

SEC. 2. *And be it further enacted*, That this Act shall take effect June 1, 1956.

Approved March 26, 1956.

CHAPTER 90

(Senate Bill 31)

AN ACT to add twelve new sections to Article 83 of the Annotated Code of Maryland (1951 Edition), title "Sales and Notices", to be under a new sub-title, "Unfair Cigarette Sales Act", said new sections to be known as Sections 115A to 115L, inclusive, and to follow immediately after Section 115 thereof; and to add nine new sections to Article 56 of the Annotated Code of Maryland (1951 Edition), title "Licenses", sub-title "Traders," said new sections to be known as Sections 61A to 61-I, inclusive, and to follow immediately after Section 61 thereof; relating to unfair trade practices and unfair competition in the sale of cigarettes, and providing for enforcement through licensing of cigarette vendors and other remedies and sanctions for violation.

WHEREAS, cigarettes, because of their standardized character, their great popularity, their widespread and varied types of markets and methods of distribution and the sensitivity of their distribution to price fluctuations, are particularly susceptible to use as "bait" or "loss leaders" to deceive the public; and

WHEREAS, the advertising, offering to sell, or sale of cigarettes below cost with the intent of injuring a competitor or competitors, or of substantially lessening or destroying competition, is an unfair, deceptive, destructive and unethical business practice, which has been and is demoralizing and disorganizing the distribution of cigarettes, and fostering monopoly and high prices by tending to force independent wholesalers and retailers out of business; and

WHEREAS, the distinctive character of cigarettes and the economic facts and circumstances peculiar to their distribution require special and individualized treatment of the problems created by advertising, offering and selling cigarettes below cost; and

WHEREAS, the public welfare will be promoted by the prohibition of such practices in the distribution of cigarettes and the effective enforcement of such prohibition; now therefore

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That twelve new sections be and the same are hereby added to Article 83 of the Annotated Code of Maryland (1951 Edition), title "Sales and Notices", to be under a new sub-title "Unfair Cigarettes Sales

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

~~Strike out~~ indicates matter stricken out of bill.