

HOUSE BILL 1318

A1

5lr3047
CF SB 934

By: **Delegates A. Johnson, Boafu, Harris, Pruski, and Spiegel**

Introduced and read first time: February 7, 2025

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Premium Cigar Lounge License – Establishment**
3 **(Maryland Premium Cigar Lounge Act of 2025)**

4 FOR the purpose of establishing a Class C–PCL (premium cigar lounge) alcoholic beverages
5 license for use in conjunction with a certain tobacco products retailer license;
6 authorizing a local licensing board to issue the license; exempting a holder of the
7 license from the Clean Indoor Air Act; altering a certain period of time during which
8 a local alcoholic beverages license may not be issued to a certain tobaccoist; and
9 generally relating to premium cigar lounge alcoholic beverages licenses.

10 BY adding to

11 Article – Alcoholic Beverages and Cannabis
12 Section 4–1002
13 Annotated Code of Maryland
14 (2024 Replacement Volume)

15 BY repealing and reenacting, without amendments,

16 Article – Health – General
17 Section 24–504
18 Annotated Code of Maryland
19 (2023 Replacement Volume and 2024 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Health – General
22 Section 24–505
23 Annotated Code of Maryland
24 (2023 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, with amendments,

26 Chapter 754 of the Acts of the General Assembly of 2024
27 Section 3

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



BY repealing and reenacting, with amendments,
Chapter 755 of the Acts of the General Assembly of 2024
Section 3

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

Article – Alcoholic Beverages and Cannabis

4–1002.

(A) THERE IS A CLASS C–PCL (PREMIUM CIGAR LOUNGE) LICENSE.

**(B) (1) A LOCAL LICENSING BOARD MAY ISSUE THE LICENSE TO THE
HOLDER OF AN OTHER TOBACCO PRODUCTS RETAILER LICENSE UNDER § 16.5–204
OF THE BUSINESS REGULATION ARTICLE, IF:**

**(I) THE HOLDER OPERATES AN ESTABLISHMENT IN WHICH
PREMIUM CIGARS AND PIPE TOBACCO ARE SOLD AT RETAIL FOR ON–PREMISES AND
OFF–PREMISES USE; AND**

(II) THE HOLDER MEETS THE REQUIREMENTS OF THIS SECTION.

**(2) (I) A LOCAL LICENSING BOARD MAY ISSUE ONE CLASS C–PCL
LICENSE PER 150,000 RESIDENTS OF A COUNTY.**

**(II) IF A COUNTY HAS FEWER THAN 150,000 RESIDENTS, A
LOCAL LICENSING BOARD MAY ISSUE ONE CLASS C–PCL LICENSE IN THE COUNTY.**

**(C) THE LICENSE AUTHORIZES THE HOLDER TO SELL BEER, WINE, AND
LIQUOR FOR CONSUMPTION ON THE PREMISES OF THE PREMIUM CIGAR LOUNGE
MONDAY THROUGH SUNDAY FROM 10 A.M. TO 1 A.M. THE FOLLOWING DAY.**

**(D) (1) THE LICENSED PREMISES IS EXEMPT FROM THE REQUIREMENTS
OF THE CLEAN INDOOR AIR ACT UNDER § 24–505 OF THE HEALTH – GENERAL
ARTICLE.**

(2) A LOCAL LICENSING BOARD SHALL REQUIRE:

**(I) A LICENSE APPLICATION TO INCLUDE A BUILDING PLAN
DEMONSTRATING SUFFICIENT AIR FILTRATION AND EXHAUST;**

(II) A LICENSE HOLDER TO DISPLAY IN A CONSPICUOUS PLACE THAT SMOKING IS ALLOWED ON THE PREMISES; AND

(III) ANY EMPLOYEE OF A LICENSED ESTABLISHMENT TO SIGN AN ACKNOWLEDGMENT THAT THE EMPLOYEE WILL BE SUBJECTED TO SECONDHAND SMOKE.

(E) THE LICENSE HOLDER SHALL:

(1) HAVE AVERAGE DAILY RECEIPTS FROM THE SALE OF PREMIUM CIGARS, PIPE TOBACCO, AND RELATED ACCESSORIES THAT ARE AT LEAST 60% OF THE TOTAL DAILY RECEIPTS FROM THE ESTABLISHMENT; AND

(2) ANNUALLY SUBMIT TO THE EXECUTIVE DIRECTOR AND THE LOCAL LICENSING BOARD, IN A FORM THE EXECUTIVE DIRECTOR REQUIRES, A SALES RATIO COMPLIANCE REPORT.

(F) THE ANNUAL LICENSE FEE IS \$2,000.

Article – Health – General

24–504.

Except as provided in § 24–505 of this subtitle, beginning on February 1, 2008, a person may not smoke or vape in:

(1) An indoor area open to the public;

(2) An indoor place in which meetings are open to the public in accordance with Title 3 of the General Provisions Article;

(3) A government–owned or government–operated means of mass transportation including buses, vans, trains, taxicabs, and limousines; or

(4) An indoor place of employment.

24–505.

This subtitle does not apply to:

(1) Private homes, residences, including residences used as a business or place of employment, unless being used by a person who is licensed or registered under Title 5, Subtitle 5 of the Family Law Article to provide child care, and private vehicles, unless being used for the public transportation of children, or as part of health care or child care transportation;

(2) A hotel or motel room rented to one or more guests as long as the total percent of hotel or motel rooms being so used does not exceed 25%;

(3) A retail tobacco business that is a sole proprietorship, limited liability company, corporation, partnership, or other enterprise[, in which]:

(i) **IN WHICH:**

1. The primary activity is the retail sale of tobacco products and accessories; and

[(ii)] 2. The sale of other products is incidental; **OR**

(II) THAT OPERATES UNDER A CLASS C–PCL (PREMIUM CIGAR LOUNGE) ALCOHOLIC BEVERAGES LICENSE ISSUED IN ACCORDANCE WITH § 4–1002 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE;

(4) Any facility of a manufacturer, importer, wholesaler, or distributor of tobacco products or of any tobacco leaf dealer or processor in which employees of the manufacturer, importer, wholesaler, distributor, or processor work or congregate; or

(5) A research or educational laboratory for the purpose of conducting scientific research into the health effects of environmental smoke.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Chapter 754 of the Acts of 2024

SECTION 3. AND BE IT FURTHER ENACTED, That a local alcoholic beverages license may not be issued to a tobacconist from July 1, 2024, to [July 1, 2026] **JUNE 30, 2025**, both inclusive.

Chapter 755 of the Acts of 2024

SECTION 3. AND BE IT FURTHER ENACTED, That a local alcoholic beverages license may not be issued to a tobacconist from July 1, 2024, to [July 1, 2026] **JUNE 30, 2025**, both inclusive.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.