

# HOUSE BILL 1318

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CF SB 934

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By: **Delegates A. Johnson, Boafu, Harris, Pruski, and Spiegel**

Introduced and read first time: February 7, 2025

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Premium Cigar Lounge License – Establishment**  
3 **(Maryland Premium Cigar Lounge Act of 2025)**

4 FOR the purpose of establishing a Class C–PCL (premium cigar lounge) alcoholic beverages  
5 license for use in conjunction with a certain tobacco products retailer license;  
6 authorizing a local licensing board to issue the license; exempting a holder of the  
7 license from the Clean Indoor Air Act; altering a certain period of time during which  
8 a local alcoholic beverages license may not be issued to a certain tobaccoconist; and  
9 generally relating to premium cigar lounge alcoholic beverages licenses.

10 BY adding to

11 Article – Alcoholic Beverages and Cannabis  
12 Section 4–1002  
13 Annotated Code of Maryland  
14 (2024 Replacement Volume)

15 BY repealing and reenacting, without amendments,

16 Article – Health – General  
17 Section 24–504  
18 Annotated Code of Maryland  
19 (2023 Replacement Volume and 2024 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Health – General  
22 Section 24–505  
23 Annotated Code of Maryland  
24 (2023 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, with amendments,

26 Chapter 754 of the Acts of the General Assembly of 2024  
27 Section 3

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,  
2 Chapter 755 of the Acts of the General Assembly of 2024  
3 Section 3

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

6 **Article – Alcoholic Beverages and Cannabis**

7 **4–1002.**

8 **(A) THERE IS A CLASS C–PCL (PREMIUM CIGAR LOUNGE) LICENSE.**

9 **(B) (1) A LOCAL LICENSING BOARD MAY ISSUE THE LICENSE TO THE**  
10 **HOLDER OF AN OTHER TOBACCO PRODUCTS RETAILER LICENSE UNDER § 16.5–204**  
11 **OF THE BUSINESS REGULATION ARTICLE, IF:**

12 **(I) THE HOLDER OPERATES AN ESTABLISHMENT IN WHICH**  
13 **PREMIUM CIGARS AND PIPE TOBACCO ARE SOLD AT RETAIL FOR ON–PREMISES AND**  
14 **OFF–PREMISES USE; AND**

15 **(II) THE HOLDER MEETS THE REQUIREMENTS OF THIS SECTION.**

16 **(2) (I) A LOCAL LICENSING BOARD MAY ISSUE ONE CLASS C–PCL**  
17 **LICENSE PER 150,000 RESIDENTS OF A COUNTY.**

18 **(II) IF A COUNTY HAS FEWER THAN 150,000 RESIDENTS, A**  
19 **LOCAL LICENSING BOARD MAY ISSUE ONE CLASS C–PCL LICENSE IN THE COUNTY.**

20 **(C) THE LICENSE AUTHORIZES THE HOLDER TO SELL BEER, WINE, AND**  
21 **LIQUOR FOR CONSUMPTION ON THE PREMISES OF THE PREMIUM CIGAR LOUNGE**  
22 **MONDAY THROUGH SUNDAY FROM 10 A.M. TO 1 A.M. THE FOLLOWING DAY.**

23 **(D) (1) THE LICENSED PREMISES IS EXEMPT FROM THE REQUIREMENTS**  
24 **OF THE CLEAN INDOOR AIR ACT UNDER § 24–505 OF THE HEALTH – GENERAL**  
25 **ARTICLE.**

26 **(2) A LOCAL LICENSING BOARD SHALL REQUIRE:**

27 **(I) A LICENSE APPLICATION TO INCLUDE A BUILDING PLAN**  
28 **DEMONSTRATING SUFFICIENT AIR FILTRATION AND EXHAUST;**

1                   **(II) A LICENSE HOLDER TO DISPLAY IN A CONSPICUOUS PLACE**  
2 **THAT SMOKING IS ALLOWED ON THE PREMISES; AND**

3                   **(III) ANY EMPLOYEE OF A LICENSED ESTABLISHMENT TO SIGN**  
4 **AN ACKNOWLEDGMENT THAT THE EMPLOYEE WILL BE SUBJECTED TO SECONDHAND**  
5 **SMOKE.**

6           **(E) THE LICENSE HOLDER SHALL:**

7                   **(1) HAVE AVERAGE DAILY RECEIPTS FROM THE SALE OF PREMIUM**  
8 **CIGARS, PIPE TOBACCO, AND RELATED ACCESSORIES THAT ARE AT LEAST 60% OF**  
9 **THE TOTAL DAILY RECEIPTS FROM THE ESTABLISHMENT; AND**

10                   **(2) ANNUALLY SUBMIT TO THE EXECUTIVE DIRECTOR AND THE**  
11 **LOCAL LICENSING BOARD, IN A FORM THE EXECUTIVE DIRECTOR REQUIRES, A**  
12 **SALES RATIO COMPLIANCE REPORT.**

13           **(F) THE ANNUAL LICENSE FEE IS \$2,000.**

14   **Article – Health – General**

15 24–504.

16           Except as provided in § 24–505 of this subtitle, beginning on February 1, 2008, a  
17 person may not smoke or vape in:

18                   (1) An indoor area open to the public;

19                   (2) An indoor place in which meetings are open to the public in accordance  
20 with Title 3 of the General Provisions Article;

21                   (3) A government–owned or government–operated means of mass  
22 transportation including buses, vans, trains, taxicabs, and limousines; or

23                   (4) An indoor place of employment.

24 24–505.

25           This subtitle does not apply to:

26                   (1) Private homes, residences, including residences used as a business or  
27 place of employment, unless being used by a person who is licensed or registered under  
28 Title 5, Subtitle 5 of the Family Law Article to provide child care, and private vehicles,  
29 unless being used for the public transportation of children, or as part of health care or child  
30 care transportation;

1 (2) A hotel or motel room rented to one or more guests as long as the total  
2 percent of hotel or motel rooms being so used does not exceed 25%;

3 (3) A retail tobacco business that is a sole proprietorship, limited liability  
4 company, corporation, partnership, or other enterprise[, in which]:

5 (i) **IN WHICH:**

6 1. The primary activity is the retail sale of tobacco products  
7 and accessories; and

8 [(ii)] 2. The sale of other products is incidental; **OR**

9 (ii) **THAT OPERATES UNDER A CLASS C–PCL (PREMIUM CIGAR**  
10 **LOUNGE) ALCOHOLIC BEVERAGES LICENSE ISSUED IN ACCORDANCE WITH § 4–1002**  
11 **OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE;**

12 (4) Any facility of a manufacturer, importer, wholesaler, or distributor of  
13 tobacco products or of any tobacco leaf dealer or processor in which employees of the  
14 manufacturer, importer, wholesaler, distributor, or processor work or congregate; or

15 (5) A research or educational laboratory for the purpose of conducting  
16 scientific research into the health effects of environmental smoke.

17 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
18 as follows:

19 **Chapter 754 of the Acts of 2024**

20 SECTION 3. AND BE IT FURTHER ENACTED, That a local alcoholic beverages  
21 license may not be issued to a tobacconist from July 1, 2024, to [July 1, 2026] **JUNE 30,**  
22 **2025**, both inclusive.

23 **Chapter 755 of the Acts of 2024**

24 SECTION 3. AND BE IT FURTHER ENACTED, That a local alcoholic beverages  
25 license may not be issued to a tobacconist from July 1, 2024, to [July 1, 2026] **JUNE 30,**  
26 **2025**, both inclusive.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2025.