Council Bill 48-2026 Fiscal Analysis
Introduced: July 6, 2026
Fiscal Manager: Melinda Massey

Legislative Intent:

Council Bill No. 48-2026, the Clean Air Integrity Act, updates Howard County's Clean Indoor Air Law[1] to strengthen protection against secondhand smoke, align County Code with current Maryland law, and establish clearer standards for retail tobacco stores that permit indoor smoking.

ANALYSIS

Background:

Maryland's Clean Indoor Air Act has prohibited smoking in most indoor public places since 2007 while allowing limited exceptions for certain establishments. Recent changes in State of Maryland law, the expiration of a statewide moratorium governing alcoholic beverage licenses for retail tobacco stores (June 30, 2026), and recommendations from the 2025 Workgroup[2] on the issuance of alcoholic beverages licenses highlighted the need for clearer local regulations.

The proposed amendments updates current Howard County law by replacing outdated citations to Article 2B with references to the Alcoholic Beverages and Cannabis Article.[3] The legislation also refines the definition of a retail tobacco store by requiring that at least 70% of its revenue, measured by average daily receipts, be derived from the sale of premium cigars, pipe tobacco, and related accessories.

In addition, the proposed amendments limit the retail tobacco store exception by prohibiting the on-premises consumption of alcoholic beverages in areas where indoor smoking is permitted. The amendments remove exceptions to the County's smoking prohibition, including exemptions for private clubs, lodges, and theatrical performances involving smoking, while retaining existing exceptions for designated hotel and motel smoking rooms and qualifying outdoor seating areas that continue to meet established requirements.

Fiscal Implications:

The bill is not expected to have fiscal impact.

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[1] Pages - clean-indoor-act
[2] Chapter 754, Sec. 2_MDH_ Issuance of Alcoholic Beverages Licenses to Tobacconists Workgroup Report
[3] Article - Alcoholic Beverages and Cannabis

According to the Administration, the proposed changes are not expected to require additional County staff or resources for enforcement. The Department of Fire and Rescue Services (DFRS) will continue to inspect retail tobacco stores based on their occupancy classification as mercantile occupancies, which would remain unchanged under this bill.

Regarding the number of inspections conducted annually for retail tobacco establishments, the Administration stated that DFRS, through the Office of the Fire Marshal, inspects mercantile occupancies once every three years, and the proposed legislation would not change that inspection schedule. Additionally, the Department of Inspections, Licenses, and Permits (DILP) does not conduct routine annual inspections of these occupancies and performs inspections only in connection with permitted activities, such as new occupancies or renovations. Accordingly, the Administration does not anticipate that the bill would increase the inspection workload.

The Administration has also stated that implementation of the proposed legislation would not require changes to existing business licensing or inspection procedures and would not result in costs associated with updating County forms, databases, or permitting systems.

<u>Other Notes:</u>

N/a