SECTION 2. AND BE IT FURTHER ENACTED, That the requirement that cigarettes sold in this State must be in compliance with this Act does not prohibit retailers, subwholesalers, vending machine operators, or wholesalers from selling existing cigarette inventories on or after July 1, 2008, if the retailers, subwholesalers, vending machine operators, or wholesalers can establish that:

- (1) the tax stamps were affixed to the cigarettes as required by § 12-304 of the Tax General Article before July 1, 2008; and
- (2) the inventories purchased between July 1, 2007 and July 1, 2008 are in a quantity comparable to the inventories purchased between July 1, 2006 and July 1, 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act may not be construed to prohibit a person from selling or offering for sale cigarettes that have not been certified in accordance with § 16–603 of the Business Regulation Article, as enacted by this Act, if the cigarettes are or will be stamped for sale in another state or are packaged for sale outside the United States.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act preempts any local law, ordinance, or regulation that conflicts with any provision of this Act or any policy of the State implemented in accordance with this Act and, notwithstanding any other provision of law, a governmental unit of this State may not enact or enforce an ordinance, local law, or regulation conflicting with or preempted by this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008. It shall remain effective until a federal reduced cigarette ignition propensity standard is adopted and become effective. If a federal reduced cigarette ignition propensity standard is adopted and becomes effective, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect. The Comptroller shall monitor federal actions regarding the establishment of fire safety standards for cigarettes and promptly forward notice of the adoption of a federal reduced cigarette ignition propensity standard to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

Approved by the Governor, May 17, 2007.

CHAPTER 498

(Senate Bill 359)

AN ACT concerning