This bill specifies that the amounts tobacco product manufacturers are required to place into escrow accounts are based on account of units sold in the State. It alters the circumstances under which the funds in escrow accounts may be released and makes the provisions of the Act severable. It also provided a termination of the Act.

House Bill 477, which was passed by the General Assembly and signed by me on May 11, 2004, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 240.

Very truly yours, Robert L. Ehrlich, Jr. Governor

Senate Bill No. 240

AN ACT concerning

Tobacco Product Manufacturers - Master Settlement Agreement - Escrow Requirements

FOR the purpose of specifying that the amounts tobacco product manufacturers are required to place into escrow accounts are based on a certain factor; altering the circumstances under which the funds in escrow accounts may be released; making the provisions of this Act severable; providing for the termination of this Act under certain circumstances; and generally relating to tobacco product manufacturers and certain escrow accounts.

BY repealing and reenacting, without amendments,

Chapter 169 of the Acts of the General Assembly of 1999, as amended by Chapter 141 of the Acts of the General Assembly of 2001

Section 1 2(j)

BY repealing and reenacting, with amendments,

Chapter 169 of the Acts of the General Assembly of 1999 Section 1 3(b)

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, as amended by Chapter 141 of the Acts of 2001

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

- 2. (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