

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

Article - Business Regulation

16-223.

(A) THIS SECTION APPLIES TO A PERSON WHO IS ENGAGED IN THE BUSINESS OF SELLING OR DISTRIBUTING CIGARETTES.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A PERSON COVERED UNDER THIS SECTION MAY NOT:

(I) SELL OR SHIP CIGARETTES, ORDERED OR PURCHASED BY MAIL OR THROUGH A COMPUTER NETWORK, TELEPHONIC NETWORK, OR OTHER ELECTRONIC NETWORK BY A CONSUMER OR OTHER UNLICENSED RECIPIENT, DIRECTLY TO A CONSUMER OR OTHER UNLICENSED RECIPIENT IN THIS STATE; OR

(II) CAUSE CIGARETTES, ORDERED OR PURCHASED BY MAIL OR THROUGH A COMPUTER NETWORK, TELEPHONIC NETWORK, OR OTHER ELECTRONIC NETWORK BY A CONSUMER OR OTHER UNLICENSED RECIPIENT, TO BE SHIPPED DIRECTLY TO A CONSUMER OR OTHER UNLICENSED RECIPIENT IN THIS STATE.

(2) A LICENSED RETAILER MAY DELIVER NO MORE THAN TWO CARTONS OF CIGARETTES DIRECTLY TO A CONSUMER IF THE DELIVERY IS MADE BY THE LICENSED RETAILER OR AN EMPLOYEE OF THE LICENSED RETAILER.

(C) (1) A LICENSEE WHO SELLS OR SHIPS CIGARETTES IN VIOLATION OF THIS SECTION OR CAUSES CIGARETTES TO BE SHIPPED IN VIOLATION OF THIS SECTION IS ~~SUBJECT TO:~~

(I) SUBJECT TO DISCIPLINE BY THE COMPTROLLER UNDER § 16-210 OF THIS SUBTITLE; AND

(II) ~~THE PENALTY SPECIFIED UNDER § 13-1015 OF THE TAX GENERAL ARTICLE~~ GUILTY OF A FELONY AND, ON CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$50 FOR EACH CARTON OF CIGARETTES TRANSPORTED OR IMPRISONMENT NOT EXCEEDING 2 YEARS OR BOTH.

(2) A PERSON OTHER THAN A LICENSEE WHO SELLS OR SHIPS CIGARETTES IN VIOLATION OF THIS SECTION OR CAUSES CIGARETTES TO BE SHIPPED IN VIOLATION OF THIS SECTION IS ~~SUBJECT TO THE PENALTY SPECIFIED UNDER § 13-1015 OF THE TAX GENERAL ARTICLE~~ GUILTY OF A FELONY AND, ON CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$50 FOR EACH CARTON OF CIGARETTES TRANSPORTED OR IMPRISONMENT NOT EXCEEDING 2 YEARS OR BOTH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2005.

Approved May 26, 2005.