

SENATE BILL 456

E1, J1

8lr1451
CF 8lr2873

By: **Senators Kelley, Eckardt, Guzzone, Madaleno, Manno, Nathan-Pulliam, Pinsky, and Smith**

Introduced and read first time: January 26, 2018

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Tobacco Products – Minimum Age and Civil Fines**

3 FOR the purpose of altering certain provisions of law to prohibit a certain person from
4 distributing a certain tobacco product to an individual under a certain age, rather
5 than to a minor; prohibiting a person from distributing a certain tobacco product
6 without first examining a certain identification of a certain purchaser or recipient
7 for a certain purpose; defining certain terms; altering certain definitions; repealing
8 a certain definition; making conforming changes; and generally relating to tobacco
9 products.

10 BY repealing and reenacting, with amendments,
11 Article – Criminal Law
12 Section 10–101 and 10–107
13 Annotated Code of Maryland
14 (2012 Replacement Volume and 2017 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Health – General
17 Section 13–1015 and 24–305
18 Annotated Code of Maryland
19 (2015 Replacement Volume and 2017 Supplement)

20 BY repealing
21 Article – Health – General
22 Section 24–307
23 Annotated Code of Maryland
24 (2015 Replacement Volume and 2017 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Local Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 1–1201 and 1–1203
2 Annotated Code of Maryland
3 (2013 Volume and 2017 Supplement)

4 BY repealing and reenacting, with amendments,
5 Article – State Finance and Procurement
6 Section 7–317
7 Annotated Code of Maryland
8 (2015 Replacement Volume and 2017 Supplement)

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

11 **Article – Criminal Law**

12 10–101.

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

14 (b) “Distribute” means to:

15 (1) give, sell, deliver, dispense, issue, or offer to give, sell, deliver, dispense,
16 or issue; or

17 (2) cause or hire a person to give, sell, deliver, dispense, issue or offer to
18 give, sell, deliver, dispense, or issue.

19 [(c) (1) “Tobacco paraphernalia” means any object used, intended for use, or
20 designed for use in inhaling or otherwise introducing tobacco products into the human body.

21 (2) “Tobacco paraphernalia” includes:

22 (i) a cigarette rolling paper;

23 (ii) a metal, wooden, acrylic, glass, stone, plastic, or ceramic pipe
24 with or without screen, permanent screen, or punctured metal bowl;

25 (iii) a water pipe;

26 (iv) a carburetion tube or device;

27 (v) a smoking or carburetion mask;

28 (vi) an object known as a roach clip used to hold burning material,
29 such as a cigarette that has become too small or too short to be held in the hand;

30 (vii) a chamber pipe;

- 1 (viii) a carburetor pipe;
- 2 (ix) an electric pipe;
- 3 (x) an air-driven pipe;
- 4 (xi) a chillum;
- 5 (xii) a bong; and
- 6 (xiii) an ice pipe or chiller.]

7 **[(d)] (C)** (1) "Tobacco product" means a [substance containing tobacco]
8 **PRODUCT THAT IS:**

9 **(I) INTENDED FOR HUMAN INHALATION, ABSORPTION,**
10 **INGESTION, OR ANY OTHER MANNER OF CONSUMPTION THAT IS MADE OF, DERIVED**
11 **FROM, OR CONTAINS:**

12 **1. TOBACCO; OR**

13 **2. NICOTINE; OR**

14 **(II) AN ACCESSORY USED IN THE INHALATION, ABSORPTION,**
15 **INGESTION, OR ANY OTHER MANNER OF CONSUMPTION OF A PRODUCT DESCRIBED**
16 **IN ITEM (I) OF THIS PARAGRAPH.**

17 (2) "Tobacco product" includes:

18 **(I) cigarettes, cigars, smoking tobacco, snuff, smokeless tobacco, and**
19 **candy-like products that contain tobacco;**

20 **(II) ELECTRONIC CIGARETTES, VAPORIZERS, PENS, AND OTHER**
21 **ELECTRONIC SMOKING DEVICES; AND**

22 **(III) FILTERS, ROLLING PAPERS, PIPES, AND LIQUIDS USED IN**
23 **ELECTRONIC CIGARETTES AND OTHER ELECTRONIC SMOKING DEVICES**
24 **REGARDLESS OF TOBACCO OR NICOTINE CONTENT.**

25 **(3) "TOBACCO PRODUCT" DOES NOT INCLUDE A DRUG, DEVICE, OR**
26 **COMBINATION PRODUCT AUTHORIZED FOR SALE BY THE U.S. FOOD AND DRUG**
27 **ADMINISTRATION UNDER THE FEDERAL FOOD, DRUG, AND COSMETICS ACT AS A**
28 **TOBACCO CESSATION PRODUCT.**

1 **[(e)] (D)** “Venereal disease” includes gonorrhea, syphilis, chancroid, and any
2 diseased condition of the human genitalia caused by, related to, or resulting from a venereal
3 disease.

4 10–107.

5 (a) This section does not apply to the distribution of a coupon that is redeemable
6 for a tobacco product, if the coupon is:

7 (1) contained in a newspaper, magazine, or other type of publication in
8 which the coupon is incidental to the primary purpose of the publication; or

9 (2) sent through the mail.

10 (b) (1) This subsection does not apply to the distribution of a tobacco product
11 **[or tobacco paraphernalia to a minor] TO AN INDIVIDUAL UNDER THE AGE OF 21 YEARS**
12 who is acting solely as the agent of the **[minor’s] INDIVIDUAL’S** employer if the employer
13 distributes tobacco products **[or tobacco paraphernalia]** for commercial purposes.

14 (2) A person who distributes tobacco products for commercial purposes,
15 including a person licensed under Title 16 of the Business Regulation Article, may not
16 distribute to **[a minor] AN INDIVIDUAL UNDER THE AGE OF 21 YEARS:**

17 (i) a tobacco product;

18 **[(ii)]** tobacco paraphernalia;] or

19 **[(iii)] (II)** a coupon redeemable for a tobacco product.

20 (c) A person not described in subsection (b)(2) of this section may not~~]:~~

21 (1) purchase for or sell] **DISTRIBUTE** a tobacco product to **[a minor; or**

22 (2) distribute tobacco paraphernalia to a minor] **AN INDIVIDUAL UNDER**
23 **THE AGE OF 21 YEARS.**

24 **(D) A PERSON MAY NOT DISTRIBUTE A TOBACCO PRODUCT WITHOUT FIRST**
25 **EXAMINING THE GOVERNMENT–ISSUED PHOTOGRAPHIC IDENTIFICATION OF A**
26 **PROSPECTIVE PURCHASER OR RECIPIENT WHOM THE DISTRIBUTOR REASONABLY**
27 **BELIEVES TO BE UNDER THE AGE OF 30 YEARS IN ORDER TO DETERMINE THE DATE**
28 **OF BIRTH OF THE PROSPECTIVE PURCHASER OR RECIPIENT.**

29 **[(d)] (E)** In a prosecution for a violation of this section, it is a defense that the
30 defendant examined the purchaser’s or recipient’s driver’s license or other valid

1 identification issued by an employer, government unit, or institution of higher education
2 that positively identified the purchaser or recipient as at least [18] 21 years of age.

3 [(e)] (F) (1) A person who violates this section is guilty of a misdemeanor and
4 on conviction is subject to a fine not exceeding:

5 (i) \$300 for a first violation;

6 (ii) \$1,000 for a second violation occurring within 2 years after the
7 first violation; and

8 (iii) \$3,000 for each subsequent violation occurring within 2 years
9 after the preceding violation.

10 (2) Enforcement of a civil penalty for a violation of this section precludes a
11 prosecution for a violation of this section arising out of the same violation.

12 [(f)] (G) For purposes of this section, each separate incident at a different time
13 and occasion is a violation.

14 Article – Health – General

15 13–1015.

16 (a) For fiscal year 2011 and fiscal year 2012, the Governor shall include at least
17 \$6,000,000 in the annual budget in appropriations for activities aimed at reducing tobacco
18 use in Maryland as recommended by the Centers for Disease Control and Prevention,
19 including:

20 (1) Media campaigns aimed at reducing smoking initiation and
21 encouraging smokers to quit smoking;

22 (2) Media campaigns educating the public about the dangers of secondhand
23 smoke exposure;

24 (3) Enforcement of existing laws banning the sale or distribution of tobacco
25 products to [minors] **UNDERAGE INDIVIDUALS**;

26 (4) Promotion and implementation of smoking cessation programs; and

27 (5) Implementation of school–based tobacco education programs.

28 (b) For fiscal year 2013 and each fiscal year thereafter, the Governor shall include
29 at least \$10,000,000 in the annual budget in appropriations for the purposes described in
30 subsection (a) of this section.

31 24–305.

1 [(a) This section does not apply to a tobacco product that is regulated under Title
2 16 of the Business Regulation Article.]

3 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
4 **INDICATED.**

5 **(2) “DISTRIBUTE” MEANS TO:**

6 **(I) GIVE, SELL, DELIVER, DISPENSE, ISSUE, OR OFFER TO GIVE,**
7 **SELL, DELIVER, DISPENSE, OR ISSUE; OR**

8 **(II) CAUSE OR HIRE A PERSON TO GIVE, SELL, DELIVER,**
9 **DISPENSE, ISSUE OR OFFER TO GIVE, SELL, DELIVER, DISPENSE, OR ISSUE.**

10 **(3) (I) “TOBACCO PRODUCT” MEANS A PRODUCT THAT IS:**

11 **1. INTENDED FOR HUMAN INHALATION, ABSORPTION,**
12 **INGESTION, OR ANY OTHER MANNER OF CONSUMPTION THAT IS MADE OF, DERIVED**
13 **FROM, OR CONTAINS:**

14 **A. TOBACCO; OR**

15 **B. NICOTINE; OR**

16 **2. AN ACCESSORY USED IN THE INHALATION,**
17 **ABSORPTION, INGESTION, OR ANY OTHER MANNER OF CONSUMPTION OF A PRODUCT**
18 **DESCRIBED IN ITEM 1 OF THIS SUBPARAGRAPH.**

19 **(II) “TOBACCO PRODUCT” INCLUDES:**

20 **1. CIGARETTES, CIGARS, SMOKING TOBACCO, SNUFF,**
21 **SMOKELESS TOBACCO, AND CANDY-LIKE PRODUCTS THAT CONTAIN TOBACCO;**

22 **2. ELECTRONIC CIGARETTES, VAPORIZERS, PENS, AND**
23 **OTHER ELECTRONIC SMOKING DEVICES; AND**

24 **3. FILTERS, ROLLING PAPERS, PIPES, AND LIQUIDS**
25 **USED IN ELECTRONIC CIGARETTES AND OTHER ELECTRONIC SMOKING DEVICES**
26 **REGARDLESS OF TOBACCO OR NICOTINE CONTENT.**

27 **(III) “TOBACCO PRODUCT” DOES NOT INCLUDE A DRUG, DEVICE,**
28 **OR COMBINATION PRODUCT AUTHORIZED FOR SALE BY THE U.S. FOOD AND DRUG**

1 **ADMINISTRATION UNDER THE FEDERAL FOOD, DRUG, AND COSMETICS ACT AS A**
2 **TOBACCO CESSATION PRODUCT.**

3 (b) [(1) Except as provided in paragraph (2) of this subsection, a] **A person may**
4 **not [sell,] distribute[, or offer for sale] A TOBACCO PRODUCT to [a minor an electronic**
5 **nicotine delivery system, as defined in § 16.7–101(c) of the Business Regulation Article] AN**
6 **INDIVIDUAL UNDER THE AGE OF 21 YEARS.**

7 [(2) This subsection does not apply to an electronic nicotine delivery system
8 that contains or delivers nicotine intended for human consumption if the device has been
9 approved by the United States Food and Drug Administration for sale as a tobacco cessation
10 product and is being marketed and sold solely for this purpose.]

11 (c) A person that violates this section is subject to a civil penalty of:

12 (1) Except as provided in item (2) of this subsection, \$300; and

13 (2) \$500 for any violation occurring within 24 months after a previous
14 violation.

15 **(D) A PERSON MAY NOT DISTRIBUTE A TOBACCO PRODUCT WITHOUT FIRST**
16 **EXAMINING THE GOVERNMENT–ISSUED PHOTOGRAPHIC IDENTIFICATION OF A**
17 **PROSPECTIVE PURCHASER OR RECIPIENT WHOM THE DISTRIBUTOR REASONABLY**
18 **BELIEVES TO BE UNDER THE AGE OF 30 YEARS IN ORDER TO DETERMINE THE DATE**
19 **OF BIRTH OF THE PROSPECTIVE PURCHASER OR RECIPIENT.**

20 [(d)] **(E)** In a prosecution for a violation of this section, it is a defense that the
21 defendant examined the purchaser’s or recipient’s driver’s license or other valid
22 identification issued by an employer, government unit, or institution of higher education
23 that positively identified the purchaser or recipient as at least [18] **21** years of age.

24 [(e)] **(F)** (1) In this subsection, “designee” means a retired sworn law
25 enforcement officer employed by a county health officer or an employee of a local health
26 department trained in civil enforcement.

27 (2) A sworn law enforcement officer, a county health officer, or a designee
28 of a county health officer may issue a civil citation for a violation of this section.

29 (3) A citation issued under this section shall include:

30 (i) The name and address of the person charged;

31 (ii) The nature of the violation;

32 (iii) The location and time of the violation;

- 1 (iv) The amount of the civil penalty;
- 2 (v) The manner, location, and time in which the civil penalty may be
3 paid;
- 4 (vi) A notice stating the person's right to elect to stand trial for the
5 violation; and
- 6 (vii) A warning that failure to pay the civil penalty or to contest
7 liability in a timely manner in accordance with the citation:
- 8 1. Is an admission of liability; and
- 9 2. May result in entry of a default judgment that may include
10 the civil penalty, court costs, and administrative expenses.
- 11 (4) The sworn law enforcement officer, county health officer, or designee
12 shall retain a copy of the citation issued under this section.
- 13 (5) (i) 1. A person who receives a citation from a county health
14 officer or designee under this section may elect to stand trial for the violation by filing a
15 notice of intention to stand trial with the county health officer or designee at least 5 days
16 before the date set in the citation for the payment of the civil penalty.
- 17 2. After receiving a notice of intention to stand trial under
18 subparagraph 1 of this subparagraph, the county health officer or designee shall
19 forward the notice and a copy of the citation to the District Court.
- 20 (ii) A person who receives a citation from a sworn law enforcement
21 officer under this section may elect to stand trial for the violation by filing a notice of
22 intention to stand trial and a copy of the citation with the District Court at least 5 days
23 before the date set in the citation for payment of the civil penalty.
- 24 (6) (i) After receiving a citation and notice under this section, the
25 District Court shall schedule the case for trial and notify the defendant of the trial date.
- 26 (ii) In a proceeding before the District Court, a violation of this
27 section shall be prosecuted in the same manner and to the same extent as a municipal
28 infraction under §§ 6–108 through 6–115 of the Local Government Article.
- 29 (7) The District Court shall remit any penalties collected for a violation of
30 this section to the county in which the violation occurred.
- 31 (8) Adjudication of a violation of this section is not a criminal conviction for
32 any purpose.

1 (a) (1) This section does not apply to the distribution of a coupon that is
2 redeemable for a tobacco product if the coupon is:

3 (i) Contained in a newspaper, a magazine, or any other type of
4 publication in which the coupon is incidental to the primary purpose of the publication; or

5 (ii) Sent through the mail.

6 (2) This section does not apply to the distribution of a tobacco product or
7 tobacco paraphernalia to a minor who is acting solely as the agent of the minor's employer
8 if the employer distributes tobacco products or tobacco paraphernalia for commercial
9 purposes.

10 (b) A person who distributes tobacco products for commercial purposes, including
11 a person licensed under Title 16 of the Business Regulation Article, may not distribute to
12 a minor:

13 (1) A tobacco product;

14 (2) Tobacco paraphernalia; or

15 (3) A coupon redeemable for a tobacco product.

16 (c) (1) A person who violates subsection (b) of this section is subject to a civil
17 penalty not exceeding:

18 (i) \$300 for a first violation;

19 (ii) \$1,000 for a second violation occurring within 24 months after
20 the first violation; and

21 (iii) \$3,000 for each subsequent violation occurring within 24 months
22 after the preceding violation.

23 (2) The local health departments shall report violations of subsection (b) of
24 this section to the Comptroller's Office.

25 (3) A conviction for a violation of this section precludes a proceeding for a
26 civil penalty under § 24-307 of the Health – General Article arising out of the same
27 violation.

28 (d) In a prosecution for a violation of subsection (b) of this section, it is a defense
29 that the defendant examined the purchaser's or recipient's driver's license or other valid
30 identification issued by an employer, a governmental unit, or an institution of higher
31 education that positively identified the purchaser or recipient as at least 18 years old.

1 (e) (1) In this subsection, “designee” means a retired sworn law enforcement
2 officer employed by a county health officer or an employee of a local health department
3 trained in civil enforcement.

4 (2) A county health officer or a designee of a county health officer may issue
5 a civil citation for a violation of subsection (b) of this section.

6 (3) A citation issued under this subsection shall include:

7 (i) The name and address of the person charged;

8 (ii) The nature of the violation;

9 (iii) The location and time of the violation;

10 (iv) The amount of the civil penalty;

11 (v) The manner, location, and time in which the civil penalty may be
12 paid;

13 (vi) A notice stating the person’s right to elect to stand trial for the
14 violation; and

15 (vii) A warning that failure to pay the civil penalty or to contest
16 liability in a timely manner in accordance with the citation:

17 1. Is an admission of liability; and

18 2. May result in entry of a default judgment that may include
19 the civil penalty, court costs, and administrative expenses.

20 (4) The county health officer or designee shall retain a copy of the citation
21 issued under this subsection.

22 (5) (i) A person who receives a citation from a county health officer or
23 designee under this subsection may elect to stand trial for the violation by filing a notice of
24 intention to stand trial with the county health officer or designee at least 5 days before the
25 date set in the citation for the payment of the civil penalty.

26 (ii) After receiving a notice of intention to stand trial under
27 subparagraph (i) of this paragraph, the county health officer or designee shall forward the
28 notice and a copy of the citation to the District Court.

29 (6) (i) After receiving a citation and notice under this subsection, the
30 District Court shall schedule the case for trial and notify the defendant of the trial date.

31 (ii) In a proceeding before the District Court, a violation of

1 subsection (b) of this section shall be handled in the same manner as a municipal infraction
2 under §§ 6–108 through 6–115 of the Local Government Article.

3 (7) The District Court shall remit any penalties collected for a violation of
4 subsection (b) of this section to the county in which the violation occurred.

5 (8) Adjudication of a violation of subsection (b) of this section is not a
6 criminal conviction for any purpose.

7 (f) (1) The Maryland Department of Health, in collaboration and consultation
8 with the Office of the Comptroller, local health departments, and local law enforcement
9 agencies, shall develop ongoing strategies for enforcement of §§ 10–107 and 10–108 of the
10 Criminal Law Article.

11 (2) On or before October 1 each year, the Department shall report to the
12 General Assembly, in accordance with § 2–1246 of the State Government Article, on:

13 (i) The development of enforcement strategies required under
14 paragraph (1) of this subsection; and

15 (ii) Training and assistance to tobacco retailers to improve
16 compliance with § 10–107 of the Criminal Law Article.]

17 Article – Local Government

18 1–1201.

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

20 (b) “Distribute” means to:

21 (1) give, sell, deliver, dispense, or issue;

22 (2) offer to give, sell, deliver, dispense, or issue; or

23 (3) cause or hire any person to give, sell, deliver, dispense, or issue or offer
24 to give, sell, deliver, dispense, or issue.

25 (c) (1) “Tobacco product” means a product [containing tobacco] **THAT IS:**

26 **(I) INTENDED FOR HUMAN INHALATION, ABSORPTION,**
27 **INGESTION, OR ANY OTHER MANNER OF CONSUMPTION THAT IS MADE OF, DERIVED**
28 **FROM, OR CONTAINS:**

29 **1. TOBACCO; OR**

1 AGE OF 21 YEARS, unless the [minor] INDIVIDUAL is acting solely as the agent of the
2 [minor's] INDIVIDUAL'S employer who is engaged in the business of distributing tobacco
3 products; OR

4 (2) [distribute cigarette rolling papers to a minor; or

5 (3)] distribute to [a minor] AN INDIVIDUAL UNDER THE AGE OF 21
6 YEARS a coupon redeemable for a tobacco product.

7 (D) A PERSON MAY NOT DISTRIBUTE A TOBACCO PRODUCT WITHOUT FIRST
8 EXAMINING THE GOVERNMENT-ISSUED PHOTOGRAPHIC IDENTIFICATION OF ANY
9 PROSPECTIVE PURCHASER OR RECIPIENT WHOM THE DISTRIBUTOR REASONABLY
10 BELIEVES TO BE UNDER THE AGE OF 30 YEARS IN ORDER TO DETERMINE THE DATE
11 OF BIRTH OF THE PROSPECTIVE PURCHASER OR RECIPIENT.

12 [(d)] (E) A person has not violated this section if:

13 (1) the person examined the driver's license or other valid
14 government-issued identification presented by the recipient of a tobacco product, cigarette
15 rolling paper, or coupon redeemable for a tobacco product; and

16 (2) the license or other identification positively identified the recipient as
17 being at least [18] 21 years old.

18 [(e)] (F) (1) In Carroll County and St. Mary's County, a person who violates
19 this section commits a civil infraction and is subject to a civil penalty of:

20 (i) \$300 for the first violation; and

21 (ii) \$500 for any subsequent violation within 24 months after the
22 previous citation.

23 (2) In Cecil County, a person who violates this section commits a civil
24 infraction and is subject to a civil penalty of:

25 (i) \$300 for the first violation;

26 (ii) \$500 for a second violation; and

27 (iii) \$750 for any subsequent violation.

28 (3) In Garrett County, a person who violates this section commits a civil
29 infraction and is subject to a civil penalty not exceeding \$300.

30 **Article – State Finance and Procurement**

1 7–317.

2 (a) There is a Cigarette Restitution Fund.

3 (b) (1) The Fund is a continuing, nonlapsing fund that is not subject to §
4 7–302 of this subtitle.

5 (2) There shall be credited to the Fund all revenues consisting of funds
6 received by the State from any source resulting, directly or indirectly, from any judgment
7 against or settlement with tobacco product manufacturers, tobacco research associations,
8 or any other person in the tobacco industry relating to litigation, administrative
9 proceedings, or any other claims made or prosecuted by the State to recover damages for
10 violations of State law.

11 (3) There shall be credited to the Fund all money collected under § 24–508
12 of the Health – General Article or § 5–608 of the Labor and Employment Article.

13 (c) The Treasurer shall:

14 (1) invest and reinvest the Fund in the same manner as other State funds;
15 and

16 (2) credit any investment earnings to the Fund.

17 (d) Expenditures from the Fund shall be made by an appropriation in the annual
18 State budget.

19 (e) (1) The Fund shall be expended subject to any restrictions on its use or
20 other limitations on its allocation that are:

21 (i) expressly provided by statute;

22 (ii) required as a condition of the acceptance of funds; or

23 (iii) determined to be necessary to avoid recoupment by the federal
24 government of money paid to the Fund.

25 (2) Disbursements from the Fund to programs funded by the State or with
26 federal funds administered by the State shall be used solely to supplement, and not to
27 supplant, funds otherwise available for the programs under federal or State law as provided
28 in this section.

29 (f) (1) The Cigarette Restitution Fund shall be used to fund:

30 (i) the Tobacco Use Prevention and Cessation Program established
31 under Title 13, Subtitle 10 of the Health – General Article;

1 (ii) the Cancer Prevention, Education, Screening, and Treatment
2 Program established under Title 13, Subtitle 11 of the Health – General Article; and

3 (iii) other programs that serve the following purposes:

4 1. reduction of the use of tobacco products by [minors]
5 UNDERAGE INDIVIDUALS;

6 2. implementation of the Southern Maryland Regional
7 Strategy–Action Plan for Agriculture adopted by the Tri–County Council for Southern
8 Maryland with an emphasis on alternative crop uses for agricultural land now used for
9 growing tobacco;

10 3. public and school education campaigns to decrease tobacco
11 use with initial emphasis on areas targeted by tobacco manufacturers in marketing and
12 promoting cigarette and tobacco products;

13 4. smoking cessation programs;

14 5. enforcement of the laws regarding tobacco sales;

15 6. the purposes of the Maryland Health Care Foundation
16 under Title 20, Subtitle 5 of the Health – General Article;

17 7. primary health care in rural areas of the State and areas
18 targeted by tobacco manufacturers in marketing and promoting cigarette and tobacco
19 products;

20 8. prevention, treatment, and research concerning cancer,
21 heart disease, lung disease, tobacco product use, and tobacco control, including operating
22 costs and related capital projects;

23 9. substance abuse treatment and prevention programs; and

24 10. any other public purpose.

25 (2) The provisions of this subsection may not be construed to affect the
26 Governor’s powers with respect to a request for an appropriation in the annual budget bill.

27 (g) (1) Amounts may only be expended from the Fund through appropriations
28 in the State budget bill as provided in this subsection.

29 (2) The Governor shall include in the annual budget bill appropriations
30 from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated to be
31 available to the Fund in the fiscal year for which the appropriations are made.

32 (3) For each fiscal year for which appropriations are made, at least 50% of

1 the appropriations shall be made for those purposes enumerated in subsection (f)(1)(i), (ii),
2 and (iii)1 through 9 of this section subject to the requirement of subsection (e)(2) of this
3 section.

4 (4) For each fiscal year for which appropriations are made, at least 30% of
5 the appropriations shall be made for the purposes of the Maryland Medical Assistance
6 Program.

7 (5) For each fiscal year for which appropriations are made, 0.15% of the
8 Fund shall be appropriated for the purposes of enforcement of Title 16, Subtitle 5 of the
9 Business Regulation Article.

10 (6) Any additional appropriations, not subject to paragraph (3), paragraph
11 (4), or paragraph (5) of this subsection, may be made for any lawful purpose.

12 (h) For each program, project or activity receiving funds appropriated under
13 subsection (g)(3) of this section, the Governor shall:

14 (1) develop appropriate statements of vision, mission, key goals, key
15 objectives, and key performance indicators and report these statements in a discrete part
16 of the State budget submission, which shall also provide data for key performance
17 indicators; and

18 (2) report annually, subject to § 2-1246 of the State Government Article,
19 to the General Assembly no later than November 1 on:

20 (i) total funds expended, by program and subdivision, in the prior
21 fiscal year from the Fund established under this section; and

22 (ii) the specific outcomes or public benefits resulting from that
23 expenditure.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2018.