

MARYLAND ALCOHOL AND TOBACCO COMMISSION MAY MINUTES

DATE: May 20, 2021

TIME: 3:06 P.M.

PLACE: Maryland Alcohol and Tobacco Commission (ATC) Headquarters

(Meeting conducted via Microsoft Teams, recorded for replay)

PRESENT: Chair Nominee Alan Silverstein

Vice Chair Barbara Wahl (Acting Chair) Commissioner Robert Poole (Secretary) Commissioner Elizabeth (Betty) Buck

Commissioner Eric Morrissette

OTHERS: Anthony Hatcher, Acting Executive Director, Alcohol and Tobacco Commission

(ATC), Jeffrey Kelly, Director, Comptroller of Maryland, Field Enforcement Bureau (FEB), Murray Singerman, Assistant Attorney General, Comptroller of Maryland,

Office of the Attorney General, Karyle Fogan, Executive Associate (FEB).

Andrew Waters (ATC Licensing), Dawn Berkowitz, Maryland Department of Health,

James Hock, Maryland State Police

<u>Barbara Wahl</u> proceeded with the introduction of the new commissioner Alan Silverstein and asked that he share a little about himself.

Alan Silverstein shared a summary of his background and experience. Commissioner Silverstein said that he just retired from the Talbot County Chamber of Commerce after 20 years of service. Prior to that he was with three other Chambers of Commerce for a total of 38 years. He has worked with Beer Distributors, Liquor Wholesalers and Liquor Retailers. He has 6 years of bartending while in College and after College. In Talbot County he was on the Liquor Rewrite Commission. Talbot County is a home rule government, so they write their own liquor legislation. Six years ago, Commissioner Silverstein was elected to the Easton Town Council. He said that with all of his experiences he feels that looking at each of the other commissioners and their expertise,



and meeting with the commissioners individually he believes it would be nice to be a part of the Alcohol and Tobacco Commission.

APPROVAL OF APRIL 15TH. MEETING MINUTES

Barbara Wahl moved to approve the April 15th meeting minutes, Commissioner Betty Buck so moved and Robert Poole 2^{nd.} and the minutes are approved.

NOMINATION AND VOTE OF CHAIR

Barbara Wahl moved to nominate Alan Silverstein as Chair and Betty Buck 2nd the motion and Robert Poole concurred. All Commissioners agreed and Alan Silverstein was elected as the Alcohol and Tobacco Commission's Chair. The new Chair, Alan Silverstein, then asked Executive Director Hatcher (ATC) to give the Executive Director's report.

EXECUTIVE DIRECTOR REPORT

Alcohol and Tobacco Commission (ATC) Executive Director Anthony Hatcher reports.

ATC Executive Director Anthony Hatcher shared the activities of the Field Enforcement Division starting with the monthly statistics during the past 30 days. The Agents had 15 defendants charged with violations of either Alcohol or Tobacco violations, and of those there were 91,435 sticks of tobacco products seized, 1183 packs of cigarettes, 12 containers of distilled spirits and 46 containers of wine. Only one of the cases involved persons transporting untaxed cigarettes, but the amount that they were charged with did not warrant the felony charge of transportation, they were charged with simple possession and released, and their vehicle was not seized. Other activities are ongoing investigation regarding a major retailer in the State of Maryland that did not raise the taxes on their cigarettes and was selling them below the authorized rate that they could sell them at retail. The Investigation is ongoing and hopefully will be concluded by the next month's session of the Commission.

There are two pending hearings for sales of tobacco products to minors that were referred to the agency. These hearings will not be held until after the Treasury Building has been opened to the public so that they can conduct in-person hearings and take testimony as to what occurred and



why it occurred and decide what action the agency will take against the licensee or simply sending them a letter advising them that they made a mistake and to correct it, a letter of reprimand and beyond that they would step to a level of suspending the licensee. On the first suspension a retailer may be suspended from 5 to 20 days, if after that, they are found in violation again and the hearing officer decides to suspend again, the minimum they can receive is 20 days and the maximum is six months. One other fact to know is that when dealing with sales to minors, the Alcohol and Tobacco Commission cannot accept what's called an offer of compromise for a violation from a licensee when they're brought in, the law strictly prohibits that and the ATC can take administrative action against the license itself, and in that vein to all other cases dealing with tobacco violations the ATC can do offers of compromise where the company would offer a certain amount of money in lieu of having their license suspended.

Alcohol and Tobacco Commission (ATC) Executive Director Anthony Hatcher Introduced Andrew Waters as the on-site expert to comment on how the ATC is proceeding with the renewals and licenses for the Alcohol Industry and the Tobacco Industry with the new computer system that they have in place in support from the Comptroller's office. Andrew Waters is the one who handles all the issues dealing with the technology and making sure that this functions properly, and the licensees get their renewals or get their licenses.

<u>Andrew Waters</u> of the Alcohol Tobacco Commission said that the governor's mandate is coming to an end on June 30^{th.} Mr. Waters said it has been hectic, with a lot of documents to get out, but so far, they have renewed about 900 permits, and they have roughly 1,600 licenses and permits in the tube for the next couple of weeks. He said it will be a busy time, but to this date since they have fully integrated into the new tax system, they have over a thousand new issued licenses and permits.

Alcohol and Tobacco Commission (ATC) Executive Director Anthony Hatcher

ATC Director Anthony Hatcher commented on how well the members of the licensing unit take care of getting out the all the Licenses and Permits, and that they have a massive amount of processing to do and that they do an excellent job doing it.



NEW BUSINESS

Alan Silverstein, Alcohol and Tobacco Commission's Chair asked for comment on the following codes

a. Assignment of AB § 1-307 & § 1-308 for review by Commissioners for discussion at June's Meeting.

Alcohol and Tobacco Commission (ATC) Executive Director Anthony Hatcher

Executive Director Hatcher explained that each Commissioner should have received a copy of the two new laws AB § 1-307 & § 1-308 that outlines the responsibilities of the Commission and their authorized duties. What he proposed by putting this in New Business is that the Commissioners would proceed with reviewing these, and he then introduced Dawn Berkowitz with the Maryland Department of Health. He said that Ms. Berkowitz is an expert dealing with health issues and the issues that the commission will have to handle. He said that Ms. Berkowitz has offered her services to the Commission to aid in whatever they need and present any facts that the ATC may need dealing with these issues that are mandated to accomplish and fulfill, and also the reports that are going to be mandated to be presented to the Governor's Office every year.

<u>Dawn Berkowitz</u> said that she runs the center for tobacco prevention and control at the Maryland Department of Health. She said that most of the tobacco control funding in the State flows through her office. They fund the local health department to do tobacco sales to minors, it's really underage because they're up to 21 years old. They do compliance checks throughout the state on license tobacco retailers.

The tobacco retailers are usually about 6,000 across the state. They ask the local departments to conduct compliance checks and they also conduct retailer education and send materials to the retailers on the laws, and they established a state website with *No Tobacco Sales to Minors* that also has training materials for retailers on how to check a license and how to refuse a sale and working in partnership and giving retailers materials and information on how to follow the laws and there is also a quiz on the website that retailers can take or their clerks. They have seen in the last year a huge surge in the use of e-cigarettes, vapes or ends products in Maryland and the



official name by statute is (ESDs) electronic smoking devices. About a year and a half ago the Comptroller had put together the E-Facts Task Force to come up with recommendations on how to address this national epidemic of vaping among youth. They conduct prevention campaigns through her office and there was a pretty extensive list of recommendations that came from the E-Facts Task Force meeting, and also looking at what Executive Director Anthony Hatcher (ATC) sent out recently as far as the requirements of the of the Commission under their powers, duties and best practices. There are certain areas for collaboration and areas that can be addressed looking under duties under B number 5, the first parts alcohol and then comparable topics relating to smoking, vaping, tobacco and other tobacco products as well as electronic nicotine delivery systems. Dawn Berkowitz mentioned that she talked to Kathy Hoke from their legal resource center for public health policy in areas where they think the Commission does have authority to address directly, or could look into potential legislative areas to get things through. Executive Director Anthony Hatcher (ATC) said that he would discuss with the commissioners in June's meeting about their thoughts about how it should be addressed, and this would appear in the next agenda.

Dawn Berkowitz said that with their collaboration with the local health departments either directly or partnering with law enforcement to do compliance checks and when they see multiple violations they are then referred to Executive Director Hatcher's Office, Alcohol and Tobacco Commission for tobacco sales to minors, hearings and sanctions.

b. Commissioners report on Ride-Along and Tour of ATC Property Rooms

Executive Director Anthony Hatcher (ATC) asked Commissioner Buck and Commissioner Wahl to comment on their tour of the ATC facility and their ride along experience with the Agents.

Commissioner Betty Buck and Vice Chair Barbara Wahl both said they had a great time.

Barbara Wahl rode with an Agent named Michelle and they found about \$25,000 worth of material that they ended up confiscating and also learning all the different types of materials and how you can tell if something is not what it should be and the different indicators you would see. While out in the field they were joined by five Baltimore City



Police officers who helped them out, and she felt that she really got a full educational experience that day and had an exciting day watching the process.

<u>Betty Buck</u> said that it was a lot of fun and she really enjoyed going into the property room and going on the ride along and seeing the Alcohol and Tobacco Commission's office where the Licenses are processed.

Commissioner's Barbara Wahl and Betty Buck said that they both got a lot of insight and said it was a great experience. They recommended that other Commissioner's do the tour.

ADJOURNMENT

Chair Alan Silverstein asked that if there was anything else, he then moved to conclude the meeting.

Robert Poole made the motion to end the meeting and Betty Buck 2^{nd} the motion. All said a<u>ve</u> and the meeting was adjourned.

Meeting was concluded at 3:24 p.m.

*The next meeting will be held June 17, 2021 at 3:00 p.m.

*ATC Executive Director Anthony Hatcher said that he would prepare an email to all the commissioners to get their thoughts and ideas for the next Agenda and that the commissioners should get back to him as soon as possible.

I certify that the foregoing minutes represent the minutes of the Alcohol and Tobacco Commission meeting on May 20, 2021.

Robert H. Poole, Secretary

Date

https://www.youtube.com/watch?v=NMMe6avmk2s