

SENATE BILL 249

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By: **Senator Beidle**

Introduced and read first time: January 16, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Tobacco Product Licensees – Additional Licensure for Electronic Smoking**
3 **Devices**

4 FOR the purpose of repealing a provision of law authorizing a person holding a certain
5 license relating to cigarettes or other tobacco products to manufacture, distribute, or
6 sell electronic smoking devices in the same capacity as a person holding a certain
7 license relating to electronic smoking devices; exempting the holder of a certain
8 license relating to cigarettes or other tobacco products who is an applicant for a
9 license to act as an electronic smoking devices retailer or vape shop vendor from the
10 requirement to pay an additional license fee for the license; and generally relating to
11 tobacco products and electronic smoking devices licensure.

12 BY repealing and reenacting, without amendments,
13 Article – Business Regulation
14 Section 16.7–101(a), (c) through (h), and (k)
15 Annotated Code of Maryland
16 (2024 Replacement Volume and 2025 Supplement)
17 (As enacted by Chapter 814 of the Acts of the General Assembly of 2017)

18 BY repealing and reenacting, with amendments,
19 Article – Business Regulation
20 Section 16.7–102 and 16.7–202(a)
21 Annotated Code of Maryland
22 (2024 Replacement Volume and 2025 Supplement)

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

25 **Article – Business Regulation**

26 16.7–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

(c) (1) “Electronic smoking device” means a device that can be used to deliver aerosolized or vaporized nicotine to an individual inhaling from the device.

(2) “Electronic smoking device” includes:

(i) an electronic cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah, a vape pen, and vaping liquid; and

(ii) except as provided in paragraph (3) of this subsection, any component, part, or accessory of such a device regardless of whether or not it is sold separately, including any substance intended to be aerosolized or vaporized during use of the device.

(3) “Electronic smoking device” does not include:

(i) a drug, device, or combination product authorized for sale by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act; or

(ii) a battery or battery charger when sold separately.

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

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

(2) (i) sells electronic smoking devices to a consumer, if the consumer purchases or orders the devices through the mail, a computer network, a telephonic network, or another electronic network, a licensed electronic smoking devices wholesaler distributor, or a licensed electronic smoking devices wholesaler importer in the State;

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

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

(e) “Electronic smoking devices retailer” means a person that:

(1) sells electronic smoking devices to consumers;

(2) holds electronic smoking devices for sale to consumers; or

(3) unless otherwise prohibited or restricted under local law, this article, the Criminal Law Article, or § 24–305 of the Health – General Article, distributes sample electronic smoking devices to consumers in the State.

(f) “Electronic smoking devices wholesaler distributor” means a person that:

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

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

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

(g) “Electronic smoking devices wholesaler importer” means a person that:

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

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

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

(h) “Executive Director” means the Executive Director of the Alcohol, Tobacco, and Cannabis Commission.

(k) “Vape shop vendor” means an electronic smoking devices business that sells electronic smoking devices and related accessories to consumers on the premises of its place of business.

16.7–102.

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

(b) 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] **MUST** obtain an additional license under this title **IN ORDER TO MANUFACTURE, DISTRIBUTE, OR SELL ELECTRONIC SMOKING DEVICES UNDER THIS TITLE.**

16.7–202.

(a) (1) An applicant for a license to act as an electronic smoking devices manufacturer, electronic smoking devices wholesaler distributor, or electronic smoking devices wholesaler importer shall:

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

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

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

(2) An applicant for a license to act as an electronic smoking devices wholesaler distributor or electronic smoking devices wholesaler importer shall pay to the Executive Director a fee of \$150.

(3) AN APPLICANT FOR A LICENSE TO ACT AS AN ELECTRONIC SMOKING DEVICES RETAILER OR VAPE SHOP VENDOR MAY NOT BE REQUIRED TO PAY AN ADDITIONAL LICENSURE FEE IF THE APPLICANT HOLDS A LICENSE ISSUED UNDER:

(I) § 16–205(B) OF THIS ARTICLE; OR

(II) § 16.5–204(B) OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding § 16.7–102 of the Business Regulation Article as enacted by Section 1 of this Act, a person licensed under Title 16 or Title 16.5 of the Business Regulation Article on September 30, 2026, may manufacture, distribute, or sell electronic smoking devices under Title 16.7 of the Business Regulation Article in the same capacity as the person is licensed under Title 16 or Title 16.5 of the Business Regulation Article until the expiration of the license.

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