

Chapter 387

(Senate Bill 279)

AN ACT concerning

Baltimore City – Cigarettes, Other Tobacco Products, and Electronic Smoking Devices – ~~Local Laws Authorization~~ Enforcement and Licensure

FOR the purpose of authorizing ~~Baltimore City to enact and enforce local laws~~ a certain enforcement officer to enforce provisions regulating the sale and distribution of cigarettes, other tobacco products, and electronic smoking devices, ~~subject to certain exceptions~~; authorizing the Executive Director of the Alcohol, Tobacco, and Cannabis Commission to reprimand a licensee or suspend or revoke a license for a violation identified under this Act; requiring the Comptroller to distribute a certain amount of the licensure authorization request fees collected under certain provisions of this Act to the Family League of Baltimore City, Inc. in a certain manner; requiring an applicant for a certain initial or renewal license to request a licensure authorization from the Mayor and City Council of Baltimore City and pay a certain fee; and generally relating to the regulation of cigarettes, other tobacco products, and electronic smoking devices in Baltimore City.

~~BY adding to~~

~~Article – Business Regulation
Section 16–308.4, 16.5–104, and 16.7–103
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)~~

~~BY repealing and reenacting, with amendments,~~

~~Article – Business Regulation
Section 16–102, 16–216, 16–302, 16–308.2, 16.5–102, 16.5–203(b), 16.5–213,
16.7–102, ~~and~~ 16.7–202(b), and 16.7–212
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)~~

~~BY adding to~~

~~Article – Business Regulation
Section 16–302.1, 16.5–201.1, and 16.7–201.1
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)~~

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

Article – Business Regulation~~16–308.4.~~

~~EXCEPT FOR THE ISSUANCE OF LICENSES UNDER THIS TITLE OR THE IMPOSITION OF TAXES ON CIGARETTES UNDER TITLE 12 OF THE TAX GENERAL ARTICLE, THE BALTIMORE CITY COUNCIL MAY ENACT AND THE MAYOR OF BALTIMORE CITY MAY ENFORCE LOCAL LAWS THAT ARE AT LEAST AS STRINGENT AS THE PROVISIONS OF THIS TITLE THAT REGULATE THE SALE AND DISTRIBUTION OF CIGARETTES.~~

~~16.5-104.~~

~~EXCEPT FOR THE ISSUANCE OF LICENSES UNDER THIS TITLE OR THE IMPOSITION OF TAXES ON OTHER TOBACCO PRODUCTS UNDER TITLE 12 OF THE TAX GENERAL ARTICLE, THE BALTIMORE CITY COUNCIL MAY ENACT AND THE MAYOR OF BALTIMORE CITY MAY ENFORCE LOCAL LAWS THAT ARE AT LEAST AS STRINGENT AS THE PROVISIONS OF THIS TITLE THAT REGULATE THE SALE AND DISTRIBUTION OF OTHER TOBACCO PRODUCTS.~~

~~16.7-103.~~

~~EXCEPT FOR THE ISSUANCE OF LICENSES UNDER THIS TITLE, THE BALTIMORE CITY COUNCIL MAY ENACT AND THE MAYOR OF BALTIMORE CITY MAY ENFORCE LOCAL LAWS THAT ARE AT LEAST AS STRINGENT AS THE PROVISIONS OF THIS TITLE THAT REGULATE THE SALE AND DISTRIBUTION OF ELECTRONIC SMOKING DEVICES.~~

16-102.

(A) The Executive Director may delegate any power or duty of the Executive Director under this title.

(B) (1) IN BALTIMORE CITY, AN A SPECIAL ENFORCEMENT OFFICER OF THE TOBACCO USE PREVENTION AND CESSATION PROGRAM IN THE A BALTIMORE CITY HEALTH DEPARTMENT AGENCY MAY ENFORCE THIS TITLE, INCLUDING BY ENTERING AND INSPECTING, AT A REASONABLE TIME, THE PREMISES OF A COUNTY LICENSE HOLDER.

(2) SUBJECT TO THE HEARING PROVISIONS OF § 16-307 OF THIS TITLE, THE EXECUTIVE DIRECTOR MAY REPRIMAND A LICENSEE OR SUSPEND OR REVOKE A LICENSE FOR A VIOLATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

16-216.

(a) (1) [The] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE Executive Director shall pay into the General Fund of the State all license fees collected under this title.

[(b)] (2) The General Assembly intends that these license fees be used to:

[(1)] (I) administer this title; and

[(2)] (II) enforce the Maryland Cigarette Sales Below Cost Act.

(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL REMIT 50% OF ALL LICENSURE AUTHORIZATION REQUEST FEES COLLECTED UNDER § 16-302.1 OF THIS TITLE TO THE COMPTROLLER.

(2) THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE FAMILY LEAGUE OF BALTIMORE CITY, INC. IN A MANNER THAT IS:

(I) CONSISTENT WITH THE PROCESS ESTABLISHED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY UNDER § 16-302.1 OF THIS TITLE; AND

(II) PROPORTIONAL TO THE NUMBER OF LICENSEES OPERATING IN EACH LEGISLATIVE DISTRICT.

16-302.

(a) For each county license, an applicant shall:

(1) submit an application to the clerk; and

(2) pay to the clerk a license fee of \$300.

(b) (1) From each license fee collected under subsection (a) of this section, the clerk shall distribute:

(i) \$25 to the Executive Director;

(ii) in Montgomery County, \$275 to the county to be used to enforce existing laws banning the sale or distribution of tobacco, tobacco products, or electronic smoking devices, as defined in § 16.7-101 of this article, to individuals under the age of 21 years; and

(iii) in all other counties, \$275 to the Maryland Department of Health to be used by the Department or its designee to enforce existing laws prohibiting the sale

or distribution of tobacco, tobacco products, or electronic smoking devices, as defined in § 16.7–101 of this article, to individuals under the age of 21 years.

(2) Funds distributed under paragraph (1)(ii) of this subsection may not be used to supplant existing funding for the enforcement of laws banning the sale or distribution of tobacco or tobacco products to individuals under the age of 21 years.

(C) IN BALTIMORE CITY, IN ADDITION TO THE REQUIREMENTS UNDER SUBSECTION (A) OF THIS SECTION, AN APPLICANT FOR AN INITIAL OR RENEWAL COUNTY LICENSE SHALL PROVIDE TO THE CLERK A LICENSURE AUTHORIZATION ISSUED UNDER § 16–302.1 OF THIS SUBTITLE.

16–302.1.

(A) THIS SECTION APPLIES ONLY IN BALTIMORE CITY.

(B) BEFORE A PERSON MAY APPLY FOR AN INITIAL OR RENEWAL COUNTY LICENSE UNDER THIS TITLE, THE PERSON SHALL REQUEST A LICENSURE AUTHORIZATION FROM THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY.

(C) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY:

(1) ESTABLISH AND CHARGE A FEE FOR A LICENSURE AUTHORIZATION REQUEST MADE UNDER THIS SECTION OR § 16.5–201.1 OR § 16.7–202.1 OF THIS ARTICLE; AND

(2) ESTABLISH A PROCESS TO ACCEPT AND APPROVE OR DENY LICENSURE AUTHORIZATION REQUESTS MADE UNDER THIS SECTION AND §§ 16.5–201.1 AND 16.7–202.1 OF THIS ARTICLE.

(D) IF A PROCESS IS ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION, THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL INCLUDE AS PART OF THE PROCESS:

(1) A REQUIREMENT THAT AN APPLICANT IS:

(I) IN COMPLIANCE WITH ALL RELEVANT STATE AND LOCAL LAWS; AND

(II) OTHERWISE ENTITLED TO BE LICENSED; AND

(2) A MECHANISM FOR INCLUDING THE BASIS FOR ANY DENIAL OF A LICENSURE AUTHORIZATION REQUEST THAT IS REFERRED TO THE EXECUTIVE DIRECTOR.

(D) IF AN APPLICANT IS DENIED A LICENSURE AUTHORIZATION REQUESTED UNDER THIS SECTION, THE EXECUTIVE DIRECTOR MAY REVIEW THE BASIS FOR THE DENIAL.

16-308.2.

(a) In this section, “unpackaged cigarette” means any cigarette not contained in a sealed package of 20 or more cigarettes that are designed and intended to be sold as a unit.

(b) This section applies only in Baltimore City.

(c) A person who holds a county license may not sell an unpackaged cigarette.

(d) (1) An enforcement officer of the Tobacco Use Prevention and Cessation Program in the Baltimore City Health Department may enforce this section by entering and inspecting, at a reasonable time, the premises of a county license holder.

(2) An enforcement officer shall report a violation of this section to a State’s Attorney.

(3) SUBJECT TO THE HEARING PROVISIONS OF § 16-307 OF THIS SUBTITLE, THE EXECUTIVE DIRECTOR MAY REPRIMAND A LICENSEE OR SUSPEND OR REVOKE A LICENSE FOR A VIOLATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(e) Issuance of a citation by the Comptroller or the Executive Director for a violation of § 16-215 of this title precludes a prosecution for a violation under this section arising out of the same incident.

16.5-102.

(A) The Executive Director may delegate any power or duty of the Executive Director.

(B) (1) IN BALTIMORE CITY, ~~AN A SPECIAL ENFORCEMENT OFFICER OF THE TOBACCO USE PREVENTION AND CESSATION PROGRAM IN THE A BALTIMORE CITY HEALTH DEPARTMENT~~ AGENCY MAY ENFORCE THIS TITLE, INCLUDING BY ENTERING AND INSPECTING, AT A REASONABLE TIME, THE PREMISES OF A COUNTY LICENSE HOLDER.

(2) SUBJECT TO THE HEARING PROVISIONS OF § 16.5-209 OF THIS TITLE, THE EXECUTIVE DIRECTOR MAY REPRIMAND A LICENSEE OR SUSPEND OR

REVOKE A LICENSE FOR A VIOLATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

16.5-201.1.

(A) THIS SECTION APPLIES ONLY IN BALTIMORE CITY.

(B) BEFORE A PERSON MAY APPLY FOR AN INITIAL OR RENEWAL COUNTY LICENSE UNDER THIS TITLE, THE PERSON SHALL REQUEST A LICENSURE AUTHORIZATION FROM THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY.

(C) IF AN APPLICANT IS DENIED A LICENSURE AUTHORIZATION REQUESTED UNDER THIS SECTION, THE EXECUTIVE DIRECTOR MAY REVIEW THE BASIS FOR THE DENIAL.

16.5-203.

(b) (1) An applicant for a license to act as an other tobacco products retailer or a tobacconist:

(i) shall obtain a county license by submitting to the clerk an application for each permanent or temporary place of business located in the same enclosure and operated by the same applicant; and

(ii) except as provided in paragraph (2) of this subsection, shall pay to the clerk a fee of \$15.

(2) A person who has a license issued under Title 16 of this article to act as a cigarette retailer or to act as a special cigarette retailer is not required to pay the license fee.

(3) The application shall:

(i) be made on the form that the clerk requires; and

(ii) contain the information that the Executive Director requires.

(4) IN BALTIMORE CITY, IN ADDITION TO THE REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION, AN APPLICANT FOR AN INITIAL OR RENEWAL COUNTY LICENSE SHALL PROVIDE TO THE CLERK A LICENSURE AUTHORIZATION ISSUED UNDER § 16.5-201.1 OF THIS SUBTITLE.

16.5-213.

(a) (1) (I) [The] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE Executive Director shall pay into the General Fund of the State all license fees collected under this title.

[(2)] (II) All license fees collected by the counties are subject to the distribution provisions of § 17–206 of this article.

[(b)] (2) The General Assembly intends that these license fees be used to administer this title.

(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL REMIT 50% OF ALL LICENSURE AUTHORIZATION REQUEST FEES COLLECTED IN ACCORDANCE WITH § 16–302.1 OF THIS ARTICLE TO THE COMPTROLLER.

(2) THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE FAMILY LEAGUE OF BALTIMORE CITY, INC. IN A MANNER THAT IS:

(I) CONSISTENT WITH THE PROCESS ESTABLISHED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY UNDER § 16–302.1 OF THIS ARTICLE; AND

(II) PROPORTIONAL TO THE NUMBER OF LICENSEES OPERATING IN EACH LEGISLATIVE DISTRICT.

16.7–102.

(a) The Executive Director may delegate any power or duty of the Executive Director under this title.

(b) (1) IN BALTIMORE CITY, ~~AN~~ A SPECIAL ENFORCEMENT OFFICER ~~OF THE TOBACCO USE PREVENTION AND CESSATION PROGRAM IN THE~~ A BALTIMORE CITY ~~HEALTH DEPARTMENT~~ AGENCY MAY ENFORCE THIS TITLE, INCLUDING BY ENTERING AND INSPECTING, AT A REASONABLE TIME, THE PREMISES OF A COUNTY LICENSE HOLDER.

(2) SUBJECT TO THE HEARING PROVISIONS OF § 16.7–208 OF THIS TITLE, THE EXECUTIVE DIRECTOR MAY REPRIMAND A LICENSEE OR SUSPEND OR REVOKE A LICENSE FOR A VIOLATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(C) Any person licensed under Title 16 or Title 16.5 of this article, or an affiliate, as defined under § 16–402(c) of this article, of a person licensed under Title 16 of this article:

(1) is authorized to manufacture, distribute, or sell electronic smoking devices pursuant to this title in the same capacity as the person is licensed under Title 16 or Title 16.5 of this article; and

(2) may not be required to obtain an additional license under this title.

16.7–201.1.

(A) THIS SECTION APPLIES ONLY IN BALTIMORE CITY.

(B) BEFORE A PERSON MAY APPLY FOR AN INITIAL OR RENEWAL COUNTY LICENSE UNDER THIS TITLE, THE PERSON SHALL REQUEST A LICENSURE AUTHORIZATION FROM THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY.

(C) IF AN APPLICANT IS DENIED A LICENSURE AUTHORIZATION REQUESTED UNDER THIS SECTION, THE EXECUTIVE DIRECTOR MAY REVIEW THE BASIS FOR THE DENIAL.

16.7–202.

(b) (1) An applicant for a license to act as an electronic smoking devices retailer or a vape shop vendor:

(i) shall obtain a county license by submitting to the clerk an application for each permanent or temporary place of business located in the same enclosure and operated by the same applicant; and

(ii) except as provided in paragraph (2) of this subsection, shall pay to the clerk a fee of \$300.

(2) The application shall:

(i) be made on the form that the clerk requires; and

(ii) contain the information that the Executive Director requires.

(3) (i) From each license fee collected under this subsection, the clerk shall distribute:

1. \$25 to the Executive Director; and

2. \$275 to the Maryland Department of Health to be used by the Department or its designee to enforce existing laws prohibiting the sale or distribution of tobacco, tobacco products, or electronic smoking devices, as defined in § 16.7–101 of this title, to individuals under the age of 21 years.

(ii) Funds distributed under this subsection may not be used to supplant existing funding for the enforcement of laws banning the sale or distribution of tobacco, tobacco products, or electronic smoking devices to individuals under the age of 21 years.

(4) IN BALTIMORE CITY, IN ADDITION TO THE REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION, AN APPLICANT FOR AN INITIAL OR RENEWAL COUNTY LICENSE SHALL PROVIDE TO THE CLERK A LICENSURE AUTHORIZATION ISSUED UNDER § 16.7-201.1 OF THIS SUBTITLE.

16.7-212.

(a) (1) (I) [The] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE Executive Director shall pay into the General Fund of the State all license fees collected under this title.

[(2)] (II) All license fees collected by the counties under this title are subject to the distribution provisions of § 17-205 of this article.

[(b)] (2) The General Assembly intends that these license fees be used to administer this title.

(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SHALL REMIT 50% OF ALL LICENSURE AUTHORIZATION FEES COLLECTED IN ACCORDANCE WITH § 16-302.1 OF THIS ARTICLE TO THE COMPTROLLER.

(2) THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE FAMILY LEAGUE OF BALTIMORE CITY, INC. IN A MANNER THAT IS:

(I) CONSISTENT WITH THE PROCESS ESTABLISHED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY UNDER § 16-302.1 OF THIS ARTICLE; AND

(II) PROPORTIONAL TO THE NUMBER OF LICENSEES OPERATING IN EACH LEGISLATIVE DISTRICT.

SECTION 2. AND BE IT FURTHER ENACTED, That the Mayor and City Council of Baltimore City may not issue a licensure authorization under § 16-302.1, § 16.5-201.1, or § 16.7-201.1 of the Business Regulation Article, as enacted by Section 1 of this Act, for an initial licensure applicant between October 1, 2026, and October 1, 2027, both inclusive.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.

Approved by the Governor, May 12, 2026.