



TO: Senate Finance and Economic Matters Committees  
FROM: Premium Cigar Association  
DATE: February 17, 2025  
RE: SB 934/HB 1318 – Maryland Premium Cigar Lounge Act of 2025  
Position: **Favorable with sponsor amendments**

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On behalf of the Premium Cigar Association, representing forty-one Maryland small businesses, we are pleased to support this legislation to allow for the issuance of special licenses that would enable Maryland tobacconists to sell alcohol in their establishments along with grandfathering in the existing premium cigar sellers who already possess a local liquor license.

Although current law permits Maryland tobacconists to apply for alcohol licenses, county regulation of existing lounges has been inconsistent. A statewide license would provide regulatory clarity and uniformity for a limited number of new lounges. Such a license would allow for new sources of revenue for a narrowly defined class of small businesses that would meet the needs of those that wish to patron such business establishments. Across the country, states and localities are recognizing the need for such exemptions and licenses, given the niche clientele of those that wish to enjoy premium handmade cigars and adult-beverages.

In recent legislative sessions, Connecticut and North Dakota have enacted such bills, with both awarding (cigar bar) permits to a limited number of establishments. Over half of the nation allows for cigar bars (or allowing for premium cigar shops to have a liquor license) or grandfathered in such businesses when enacting smoking restrictions. There is similar pending legislation in New York, Ohio and Wisconsin, as well as planning efforts in Michigan.

Handmade cigars should not be equated with the issues associated with other tobacco products. Independent studies have noted the lack of any statistically relevant association with addiction, inhalation, or mortality. Cigar bars cater to a discerning adult population and are often viewed as a compliment to the local business community, for locals and travelers, alike.

The Premium Cigar Association commends the diligence placed into planning for such a license, and further supports each of the “guardrails” that are under consideration that should “raise the comfort level” with any such proposal.

We appreciate your consideration of our position.

Sincerely,

Glynn Loope, Director of State Advocacy  
Premium Cigar Association