

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

**Chapter 169 of the Acts of 1999**

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

2. (f) "Master Settlement Agreement" means the settlement agreement and related documents entered into on November 23, 1998, by the State and leading United States tobacco product manufacturers.

(j) (1) "Tobacco product manufacturer" means an entity that, after the date of enactment of this Act, directly and not exclusively through any affiliate:

(i) manufactures cigarettes anywhere that the manufacturer intends them to be sold in the United States, including cigarettes intended to be sold in the United States through an importer (except where such importer is an original participating manufacturer [as] (AS that term is defined in the Master Settlement Agreement) that will be responsible for the payments under the Master Settlement Agreement with respect to such cigarettes as a result of the provisions of subsection II(mm) of the Master Settlement Agreement and that pays the taxes specified in subsection II(z) of the Master Settlement Agreement, and provided that the manufacturer of the cigarettes does not market or advertise the cigarettes in the United [States] STATES);

(ii) is the first purchaser anywhere for resale in the United States of cigarettes manufactured anywhere that the manufacturer does not intend to be sold in the United States; or

(iii) becomes a successor of an entity described in subparagraph (i) or (ii) of this paragraph or paragraph (2) of this subsection.

(2) The term "tobacco product manufacturer" shall not include an affiliate of a tobacco product manufacturer unless such affiliate itself falls within any provisions of subparagraph (i), (ii), or (iii) of paragraph (1) of this subsection.

3. (a) Any tobacco product manufacturer that sells cigarettes to consumers within the State, whether directly or through a distributor, retailer, or similar intermediary or intermediaries, after the effective date of this Act, shall either:

(1) become a participating manufacturer, as that term is defined in section II(jj) of the Master Settlement Agreement, and generally perform its financial obligations under the Master Settlement Agreement; or

(2) place into a qualified escrow fund by April 15 of the year following the year in question the following amounts, as such amounts are adjusted for inflation:

(i) for 1999, \$.0094241 per unit sold after the date of enactment of this Act;