



SB0623/323225/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

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BY: Senator Watson  
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 623  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Retail Tobacco**” and substitute “**Tobacconist**”; in line 6, strike “certain tobacco products retailer” and substitute “tobacconist”; in line 7, after “license;” insert “providing that a local licensing board may authorize the owner or operator of a tobacconist that does not hold an alcoholic beverages license to allow the consumption of alcoholic beverages on the premises under certain circumstances; altering, for purposes of requirements for other tobacco products business licenses, the definition of “pipe tobacco” to exclude tobacco intended for use in a hookah or similar smoking device and the definition of “tobacconist” to exclude retailers that do not derive at least a certain percentage of revenues from the sale of premium cigars and pipe tobacco;”; in line 8, strike “certain tobacco products retailer” and substitute “tobacconist”; in the same line, strike “is adjacent to” and substitute “shares a wall with”; in line 9, after “facility;” insert “requiring a certain affidavit to be filed with the clerk of the circuit court when renewing a tobacconist license;”; strike beginning with “exempting” in line 9 down through “license” in line 10 and substitute “limiting an exemption for certain retail tobacco businesses”; in line 10, after “Act” insert “to licensed tobacconists”; strike beginning with “requiring” in line 10 down through “Commission” in line 12 and substitute “providing that a local alcoholic beverages license held by a tobacconist shall be converted to a Class C–PCL alcoholic beverages license; prohibiting a local licensing board from revoking or suspending a converted Class C–PCL license under certain circumstances”; in line 12, strike “retail tobacco” and substitute “tobacconist”; in line 16, after “4–1002” insert “; and 4–1301 to be under the new subtitle “Subtitle 13. Unlicensed Establishments””; after line 18, insert:

“BY repealing and reenacting, without amendments,  
Article - Business Regulation”

Section 16.5–101(a), (i), (j), and (q)  
Annotated Code of Maryland  
(2024 Replacement Volume and 2025 Supplement)”;

and in line 21, strike “16.5–204(b)” and substitute “16.5–101(p) and (t), 16.5–203(b) and (e), 16.5–204(b), and 16.5–206(c)”.

AMENDMENT NO. 2

On page 3, strike beginning with “ALLOW” in line 1 down through “PREMISES” in line 2 and substitute “SELL ALCOHOLIC BEVERAGES FOR ON–PREMISES CONSUMPTION”; strike in their entirety lines 4 and 5; in lines 6 and 8, strike “(2)” and “(3)”, respectively, and substitute “(1)” and “(2)”, respectively; in line 6, strike “PRODUCT” and substitute “PREMIUM CIGAR OR PIPE TOBACCO”; in line 7, strike “DURING THE TIME THE CUSTOMER IS ON THE PREMISES”; in line 16, strike “SUFFICIENT” and substitute “DETAILED SPECIFICATIONS FOR”; in the same line, after “FILTRATION” insert “SYSTEMS”; in the same line, after “EXHAUST” insert “SYSTEMS”; strike beginning with the colon in line 22 down through “(2)” in line 26; strike beginning with the first comma in line 27 down through “REPORT” in line 28 and substitute “A STATEMENT OF AVERAGE DAILY RECEIPTS AND AN AFFIDAVIT OF A CERTIFIED PUBLIC ACCOUNTANT THAT VERIFY THAT THE LICENSE HOLDER HAS MET THE REQUIREMENTS OF A TOBACCONIST UNDER § 16.5–101 OF THE BUSINESS REGULATION ARTICLE”; in line 29, strike “\$100” and substitute “\$500”; after line 29, insert:

“SUBTITLE 13. UNLICENSED ESTABLISHMENTS.

4–1301.

(A) THIS SECTION APPLIES TO A TOBACCONIST:

(1) THAT ALLOWS ON-PREMISES CONSUMPTION OF PREMIUM CIGARS AND PIPE TOBACCO;

(2) THAT DOES NOT HOLD AN ALCOHOLIC BEVERAGES LICENSE;  
AND

(3) THAT IS OPEN TO THE PUBLIC.

(B) A LOCAL LICENSING BOARD MAY AUTHORIZE THE OWNER OR OPERATOR OF A TOBACCONIST TO ALLOW A CUSTOMER WHO IS AT LEAST 21 YEARS OLD TO BRING ALCOHOLIC BEVERAGES ONTO THE PREMISES FOR PERSONAL CONSUMPTION, PROVIDED THE CUSTOMER CONCURRENTLY BUYS AND CONSUMES TOBACCO PRODUCTS.

(C) IF THE OWNER OR OPERATOR OF THE TOBACCONIST ALLOWS THE CONSUMPTION OF ALCOHOLIC BEVERAGES ON THE PREMISES, THE OWNER OR OPERATOR:

(1) MAY LIMIT THE AMOUNT AND TYPE OF ALCOHOLIC BEVERAGES THAT MAY BE CONSUMED ON THE PREMISES;

(2) SHALL REQUIRE THAT AT LEAST ONE EMPLOYEE WHO IS WORKING AND PRESENT ON THE PREMISES HAS BEEN TRAINED IN AN ALCOHOL AWARENESS PROGRAM UNDER § 4-505 OF THIS TITLE; AND

(3) MAY NOT ALLOW:

(I) AN INDIVIDUAL TO CONSUME ALCOHOLIC BEVERAGES ON THE PREMISES OF THE TOBACCONIST FROM 1 A.M. THROUGH 10 A.M.; OR

(II) A CUSTOMER TO DISTURB THE PEACE, SAFETY, AND WELFARE OF THE COMMUNITY.”;

and after line 30, insert:

“16.5–101.

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

(i) “Licensed tobacconist” means a person licensed by the clerk of a circuit court under § 16.5–204(b) of this title to act as a tobacconist.

(j) (1) “Other tobacco products” means, except as provided in paragraph (3) of this subsection, a product that is:

(i) intended for human consumption or likely to be consumed, whether smoked, heated, chewed, absorbed, dissolved, inhaled, or ingested in any other manner, and that is made of or derived from, or that contains:

1. tobacco; or

2. nicotine; or

(ii) a component or part used in a consumable product described under item (i) of this paragraph.

(2) “Other tobacco products” includes:

(i) cigars, premium cigars, pipe tobacco, chewing tobacco, snuff, and snus; and

(ii) filters, rolling papers, pipes, and hookahs.

(3) “Other tobacco products” does not include:

(i) cigarettes;

(ii) electronic smoking devices;

(iii) drugs, devices, or combination products authorized for sale by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act; or

(iv) tobacco pipes, as defined under § 11–104 of the Tax – General Article.

(p) **(1)** “Pipe tobacco” means any tobacco that, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco to smoke in a pipe.

**(2)** “PIPE TOBACCO” DOES NOT INCLUDE TOBACCO THAT IS INTENDED FOR USE IN A HOOKAH OR SIMILAR SMOKING DEVICE.

(q) “Premium cigars” means cigars that:

(1) have hand–rolled wrappers made from whole tobacco leaves where the filler, binder, and wrapper are made of all tobacco, and may include adhesives or other materials used to maintain size, texture, or flavor; or

(2) are designated as premium cigars by the Executive Director by regulation.

(t) "Tobacconist" means an other tobacco products business that derives at least 70% of its revenues, measured by average daily receipts, from the sale of [other tobacco products] PREMIUM CIGARS, PIPE TOBACCO, and [tobacco-related] RELATED accessories FOR ON-PREMISES OR OFF-PREMISES CONSUMPTION.

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) IF AN APPLICANT FOR A LICENSE TO ACT AS A TOBACCONIST INTENDS TO ALLOW ON-PREMISES CONSUMPTION OF PREMIUM CIGARS OR PIPE TOBACCO, THE APPLICANT SHALL INCLUDE WITH THE APPLICATION SUBMITTED**

UNDER THIS SUBSECTION A BUILDING PLAN DEMONSTRATING DETAILED SPECIFICATIONS FOR AIR FILTRATION SYSTEMS AND EXHAUST SYSTEMS.

(e) (1) A licensee shall display a license in the way that the Executive Director requires by regulation.

(2) IF SMOKING IS ALLOWED ON THE PREMISES, A LICENSEE SHALL DISPLAY IN A CONSPICUOUS PLACE THAT SMOKING IS ALLOWED ON THE PREMISES.

(3) A TOBACCONIST LICENSEE SHALL RETAIN RECORDS RELATED TO AVERAGE DAILY RECEIPTS OF THE TOBACCONIST FOR A MINIMUM OF 2 YEARS.”

On page 4, in line 8, strike “IS ADJACENT TO” and substitute “SHARES A WALL WITH”; after line 9, insert:

“16.5–206.

(c) Before a license issued under this subtitle expires, the licensee may renew it for an additional 1–year term, if the licensee:

(1) otherwise is entitled to be licensed;

(2) submits to the issuing official a renewal application on the form that the issuing official requires; [and]

(3) pays to the issuing official the license fee required under § 16.5–203 of this subtitle; AND

**(4) IS RENEWING A LICENSE TO ACT AS A TOBACCONIST AND THE LICENSEE FILES WITH THE CLERK OF THE CIRCUIT COURT A STATEMENT OF AVERAGE DAILY RECEIPTS AND AN AFFIDAVIT OF A LICENSED CERTIFIED PUBLIC ACCOUNTANT THAT VERIFY THE LICENSEE HAS MET THE REQUIREMENTS OF A TOBACCONIST.”;**

in line 21, strike “(A)”.

On pages 4 and 5, strike beginning with “retail” in line 29 on page 4 down through “REVENUE” in line 4 on page 5 and substitute “**TOBACCONIST AS DEFINED IN § 16.5–101 OF THE BUSINESS REGULATION ARTICLE**”.

On page 5, strike in their entirety lines 10 through 12, inclusive; and strike beginning with the second comma in line 13 down through “accessories” in line 19 and substitute “:

(a) Any local alcoholic beverages license held by a tobacconist prior to July 1, 2024, shall be converted to a Class C–PCL license under § 4-1002 of the Alcoholic Beverages and Cannabis Article, as enacted by Section 1 of this Act.

(b) A local licensing board may not suspend or revoke a converted Class C–PCL license for noncompliance with sales percentages required under § 16.5–101(t) of the Business Regulation Article, as enacted by Section 1 of this Act, before July 1, 2028, at which point the license holder shall demonstrate compliance with this Act.

(c) A local licensing board shall count any Class C–PCL license converted under this section toward the total number of licenses allowed in a single jurisdiction under § 4–1002(c) of the Alcoholic Beverages and Cannabis Article, as enacted by Section 1 of this Act.”.