

ATCC

Alcohol, Tobacco, and Cannabis Commission

Tobacco Law Updates and Enforcement in 2025

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sb0842 Electronic Smoking Devices - Seizure and Wholesaler Record-Keeping Requirements

- ▶ PROHIBITS Direct-to-Consumer sales by ESD manufacturers
- ▶ ESD wholesaler distributors and importers must maintain Invoices, Inventory, and transaction records
- ▶ Invoice for each retailer sale listing county
- ▶ Authorizes Seizure of ESDs by ATCC for Business Regs violations



Business Regulation - Enforcement for Miscellaneous State Business Licenses - Study



- ▶ This bill started out as a new requirement for business licenses – the applicant (usually an LLC or corporation) would need to name a responsible agent in Maryland
- ▶ Comptroller focused on how this would help them avoid charging employees, because they could reach leaders
- ▶ It was met with resistance from commerce groups, and was transformed into a study
- ▶ By December 1, 2025 the Comptroller will study the issue of enforcement of business licenses, in consultation with multiple governmental and private industry groups

Sales To Minors Statutes

FY24:

62
cases

Criminal law

§ 10-107

- ▶ Anne Arundel
- ▶ Charles
- ▶ Dorchester
- ▶ Harford
- ▶ Prince Georges
- ▶ Queen Anne's
- ▶ Somerset
- ▶ Wicomico

Health General

§ 24-307 and 305

- ▶ Allegany
- ▶ Calvert
- ▶ Caroline
- ▶ Carroll
- ▶ Cecil
- ▶ Frederick
- ▶ Garrett
- ▶ Kent
- ▶ Talbot
- ▶ Washington
- ▶ Worcester

Local

Ordinances

- ▶ Allegany
- ▶ Baltimore County
- ▶ Baltimore City
- ▶ Charles
- ▶ Howard
- ▶ Montgomery
- ▶ St. Mary's

FY25:

91
cases

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Yes, we still want you to come visit us!



The Nerve Center (now with cute plants!)

What should I refer to the ATCC?

- ▶ ATCC hearings focus on a pattern of violations, so referrals are built in pairs or series:

1. A fully adjudicated (**resolved**) citation for selling a tobacco product to a person under 21
2. A **second incident** (citation, a failed synar inspection, or other issue) within 12 months before or after

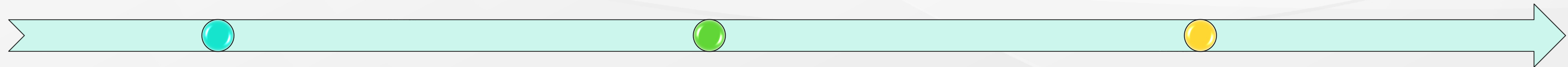


-12 months:

- Synar failure
- Sales to Underage Citation (ideally closed)

+ 12 months

- Synar failure
- Closed TMA Citation
- Pending or Closed Sales to Underage Citation



Primary
“fully adjudicated”
Citation

What's the hearing all about?

- ▶ **Due Process:** Before a license can be suspended or revoked, the party has to be given an opportunity to be heard.
- ▶ It's **not a fact-finding trial** of each event - The finding your County already made establishes that they have violated their license (by violating CR 10-107)
- ▶ Director Akras will present the **documents** (referral, license, citations file packets)
- ▶ He'll also ask: "Do you have any other information about this business?"

❖ **Successful Compliance follow-ups**

❖ **Community concerns and unusual details are fine to raise**

❖ ***However, Respondent needs formal NOTICE before we can add violations***

Okay... and then what happens?

- ▶ The License Holder gets to present their explanations and mitigation.

Some general observations:

Larger corporations: tend to talk about their disciplinary processes, self-audits and compliance programs, and adaptations to new laws

Single and multi-business owners: tend to explain that they rely on their employees and aren't in the store as much as they like, but they've gotten more serious now. The most diligent have paid fines themselves, got new scanner technology, or overhauled their staff and policies, etc.

Employees appearing on their own: tend to give explanations of how mistakes were made, lack of access to tools like scanners, vague on reasons owner is not present, but often show good management skills and engagement



What are the common outcomes?

Reprimand

- owners/management have taken **concrete steps to change** their operations:
 - Installed **ID scanners**
 - New **policies**
 - **Persuasive mitigation**, intervening efforts

5 – 15 day suspension

- Less concrete changes have been made, and **deterrence is needed**
- **Significant number** of violations
- **Violations right after** sanctions

20 day+ suspension

- Primarily issued when **licensee fails to appear**
- Minimal mitigation evidence
- **Frequently they ask for reconsideration once they receive order**

And then what?

- ▶ ~~Slowly, laboriously, painfully I work my way through the backlog....~~
- ▶ **Reprimand orders are mailed** to the stores
- ▶ **Suspension orders** (or revocations) are mailed in **normal snail mail AND certified mail**
- ▶ **Suspension orders are also hand-delivered** by ATCC agents, who instruct staff on how to comply
- ▶ **ATCC agents will generally visit again** during inspections to catch violations of the order
- ▶ License holder may file a **reconsideration request**, or appeal to Circuit Court

Cannabis-Sales

& DISTRIBUTION-TETRAHYDROCANNABINOL OFFENSES

(SB0214/HB0012)

THC Packaging & Labeling Standards



Mandates that all intoxicating THC products intended for human consumption comply with the **same packaging and labeling requirements as legal cannabis products**, as outlined in Alcoholic Beverages and Cannabis Article §36–203.1 and COMAR 14.17.18.

FED Authority to Seize or Destroy



Authorizes the Field Enforcement Division (FED) to seize, destroy, or confiscate non-compliant products.

- ▶ Establishes that violations committed by non-cannabis licensees may result in a citation and are classified as misdemeanors, punishable upon conviction by a fine of up to \$5,000.

Citations for Delta-8/10 Sales to Minors



Permits the FED to issue citations for the sale of Delta-8-THC and Delta-10-THC

Maryland Cannabis Administration

LABELING AND PACKAGING STANDARDS

Packaging and labeling shall include:

Itemization and weight of all cannabinoid ingredients

A statement such as, but not limited to:

"This package contains cannabis. Keep out of reach of children and animals."



The universal symbol on the front or most predominantly displayed areas of the package.

Beezle Bites Chews Peach
Made with Trop Cherries Rosin

Ingredients: Water, Cane Sugar, Glucose Syrup, Gelatin, Peach, Corn Oil, Vegetable Glycerin, Tartaric Acid, Citric Acid, Natural Flavor, Rosin Cannabis Extract

Contains Cannabis Extract
99.9mg THC per bag / 9.99mg THC per serving

Warning, For medical use only. Not for resale, Keep out of reach of children. This product can only be lawfully consumed by a medical patient pursuant to the COA. Schedule I Controlled Substance

144033080928062061180

Manufactured by: PA-23-00002
Medical LIC: C9-0000178-LIC

Serving: 1 piece (10 g)
Calories 14, 0g tocan(s) DV
Sodium 0mg (0% DV)
Total Carbohydrate 3g (1%)
Total Sugars 2g (Included)
Added Sugars 2g (4%)

Batch ID: BBG-1200PE
Manufacture Date: 11/24/2023
Expiration Date: 12/4/2024



A finished product lot number and expiration date if applicable

Certificate of Analysis through a link or QR code

MAY CONTAIN TRACE AMOUNTS OF MILK, WHEAT AND SOY

Certain other ingredients if present (allergens, solvents, etc)



Name, address, and phone number of the dispensary that sold the product to report an adverse event.

Labeling & Packaging



Images that appeal to children such as food, candy, baked goods, cereal, fruit, and beverages.



Any resemblance to trademarked products of commercially available candy, snacks, baked goods, cereals, or beverages.



RESTRICTIONS



Images that appeal to minors, including cartoons, toys, animals, children, or likenesses of popular characters, images, or phrases.



Any insignia that could reasonably mislead someone to believe the product is endorsed or used by a state or local agency.



Questions?

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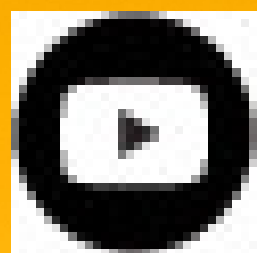
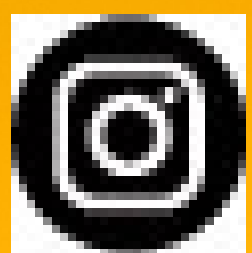
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Need Help?

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