (2) A PERSON FORFEITS ANY INTEREST IN, RIGHT TO, OR TITLE TO  
32 THE OTHER TOBACCO PRODUCTS SEIZED FOR VIOLATION OF THIS TITLE IF THE  
33 PERSON FAILS TO TIMELY FILE A CLAIM FOR RETURN OF THE SEIZED PROPERTY  
34 WITHIN THE TIME ALLOWED UNDER PARAGRAPH (1) OF THIS SUBSECTION.



1           **(3) (I) THE EXECUTIVE DIRECTOR MAY IMPOSE AND COLLECT**  
2 **COSTS SUFFICIENT TO COVER TRANSPORTATION, STORAGE, AND DISPOSAL OF**  
3 **OTHER TOBACCO PRODUCTS SEIZED BY THE STATE UNDER THIS SECTION.**

4           **(II) FAILURE TO PAY COSTS UNDER SUBPARAGRAPH (I) OF THIS**  
5 **PARAGRAPH SHALL BE CONSIDERED GROUNDS FOR DENIAL OR REVOCATION OF A**  
6 **LICENSE UNDER THIS TITLE.**

7           **(4) (I) THE EXECUTIVE DIRECTOR MAY RECOVER, IN AN ACTION**  
8 **BROUGHT UNDER THIS SECTION, REASONABLE EXPENSES INCURRED IN**  
9 **INVESTIGATING AND PREPARING THE CASE, INCLUDING ATTORNEY'S FEES.**

10           **(II) FAILURE TO PAY EXPENSES UNDER SUBPARAGRAPH (I) OF**  
11 **THIS PARAGRAPH SHALL BE CONSIDERED GROUNDS FOR DENIAL OR REVOCATION**  
12 **OF A LICENSE UNDER THIS TITLE.**

13           **(5) (I) THE EXECUTIVE DIRECTOR SHALL POST A NOTICE OF EACH**  
14 **SEIZURE AND FORFEITURE ON THE COMMISSION'S WEBSITE FOR A PERIOD OF NOT**  
15 **LESS THAN 1 YEAR AFTER THE NOTICE OF SEIZURE UNDER SUBSECTION (B) OF THIS**  
16 **SECTION.**

17           **(II) NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH**  
18 **SHALL INCLUDE:**

- 19                   **1. A DESCRIPTION OF THE PROPERTY SEIZED;**
- 20                   **2. THE REASON FOR THE SEIZURE; AND**
- 21                   **3. THE TIME AND PLACE OF THE SEIZURE.**

22 16.7–101.

23           (a) In this title the following words have the meanings indicated.

24           (d) “Electronic smoking devices manufacturer” means a person that:

25                   (1) manufactures, mixes, or otherwise produces electronic smoking devices  
26 intended for sale in the State, including electronic smoking devices intended for sale in the  
27 United States through an importer; and

28                   (2) (i) sells electronic smoking devices to a consumer, if the consumer  
29 purchases or orders the devices through the mail, a computer network, a telephonic  
30 network, or another electronic network, **A LICENSED ELECTRONIC SMOKING DEVICES**

1 **WHOLESALER**, a licensed electronic smoking devices wholesaler distributor, or a licensed  
2 electronic smoking devices wholesaler importer in the State;

3 (ii) if the electronic smoking devices manufacturer also holds a  
4 license to act as an electronic smoking devices retailer or a vape shop vendor, sells electronic  
5 smoking devices in the same manner as a vape shop vendor to consumers located in the  
6 State; or

7 (iii) unless otherwise prohibited or restricted under local law, this  
8 article, or the Criminal Law Article, distributes sample electronic smoking devices to a  
9 licensed electronic smoking devices retailer or vape shop vendor.

10 **(F) “ELECTRONIC SMOKING DEVICES WHOLESALER” MEANS A PERSON**  
11 **THAT:**

12 **(1) HOLDS ELECTRONIC SMOKING DEVICES FOR SALE TO ANOTHER**  
13 **PERSON FOR RESALE; OR**

14 **(2) SELLS ELECTRONIC SMOKING DEVICES TO ANOTHER PERSON FOR**  
15 **RESALE.**

16 **[(f)] (G)** “Electronic smoking devices wholesaler distributor” means a person  
17 that:

18 (1) obtains at least 70% of its electronic smoking devices from a holder of  
19 an electronic smoking devices manufacturer license under this subtitle or a business entity  
20 located in the United States; and

21 (2) (i) holds electronic smoking devices for sale to another person for  
22 resale; or

23 (ii) sells electronic smoking devices to another person for resale.

24 **[(g)] (H)** “Electronic smoking devices wholesaler importer” means a person that:

25 (1) obtains at least 70% of its electronic smoking devices from a business  
26 entity located in a foreign country; and

27 (2) (i) holds electronic smoking devices for sale to another person for  
28 resale; or

29 (ii) sells electronic smoking devices to another person for resale.

30 **[(h)] (I)** “Executive Director” means the Executive Director of the Alcohol,  
31 Tobacco, and Cannabis Commission.

- 1            **[(i)] (J)**        “License” means:
- 2                    (1)     a license issued by the Executive Director under § 16.7–203(a) of this  
3 title to:
- 4                    (i)     act as a licensed electronic smoking devices manufacturer;
- 5                    **(II)    ACT AS A LICENSED ELECTRONIC SMOKING DEVICES**  
6 **WHOLESALE;**
- 7                    **[(ii)] (III)**     act as a licensed electronic smoking devices wholesaler  
8 distributor; or
- 9                    **[(iii)] (IV)**     act as a licensed electronic smoking devices wholesaler  
10 importer; or
- 11                  (2)     a license issued by the clerk under § 16.7–203(b) of this title to:
- 12                    (i)     act as a licensed electronic smoking devices retailer; or
- 13                    (ii)    act as a licensed vape shop vendor.
- 14                  **[(j)] (K)**        “Sell” means to exchange or transfer, or to agree to exchange or  
15 transfer, title or possession of property, in any manner or by any means, for consideration.
- 16                  **[(k)] (L)**        “Vape shop vendor” means an electronic smoking devices business that  
17 sells electronic smoking devices and related accessories to consumers on the premises of its  
18 place of business.
- 19                  **[(l)] (M)**        “Vaping liquid” means a liquid that:
- 20                    (1)     consists of propylene glycol, vegetable glycerin, or other similar  
21 substance;
- 22                    (2)     may or may not contain natural or artificial flavors;
- 23                    (3)     may or may not contain nicotine; and
- 24                    (4)     converts to vapor intended for inhalation when heated in an electronic  
25 device.
- 26 16.7–201.
- 27                  (a)     A person must hold an appropriate license before the person may act as:
- 28                    (1)     an electronic smoking devices manufacturer;

- 1           (2)     an electronic smoking devices retailer;
- 2           **(3)     AN ELECTRONIC SMOKING DEVICES WHOLESALER;**
- 3           ~~[(3)]~~ **(4)**     an electronic smoking devices wholesaler distributor;
- 4           ~~[(4)]~~ **(5)**     an electronic smoking devices wholesaler importer; or
- 5           ~~[(5)]~~ **(6)**     a vape shop vendor.

6           (b)     A place of business in which a person acts as an electronic smoking devices  
7 retailer or a vape shop vendor must hold an appropriate license.

8     16.7–202.

9           (a)     (1)     An applicant for a license to act as an electronic smoking devices  
10 manufacturer, **ELECTRONIC SMOKING DEVICES WHOLESALER**, electronic smoking  
11 devices wholesaler distributor, or electronic smoking devices wholesaler importer shall:

12                   (i)     obtain an appropriate county license by submitting an  
13 application to the Executive Director on the form and containing the information that the  
14 Executive Director requires;

15                   (ii)    indicate the licenses for which the applicant is applying; and

16                   (iii)   except as provided in paragraph (2) of this subsection, pay to the  
17 Executive Director a fee of \$25 for each license for which the applicant applies.

18           (2)     An applicant for a license to act as an **ELECTRONIC SMOKING**  
19 **DEVICES WHOLESALER**, electronic smoking devices wholesaler distributor, or electronic  
20 smoking devices wholesaler importer shall pay to the Executive Director a fee of \$150.

21     16.7–203.

22           (a)     The Executive Director shall issue an appropriate license to each applicant  
23 that meets the requirements of this subtitle for a license to act as an electronic smoking  
24 devices manufacturer, **ELECTRONIC SMOKING DEVICES WHOLESALER**, electronic  
25 smoking devices wholesaler distributor, or electronic smoking devices wholesaler importer.

26     16.7–204.

27           (a)     An electronic smoking devices manufacturer license authorizes the licensee  
28 to:

29                   (1)     sell electronic smoking devices to:

1 (i) a licensed electronic smoking devices wholesaler located in the  
2 State;

3 (ii) an electronic smoking devices wholesaler or retailer located  
4 outside the State if the electronic smoking devices may be sold lawfully in Maryland;

5 (iii) a licensed vape shop vendor; and

6 (iv) a consumer if:

7 1. the licensee manufactured the devices; and

8 2. the consumer purchases or orders the devices through the  
9 mail, a computer network, a telephonic network, or another electronic network;

10 (2) if the electronic smoking devices manufacturer licensee also holds a  
11 license to act as an electronic smoking devices retailer or a vape shop vendor, transfer  
12 electronic smoking devices to inventory for sale under the retail license or vape shop license;  
13 and

14 (3) except as otherwise prohibited or restricted under local law, this article,  
15 or the Criminal Law Article, distribute electronic smoking devices products to a licensed  
16 electronic smoking devices retailer or vape shop vendor.

17 (b) An electronic smoking devices retailer license authorizes the licensee to:

18 (1) sell electronic smoking devices to consumers;

19 (2) buy electronic smoking devices from an **ELECTRONIC SMOKING**  
20 **DEVICES WHOLESALER**, electronic smoking devices wholesaler distributor, or electronic  
21 smoking devices wholesaler importer;

22 (3) if the electronic smoking devices retailer licensee also holds a license to  
23 act as an electronic smoking devices manufacturer, sell at retail electronic smoking devices  
24 manufactured under the manufacturer license; and

25 (4) except as otherwise prohibited or restricted under local law, this article,  
26 the Criminal Law Article, or § 24–305 of the Health – General Article, distribute sample  
27 electronic smoking devices products to consumers in the State.

28 (c) An **ELECTRONIC SMOKING DEVICES WHOLESALER LICENSE**, electronic  
29 smoking devices wholesaler distributor license, or electronic smoking devices wholesaler  
30 importer license authorizes the licensee to:

31 (1) sell electronic smoking devices to electronic smoking devices retailers  
32 and vape shop vendors;



1           (2) buy electronic smoking devices directly from an electronic smoking  
2 devices manufacturer and an **ELECTRONIC SMOKING DEVICES WHOLESALER**, electronic  
3 smoking devices wholesaler distributor, or electronic smoking devices wholesaler importer;

4           (3) hold electronic smoking devices; and

5           (4) sell electronic smoking devices to another licensed **ELECTRONIC**  
6 **SMOKING DEVICES WHOLESALER**, electronic smoking devices wholesaler distributor, or  
7 electronic smoking devices wholesaler importer.

8           (d) A vape shop vendor license authorizes the licensee to:

9           (1) sell electronic smoking devices as a vape shop vendor to consumers on  
10 the premises of the licensee's place of business;

11           (2) if the vape shop vendor licensee also holds a license to act as an  
12 electronic smoking devices manufacturer, sell at retail on the vape shop vendor premises  
13 electronic smoking devices manufactured under the manufacturer license; and

14           (3) buy electronic smoking devices from an electronic smoking devices  
15 manufacturer, **AN ELECTRONIC SMOKING DEVICES WHOLESALER**, an electronic  
16 smoking devices wholesaler distributor, or an electronic smoking devices wholesaler  
17 importer.

18 16.7–206.

19           (a) (1) A licensed electronic smoking devices retailer or a licensed vape shop  
20 vendor may not assign the license.

21           (2) If a licensed **ELECTRONIC SMOKING DEVICES WHOLESALER**,  
22 electronic smoking devices wholesaler distributor, or electronic smoking devices wholesaler  
23 importer sells the licensee's electronic smoking devices business and pays to the Executive  
24 Director a license assignment fee of \$10, the licensee may assign the license to the buyer of  
25 the business if the buyer otherwise qualifies under this title for an electronic smoking  
26 devices wholesaler's distributor or importer license.

27           (b) If the electronic smoking devices business of a licensee is transferred because  
28 of bankruptcy, death, incompetency, receivership, or otherwise by operation of law, the  
29 Executive Director shall transfer the license without charge to the new owner of the  
30 licensee's business if the transferee otherwise qualifies under this title for the license being  
31 transferred.

32           (c) (1) If a licensed **ELECTRONIC SMOKING DEVICES WHOLESALER**,  
33 electronic smoking devices wholesaler distributor, or electronic smoking devices wholesaler  
34 importer surrenders the license to the Executive Director and if no disciplinary proceedings

1 are pending against the licensee, the Executive Director shall refund a pro rata portion of  
2 the license fee for the unexpired term of the license.

3 (2) A licensed electronic smoking devices retailer or a licensed vape shop  
4 vendor is not allowed a refund for the unexpired term of the license.

5 16.7–211.

6 (a) A person may not act, attempt to act, or offer to act as an electronic smoking  
7 devices manufacturer, an electronic smoking devices retailer, **AN ELECTRONIC SMOKING**  
8 **DEVICES WHOLESALER**, an electronic smoking devices wholesaler distributor, an  
9 electronic smoking devices wholesaler importer, or a vape shop vendor in the State unless  
10 the person has an appropriate license.

11 **16.7–213.1.**

12 (A) **EACH ELECTRONIC SMOKING DEVICES WHOLESALER SHALL:**

13 (1) **RECEIVE AN INVOICE FOR EACH PURCHASE OF ELECTRONIC**  
14 **SMOKING DEVICES;**

15 (2) **KEEP A RECORD OF ALL ELECTRONIC SMOKING DEVICES**  
16 **RECEIVED, TO WHICH THE ELECTRONIC SMOKING DEVICES WHOLESALER SHALL**  
17 **POST EACH DAY:**

18 (I) **THE INVOICE NUMBER;**

19 (II) **THE DATE OF RECEIPT;**

20 (III) **THE QUANTITY RECEIVED;**

21 (IV) **THE BRAND;**

22 (V) **THE MANUFACTURER; AND**

23 (VI) **THE NAME OF THE PERSON FROM WHOM THE ELECTRONIC**  
24 **SMOKING DEVICES ARE RECEIVED;**

25 (3) (I) **KEEP A RECORD OF THE NAME AND ADDRESS OF EACH**  
26 **ELECTRONIC SMOKING DEVICES RETAILER TO WHICH A SALE IS MADE; AND**

27 (II) **PREPARE FOR EACH SALE OF ELECTRONIC SMOKING**  
28 **DEVICES TO A RETAILER AN INVOICE THAT SHOWS THE POLITICAL SUBDIVISION**  
29 **WHERE THE RETAILER IS LOCATED; AND**

1           **(4) KEEP A COMPLETE AND ACCURATE RECORD OF EACH SALE OF**  
2 **ELECTRONIC SMOKING DEVICES TO AN OUT-OF-STATE PERSON FOR RESALE TO**  
3 **OUT-OF-STATE CONSUMERS.**

4           **(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**  
5 **EACH ELECTRONIC SMOKING DEVICES WHOLESALER SHALL MAKE AN INVENTORY**  
6 **RECORD EACH MONTH OF ALL ELECTRONIC SMOKING DEVICES ON THE PREMISES**  
7 **OR UNDER THE CONTROL OF THE ELECTRONIC SMOKING DEVICES WHOLESALER:**

8                   **(I) AT THE BEGINNING OR END OF THE MONTH; OR**

9                   **(II) ON ANOTHER SPECIFIC DAY OF THE MONTH, IF THE**  
10 **ELECTRONIC SMOKING DEVICES WHOLESALER FINDS IT MORE PRACTICABLE TO**  
11 **TAKE INVENTORY ON THAT DAY.**

12           **(2) ELECTRONIC SMOKING DEVICES TRANSFERRED TO RETAIL**  
13 **STOCK BY WRITTEN MEMORANDUM NEED NOT BE INCLUDED IN THE INVENTORY**  
14 **RECORD.**

15           **(C) EACH ELECTRONIC SMOKING DEVICES WHOLESALER SHALL:**

16                   **(1) KEEP THE RECORDS REQUIRED BY THIS SECTION FOR 6 YEARS OR**  
17 **FOR A SHORTER TIME SET BY THE EXECUTIVE DIRECTOR; AND**

18                   **(2) ALLOW THE EXECUTIVE DIRECTOR TO EXAMINE THE RECORDS.**

19 **16.7-213.3.**

20           **(A) THE EXECUTIVE DIRECTOR OR A PEACE OFFICER MAY SEIZE**  
21 **ELECTRONIC SMOKING DEVICES THAT ARE SOLD OR OFFERED FOR SALE IN THE**  
22 **STATE IN VIOLATION OF THIS TITLE WITHOUT A WARRANT.**

23           **(B) (1) THE EXECUTIVE DIRECTOR OR PEACE OFFICER SHALL GIVE**  
24 **NOTICE OF A SEIZURE TO THE PERSON FROM WHICH THE PROPERTY IS SEIZED AT**  
25 **THE TIME OF SEIZURE.**

26                   **(2) A NOTICE OF SEIZURE SHALL STATE THE RIGHT OF THE OWNER**  
27 **OR OTHER INTERESTED PERSON TO FILE A CLAIM FOR RETURN OF THE SEIZED**  
28 **PROPERTY.**

29           **(C) A PEACE OFFICER WHO SEIZES ELECTRONIC SMOKING DEVICES UNDER**  
30 **SUBSECTION (A) OF THIS SECTION SHALL DELIVER THE SEIZED PROPERTY TO THE**

1 EXECUTIVE DIRECTOR OR TAKE IT TO A LOCATION DESIGNATED BY THE EXECUTIVE  
2 DIRECTOR.

3 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE OWNER  
4 OR INTERESTED PERSON MAY FILE A CLAIM FOR RETURN OF THE PROPERTY WITH  
5 THE EXECUTIVE DIRECTOR WITHIN 30 DAYS AFTER THE SEIZURE OF THE  
6 PROPERTY.

7 (2) A PERSON FORFEITS ANY INTEREST IN, RIGHT TO, OR TITLE TO  
8 THE ELECTRONIC SMOKING DEVICES SEIZED FOR VIOLATION OF THIS TITLE IF THE  
9 PERSON FAILS TO TIMELY FILE A CLAIM FOR RETURN OF THE SEIZED PROPERTY  
10 WITHIN THE TIME ALLOWED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

11 (E) SUBJECT TO SUBSECTION (F) OF THIS SECTION, IF A PERSON FILES A  
12 CLAIM FOR THE RETURN OF PROPERTY SEIZED UNDER SUBSECTION (A) OF THIS  
13 SECTION, THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S DESIGNEE  
14 SHALL:

15 (1) PROMPTLY ACT ON THE CLAIM AND HOLD AN INFORMAL HEARING;  
16 AND

17 (2) UNLESS THE EXECUTIVE DIRECTOR OR THE EXECUTIVE  
18 DIRECTOR'S DESIGNEE HAS SATISFACTORY EVIDENCE THAT THE OWNER OR  
19 PERSON WAS NOT IN COMPLIANCE WITH ANY PROVISION OF THIS TITLE AT THE TIME  
20 OF SEIZURE, DIRECT RETURN OF THE SEIZED PROPERTY.

21 (F) THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S DESIGNEE  
22 SHALL GRANT OR DENY THE CLAIM FOR RETURN OF SEIZED ELECTRONIC SMOKING  
23 DEVICES BY MAILING THE OWNER OR PERSON A NOTICE OF FINAL DETERMINATION.

24 (G) A PERSON WHO POSSESSED OR OFFERED FOR SALE ELECTRONIC  
25 SMOKING DEVICES THAT ARE SEIZED UNDER THIS SECTION IS NOT RELIEVED FROM  
26 RESPONSIBILITY FOR:

27 (1) ANY PENALTY UNDER THIS TITLE OR TITLE 16 OR TITLE 16.5 OF  
28 THIS ARTICLE; OR

29 (2) REIMBURSEMENT OF THE COSTS OF TRANSPORTATION, STORAGE,  
30 OR DISPOSAL OF THE SEIZED PROPERTY.

31 (H) (1) ELECTRONIC SMOKING DEVICES SEIZED BY THE STATE UNDER  
32 THIS TITLE SHALL BE TRANSPORTED, STORED, AND DESTROYED IN COMPLIANCE  
33 WITH APPLICABLE LOCAL, STATE, AND FEDERAL LAW.

1           **(2) THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S**  
2 **DESIGNEE, SHALL KEEP A RECORD OF ALL PROPERTY DESTROYED UNDER THIS**  
3 **SUBSECTION THAT INCLUDES A DESCRIPTION OF:**

4                   **(I) THE NATURE OF THE PROPERTY;**

5                   **(II) THE QUANTITY OF THE PROPERTY;**

6                   **(III) THE REASON FOR THE SEIZURE OF THE PROPERTY; AND**

7                   **(IV) THE MANNER OF DESTRUCTION.**

8           **(3) (I) THE EXECUTIVE DIRECTOR MAY IMPOSE AND COLLECT**  
9 **COSTS SUFFICIENT TO COVER TRANSPORTATION, STORAGE, AND DISPOSAL OF**  
10 **ELECTRONIC SMOKING DEVICES SEIZED BY THE STATE UNDER THIS SECTION.**

11                   **(II) FAILURE TO PAY COSTS UNDER SUBPARAGRAPH (I) OF THIS**  
12 **PARAGRAPH SHALL BE CONSIDERED GROUNDS FOR DENIAL OR REVOCATION OF A**  
13 **LICENSE UNDER THIS TITLE.**

14           **(4) (I) THE EXECUTIVE DIRECTOR MAY RECOVER, IN AN ACTION**  
15 **BROUGHT UNDER THIS SECTION, REASONABLE EXPENSES INCURRED IN**  
16 **INVESTIGATING AND PREPARING THE CASE, INCLUDING ATTORNEY'S FEES.**

17                   **(II) FAILURE TO PAY EXPENSES UNDER SUBPARAGRAPH (I) OF**  
18 **THIS PARAGRAPH SHALL BE CONSIDERED GROUNDS FOR DENIAL OR REVOCATION**  
19 **OF A LICENSE UNDER THIS TITLE.**

20           **(5) (I) THE EXECUTIVE DIRECTOR SHALL POST A NOTICE OF EACH**  
21 **SEIZURE AND FORFEITURE ON THE COMMISSION'S WEBSITE FOR A PERIOD OF NOT**  
22 **LESS THAN 1 YEAR AFTER THE NOTICE OF SEIZURE UNDER SUBSECTION (B) OF THIS**  
23 **SECTION.**

24                   **(II) NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH**  
25 **SHALL INCLUDE:**

26                   **1. A DESCRIPTION OF THE PROPERTY SEIZED;**

27                   **2. THE REASON FOR THE SEIZURE; AND**

28                   **3. THE TIME AND PLACE OF THE SEIZURE.**

1           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2025.