

Maryland Department of Health
Issuance of Alcoholic Beverages Licenses to Tobacconists Workgroup Meeting
March 24, 2025
11:00 am - 12:00 pm

MINUTES

Attendees:

Members:

Steven Arentz
Finnie Pecunes Helmuth
Nilesh Kalyanaraman
Jeffrey Kelly
Ronald Watson

Staff:

Subha Chandar
Victoria Marte-Tiburcio
Christopher McGrath
Clifford Mitchell
Dana Moncrief
Jody Sheely

Meeting Notes:

Welcome & General Business

- Nilesh Kalyanaraman opened the meeting and welcomed attendees.
- Jody Sheely conducted a roll call and provided an overview of the Open Meeting Act.
- The Workgroup adopted the February 10, 2025, meeting minutes.
- Nilesh Kalyanaraman provided an overview of the meeting.

Discussion of Recommendations

- Nilesh Kalyanaraman presented two methods of limiting the number of on-site alcohol licenses and bring-you-own alcohol (BYO) permits issued to tobacconists per 150,000 residents (i.e., threshold-based or range-based).
- Steven Arentz expressed his concerns for geographically large rural counties with less than 150,000 residents.
- Clarence Lam prompted the Workgroup to consider whether local jurisdictions should be responsible for limiting the number of permissive facilities.
- Finnie Helmuth asked whether existing tobacconist establishments would be excluded from the number of permissible facilities.
 - Nilesh Kalyanaraman clarified that this would be a decision for the local boards if the Workgroup decides to defer to local authorities.
- Steven Arentz asked whether these new tobacconist establishments could circumvent restaurants and other retailers if included in the number of licenses that a local jurisdiction is allowed to issue.
 - Jeff Kelly explained that some counties have already reached their maximum number of alcohol licenses. He clarified that new tobacconists could circumvent

restaurants unless the tobacco alcohol license exists outside of the various quotas.

- The Workgroup deferred to local licensing authorities on the number of permissive facilities to ensure the community's needs are met.
- Niles Kalyanaraman presented the second recommendation for consideration, which allows existing tobacco establishments licensed to sell on-site alcohol but not meeting the tobacco requirements to be given a one-year period to comply or be subject to the revocation or denial of renewal.
- Ronald Watson proposes a two-year period for compliance to accommodate concerns with leasing
- Steven Arentz shares concerns regarding tobaccoists' leasing agreement and the one-year period for compliance.
- Jeff Kelly argues that including exceptions for those who recently renewed their lease would encourage retailers to enter new lease agreements before the effective date to bypass these requirements and continue non-compliant business practices.
- Niles Kalyanaraman highlights that the Clean Indoor Air Act had a 3-year compliance period and greater requirements.
- Finnie Helmuth asked whether local liquor board continue to set the hours of operation
- Jeff Kelly explained that these hours are already prescribed for alcohol licenses by each jurisdiction.
- The Workgroup voted to change the number of years for compliance to a two-year period.
- Niles Kalyanaraman presents two additional considerations, which include:
 - 1) Tobacco retail locations that allow on-site smoking would need to be stand-alone buildings; current tobaccoist locations would be grandfathered in.
 - Ronald Watson expressed that this requirement would be prohibitive for retailers seeking to enter the business.
 - Finnie Helmuth shared her difficult experience with finding a stand-alone building.
 - Niles Kalyanaraman highlighted the health implications
 - Jeff Kelly highlights that tobacco establishments with no alcohol sale would not be required to have standalone buildings.
 - Ronald Watson explains how Annapolis local licensing authorities required ventilation as a condition for licensing.
 - The Workgroup requested data from the Department of Health on stand-alone and ventilation.
 - 2) Create a permit to track facilities operating with BYO, similar to the corkage permit that allows consumers to bring their own bottle of wine to certain restaurants, and if desired there can be a charge for this permit.
 - The Workgroup agreed to adopt this recommendation.

Public Comment

- Nilesh Kalyanaraman opened the public comment period.
- Kathy Hoke, Professor at the University of Maryland Center for Public Health Law, presented the following recommendations for the Workgroup's consideration:
 - Require signage for permissive facilities.
 - Specify enforcement authority and penalties for violations.
 - Require non-compliant business given the two-year time period for compliance to register immediately with the Alcohol, Tobacco, and Cannabis Commission.
 - Prohibit tobaccoist licensing for properties directly adjacent to a healthcare or childcare/child-related facility.
- Lance Kilpatrick, representing the American Cancer Society Cancer Action Network, emphasized that ventilation would not eliminate exposure of second-hand smoke to nonsmokers. He highlighted that the only means of avoiding health effects of second-hand smoke exposure is to prohibit smoking.
- Nilesh Kalyanaraman closed the public comment period.

Closing Remarks

- Nilesh Kalyanaraman discussed the next steps and thanked the Workgroup for their participation.