

Wes Moore
Governor

Aruna K. Miller
Lt. Governor



Jeffrey A. Kelly
Executive Director

Maryland Alcohol and Tobacco Commission

February 20, 2023

BILL: HB1165 – Alcohol and Tobacco Commission – Technical Corrections and Clarifications

COMMITTEE: Economic Matters

POSITION: Favorable

Hon. CT. Wilson, Chair and Member of the Economic Matters Committee:

I write on behalf of the Alcohol and Tobacco Commission (ATC) to request the House Economic Matters Committee to issue a favorable report on HB1165 – Alcohol and Tobacco Commission – Technical Corrections and Clarifications.

HB1165 seeks to complete the transfer of the oversight, regulation, and enforcement related to alcohol and tobacco from the Office of the Comptroller to the ATC as contemplated by HB1052 passed in 2019. Since 2020, the legislature has annually passed similar bills – 2020 (HB900/SB911), 2021 (HB1336), and 2022 (HB1253) - to ensure that the ATC has the necessary authority to carry out the duties and responsibilities of the Alcoholic Beverages Article.

HB1165 builds upon the work of the legislature for the past few years by addressing areas mainly within the Alcoholic Beverages Article, but also include other areas related to alcohol and tobacco laws within the Maryland Code. HB1165 makes several technical clarifications and corrections to the Alcoholic Beverages Article, and other sections of the Maryland Code to complete the transition of the duties and responsibilities of alcoholic beverage and tobacco regulations and enforcement to the ATC.

Most of the clarifications and corrections within this bill include replacing the word or words “Comptroller” or “Office of the Comptroller” with “Executive Director” or “Office of the Executive Director,” thereby officially transferring the authority from the Office of the Comptroller to the ATC, which was envisioned by HB1052 passed in 2019.

Other clarifications and corrections include sections within the Maryland Code where the Executive Director and Comptroller share concurrent authority in enforcing the alcoholic beverage and tobacco laws of the State. For example, HB1165 provides

concurrent authority for the Field Enforcement Division of the ATC to issue citations for a violation of the Business Regulations Article. An example of such a citation would occur when an individual is selling alcohol or tobacco without a license. This was an authority that the Field Enforcement Division used to have when they were under the Office of the Comptroller, but how would be authorized to issue concurrently as it relates only to tobacco and alcoholic beverages.

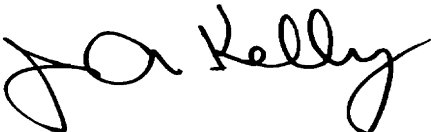
Lastly, this bill identifies sections within the Maryland Code where the word “Commission” or “Executive Director” was used improperly. HB1165 addresses this matter by ensuring that the authorities and responsibilities of the Commission and Executive Director, as set forth in Title I of the Alcoholic Beverages Article, are used correctly throughout the Maryland Code.

Below, please see a list of the Articles within of the Maryland Code that were amended via HB1165:

- Alcoholic Beverages Article
- Business Regulations Article
- Commercial Law Article
- Courts and Judicial Proceedings Article
- Criminal Law Article
- Health General Article
- Tax General Article

I look forward to answering any questions or concerns that you have regarding HB1165 – Alcohol and Tobacco Commission – Technical Corrections and Clarifications and urge a favorable report be issued on this important piece of legislation that concludes the work began by the legislature in 2019 when they created the ATC via the passage of HB1052.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey A. Kelly". The signature is written in a cursive, flowing style.

Jeffrey A. Kelly
Executive Director