Critical News for Members on Tobacco Legislation, Litigation and Regulations

April 18, 2025

State Legislative Bill Introductions

State tobacco-related legislative bills that have been introduced in the past week are listed below alphabetically by state:

Maine:

• LD1658 (HP1009) increases the cigarette tax from \$2.00 to \$3.00 per pack (imposes a floor tax) and the smokeless tobacco tax from \$2.02/oz. to \$3.03/oz. and the OTP tax (including vapor products/nicotine pouches) from 43% to 65% of wholesale price. The bill specifies that the definition of tobacco products includes products with synthetic nicotine and reduces the stamping discount rate from 1.15% to 0.77%. The proposed tax increases would take effect January 5, 2026.

New York:

• A7814 prohibits offering gifts, rewards, or incentives for the purchase of oral nicotine pouches.

Washington:

• HB2083/SB5814 taxes nicotine pouches products by expanding the definition on "tobacco products" to include synthetic nicotine. The bill defines "taxable sales price" based on unaffiliated or affiliated sellers/distributors to close tax loopholes. The bill defines "sale" to include gifts or promotional giveaway nicotine products so that businesses must pay tax on those products.

State Legislative Bill Actions

State tobacco-related legislative bills that have been acted on by a state legislative committee or state legislature are listed below alphabetically by state:

Alabama:

HB8 passed the House on April 16, 2025 and heads to the Senate for further consideration.
 This bill implements fees to obtain a permit to sell tobacco products, vapor products, and alternative nicotine products of \$150.00 and a one-time non-refundable filing fee of \$50.00.
 The bill also revises the definition of "electronic nicotine delivery system" to include battery powered devices that deliver substances other than tobacco through the inhalation of vapor.

Arkansas:

- SB252 creates a vapor product directory through Arkansas Department of Tobacco Control by requiring a vapor products manufacturer to certify that the vapor product (1) has received a marketing granted order from the FDA or (2) the vapor product was marketed in the U.S. on or before August 8, 2016, and the manufacturer submitted a PMTA for the vapor product to the FDA on or before September 9, 2020, and the application was accepted for review/is pending or (3) the PMTA was denied and is being legally challenged. The vapor directory would be published by November 1, 2025. The bill also requires child resistant packaging for vapor products and bans the marketing and packaging that are attractive to minors such as food or candy products. The Governor signed the bill on April 14, 2024.
- SB494, which reduces the number and types of permits issued by Arkansas Tobacco Control by consolidating multiple permits into a single permit, was signed by the Governor on April 14, 2025.

Hawaii:

- HB441, which increases the tax on cigarettes and little cigars from \$3.20 to \$3.60 per pack, effective January 1, 2026.
- HB756, which prohibits the sale of flavored nicotine products and nicotine product flavor enhancers and the mislabeling of e-liquids as nicotine free, remains pending in the Senate Commerce and Consumer Protection Committee as of April 17, 2025. The bill previously passed the House.

Indiana:

• The Legislature is working on a state budget. Increased tobacco and nicotine taxes are being considered to potentially address a \$2.4 billion shortfall.

Louisiana: The following bills were referred to the House Ways and Means Committee on April 14, 2025:

- HB390, which increases the tax on cigarettes from \$1.08 per pack to \$1.41 per pack, effective July 1, 2025.
- HB398, which increases the tax on smokeless tobacco from 20% to 33% of the invoice price, effective July 1, 2025.
- HB517, which increases the tax on vapor products and electronic cigarettes from 15-cents per milliliter to 33% of the invoice price, effective July 1, 2025.

Maine:

• LD1519 (HP1004) requires that, on or before November 1, 2026, a producer of vapor products must submit to the Department of Environmental Protection for review and approval a plan for the establishment of a stewardship program to manage unwanted vapor products sold by the producer at the end of the device's life. 180 days after a stewardship plan is approved by the department, a producer of vapor products may not sell or offer for sale in the State a vapor product unless the producer participates in an approved electronic smoking device stewardship program. The bill is scheduled for a hearing in the Joint Committee on Environment and Natural Resources on April 23, 2025.

Montana: The following bills failed after missing a legislative deadline on April 7, 2025:

- HB525 would have imposed a tax on vapor products at the OTP tax rate of 50% of the wholesale price.
- HB826 would have increased the cigarette tax from \$1.70 per pack to \$2.70 per pack.
- HB910 would have taxed vapor products and alternative nicotine products at the OTP tax rate of 50% of the wholesale price.

Nebraska:

- LB9, which was amended to include a tax on alternative nicotine products at the rate of 20% of the purchase price, remains on Select File as of April 17, 2025. The original version of the bill did not include a tax on alternative nicotine products. Would be effective January 1, 2026.
- LB170, which had an amendment filed that would increase the cigarette tax from 64-cents to \$1.36 per pack and impose a heated tobacco products tax of 32-cents per pack, remains on General File as of April 17, 2025. At this time, the proposed amendment has not been approved.
- LB712, which increases the tax on electronic nicotine delivery systems to 40% remains on General File as of April 17, 2025.

Nevada: The following bills failed after missing a legislative deadline on April 12, 2025:

- AB536 would have defined heated tobacco products and implements a tax of 90-cents (cigarettes taxed at \$1.80 per pack) if the product has a FDA modified risk tobacco product designation and the most recent post-market surveillance indicates less than 5% youth usage.
- AB279 would have banned the sale of cigarettes to anyone born after December 31, 2004.
 Additionally, the bill would require an online directory of approved vapor products that would only include vapor products that have received a PMTA Marketing Granted Order.

New Hampshire:

 SB80 consolidates licensing, auditing, and enforcement responsibilities for wholesale and retail e-cigarette sales under the Liquor Commission and for tobacco tax certificates to be issued by the Department of Revenue Administration and licenses to be issued by the Liquor Commission, was heard in the House Committee on Commerce and Consumer Affairs on April 16, 2025.

Oregon:

• SB1198 would prohibit the sale or distribution of inhalant delivery systems (vapor products) that are in packaging that is deemed attractive to minors. A hearing is scheduled in the Senate Committee on Rules on April 21, 2025.

Rhode Island:

• HB5770 (same as SB417) would reduce the cigarette tax imposed by 75% (current cigarette tax \$4.50 per pack) for any product that receives an FDA modified risk tobacco product designation, was recommended for further study by the House Committee on Finance on April 10, 2025.

Tennessee:

SB763 creates a vapor product directory through the Department of Revenue and implements a new vapor tax. The bill requires a vapor product manufacturer to certify (1) the manufacturer received a marketing granted order from the FDA or (2) the vapor product was marketed in the U.S. on or before August 8, 2016, and the manufacturer submitted a PMTA for the vapor product to the FDA on or before September 9, 2020, and the application was accepted. Further, the bill requires an identification check of anyone appearing to be less than fifty (50) years of age. The House amended the bill to do the following: create a new tax of 10% of the wholesale price on vapor products, effective 7/1/25; require each manufacturer of a vapor product to certify that the consumable material of the vapor product was processed or blended in the U.S. at an FDA-registered facility and the consumable material did not come from a foreign adversarial country; prohibit advertising or marketing to an individual under the age of 21; prohibit billboard advertisement within 1,000 radial feet of any childcare center or school (violation subject to fines); change the date that the directory would be published to January 1, 2027. Only vapor products listed on the directory would be allowed to be sold after a 60-day sellthrough period. The bill passed the House on April 16 and the Senate concurred on April 17, 2025.

Texas:

• SB1314 expands the definition of vapor products to include nicotine-free vaping substances, passed the Senate on April 16, 2025 and heads to the House for consideration.

Washington:

HB2068 would ban the sale of all flavored tobacco and nicotine products effective July 1, 2027. The bill would also increase the cigarette tax from \$3.025 to \$5.025 per pack and adjusts the tax on vapor products, smokeless tobacco and nicotine products to 95% of the taxable sales price effective January 1, 2026. A hearing was held in the House Finance Committee on April 7, 2025, and is scheduled for Executive Session on April 18, 2025.

State Legislative Sessions

All 50 states are holding state legislative sessions in 2025. The following 38 states are currently in session:

AL, AK, AR, AZ, CA, CO, CT, DE, FL, HI, IA, IL, IN, LA, ME, MA, MI, MN, MO, MT, NE, NV, NH, NJ, NY, NC, OH, OK, OR, PA, RI, SC, SD, TN, TX, VT, WA, WI

12 states have adjourned their 2025 legislative session:

• ID, GA, KS, KY, MD, ND, MS, NM, UT, VA, WV & WY

Kansas: The Legislature adjourned on April 11, 2025. No tobacco/nicotine related bills were considered.

West Virginia: The Legislature adjourned on April 12, 2025. With no carryover, the following bills failed:

- SB93, SB816 & SB900 would have created a vapor product directory by requiring or vapor product manufacturers to certify with the state (1) the manufacturer received a marketing granted order from the FDA or (2) the product was marketed in the U.S. on or before August 8, 2016, and the manufacturer submitted a PMTA for the vapor product to the FDA on or before September 9, 2020, and the application was accepted or (3) the PMTA was denied and is being legally challenged.
- SB758 would have established vape/smoke shops location requirements by prohibiting public entrances to a vape/smoke shop from being located within 1 mile of schools, colleges, parks, churches, government buildings, or near another vape/smoke shop.
- SB859 would have implemented a \$1.00 per pack user fee on the sale of cigarettes (in addition to the \$1.20 cigarette excise tax). The bill also expands the definition of tobacco products for taxation purposes to include nicotine pouches and vapor products.
- SB903 would have increased the cigarette tax from \$1.20 to \$2.70 per pack; increases the OTP tax from 12% to 51%; defines an electronic smoking device and includes ESDs in the definition of OTP; repeals the discount on tax stamps.
- HB2518 would have eliminated the state taxes on tobacco, vapor, alcohol products, and gambling.
- HB2762 defined heated tobacco products and implements a tax of 60 cents per pack (cigarettes taxed at \$1.20 per pack).
- HB3199 would have preempted local laws and rules for tobacco products that do not contain a characterizing flavor, which, as defined, does not include the flavors of tobacco, menthol, mint, and wintergreen. For vapor products and alternative nicotine products (nicotine pouches), preemption would apply only to those products that have received a marketing granted order from the FDA.