



February 27, 2026

State Legislative Bill Introductions

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

Iowa:

- HF2664 increases the cigarette tax from \$1.36 tot \$2.86 per pack and taxes vapor products as tobacco products at 50% of the wholesale sales price. The bill includes a floor tax on cigarettes and vapor products.

Kentucky:

- SB245 expands the licensing and enforcement framework for the retail sale of tobacco, nicotine, and vapor products; empowers the Department of Alcoholic Beverage Control to confiscate alternative nicotine products, tobacco products, or authorized vapor products if a business operates without a license.

Mississippi:

- HB4043 would have increased the wholesale minimum markup on cigarettes from 2% to 5% and the retail minimum markup on cigarettes from 6% to 12% (both phased-in over a 3-year period). The bill also would have imposed a new 50% tax on cigarette sales at wholesale and retail, calculated based on increases to the "minimum markup" under the state's Unfair Cigarette Sales Law and would have applied only to the increases in minimum price increases in the bill. This bill was introduced on February 23, 2026 and died in committee on February 24th.

New Jersey:

- S35545 caps the tax on cigars at 50 cents per cigar.

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:

Arizona:

- HB4001 would establish a regulatory framework for alternative nicotine products, which are defined as any noncombustible product that contains nicotine and that is intended for human consumption whether chewed, absorbed, dissolved, or ingested. Amends existing alcohol and beverage code to include alternative nicotine products under the Department of Liquor Licenses and Control's authority. Requires retailers to obtain a specific license to sell alternative nicotine products. Retailers must verify a purchaser's age (21+), including scanning IDs using an electronic scanner or biometric identity verification device. The bill would prohibit products designed or packaged in ways that appeal to minors, including mimicry of youth-oriented trademarks, toy shapes, food/beverage designs, or celebrity imagery. The bill received a "Yes" vote from both the House Minority and Majority Caucus and awaits a full floor vote.
- HB2765 was amended to establish a regulatory framework around vapor products (definition includes nicotine analog products). The bill requires vapor product manufacturers to be licensed, which includes manufacturers attesting of each vapor product sold, volume of nicotine sold, compliance with US Customs & Border Protection import requirements. Retailers are required to sell only vapor products purchased from a distributor or licensed manufacturer. Distributors are also required to purchase vapor products from a licensed manufacturer. Provides penalties for violations. The bill received a "Yes" vote from both the House Minority and Majority Caucus and awaits a full floor vote.

Colorado:

- SB26-086, which reduces the tax on premium cigars to 20% of the manufacturer's list price, will be considered in the Senate Finance Committee on March 3, 2026.

Connecticut:

- HB5228 limits the issuance of a dealer's license after 10/1/26 to applicants who (1) have less than 25% of the floor area dedicated to the retail sales of cigarettes and tobacco products and (2) have gross sales from cigarettes and tobacco products less than 50% of the total annual sales. Existing tobacco-only stores are not affected, but adding additional locations for existing businesses or new applicants for new stores would not be permitted if (1) and (2) are not adhered to. The bill will be heard in the Joint Committee on General Law on March 4, 2026.

Hawaii:

- HB1563, which repeals statewide preemption and would allow localities to implement tobacco and nicotine regulations passed the House Consumer Protection Committee and heads to the House Finance Committee on February 20, 2026.
- SB2175 prohibits disposable vapor products. The Senate Committee on Judicial Conduct (JDC) will consider the bill on February 27, 2026. The House version (HB2121) passed the House Health Committee and referred to the House Consumer Protection Committee.
- SB2410 creates a vapor directory and allows only vapor products that have received FDA PMTA Marketing Granted Orders to be on the directory. Beginning January 1, 2027 only vapor products on the directory would be allowed to be sold. The bill passed the Seante Health Committee and was referred on February 20, 2026 to the Commission on Judicial

Conduct and the Ways and Means Committee. The House version (HB1573) passed the House Judiciary Committee on February 25, 2026.

Indiana:

- SB144, which changes penalties for selling tobacco, vapor, or nicotine products to a person less than 21, passed the House, as amended, and returned to the Senate on February 24, 2026. The bill was amended to prohibit advertising e-liquid or vapor products within 1,000 feet of school property.
- HB1052 contains language that requires wholesalers to have a sales certificate to sell tobacco products and vapor products. The certificate is issued only to a person who operates from a permanent building that is used for the wholesale distribution of tobacco products and vapor products. It provides for the suspension of a sales certificate (license) if the certificate holder's employees violate identification requirements three or more times within a one-year period. The conference committee report was filed in the House and Senate on February 25, 2026.
- SB185 contains language to prohibit the sale and distribution of e-liquids manufactured in or imported from a foreign adversary, to provide for the suspension of a sales certificate (license) if the certificate holder's employees violate identification requirements three or more times within one year, and to require wholesalers to obtain a tobacco sales certificate. House and Senate conferees had been appointed. The Senate withdrew concurrence and dissented from House amendments on February 26, 2026.

Iowa:

- SSB3145 proposes to increase the cigarette tax from \$1.36 to \$2.01, implement a vapor tax at 15% of the retail sales price, and increase the OTP tax from 50% to 55% of the wholesale sales price. The bill changes the tax on snuff from \$1.19 per ounce to 55% of the wholesale sales price, caps the cigar tax at \$.55 per cigar, and provides for an inventory tax on all products. The bill failed in the Senate Health and Human Services Committee on February 19, 2026.
- HSB694 (Governor's Bill) contains language to increase the cigarette tax from \$1.36 to \$2.01, implement a vapor tax at 15% of the retail sales price, and increase the OTP tax from 50% to 55% of the wholesale sales price. It caps the cigar tax at \$.55 per cigar, changes the tax on snuff from \$1.19 per ounce to 55% of the wholesale sales price, and provides for an inventory tax on all products. The bill was amended to remove the proposed tax increases on cigarettes, vapor products, and OTP. It passed from the House Health and Human Services Committee on February 17, 2026, and was renumbered as HF2676.

Kansas:

- SB355, which amends the Kansas Cigarette and Tobacco Products Act to expand regulatory oversight to include electronic cigarettes alongside traditional cigarettes and tobacco products. Requires all manufacturers of electronic cigarettes to obtain a state-issued license. This bill passed the Senate as amended on February 11, 2026 and was referred to the House Federal and State Affairs Committee on February 13, 2026. The amendments include prohibiting the sale of electronic cigarettes marketed to children (cartoon characters, celebrities, etc.) and increasing the license fee for manufacturers to \$2,500.

- HB2783 increases the tax rate on electronic cigarettes from \$0.05 to \$0.15 per milliliter of consumable material used in electronic cigarettes. This bill will be considered in the House Taxation Committee on March 2, 2026.

Maryland:

- HB918 (same as SB279), which authorizes the City of Baltimore to implement its own laws (preemption repeal) regulating the sale of tobacco and nicotine products, will be heard in the House Economic Matters Committee on March 4, 2026.
- HB1576, which increases the tax rates on (1) electronic smoking devices from 20 % to 30% of the taxable price and (2) vaping liquid sold in a container that contains 5 milliliters or less of vaping liquid from 60% to 90% of the taxable price, will be heard in the House Ways and Means Committee on March 3, 2026.

Mississippi:

- HB1345 establishes administrative procedures for the forfeiture of ENDS products and cigarettes seized for violating state directory laws, passed the Senate Finance Committee as amended on February 26, 2026.

Missouri:

- HB2085 implements statewide preemption regulating the sale of tobacco products, alternative nicotine products, and vapor products. As a result, local jurisdictions in the State could not enact tobacco-related ordinances such as flavor bans. The bill passed third reading in the House on February 26, 2026.

Nebraska:

- LB1124, which increases the tax on cigarettes from \$0.64 per pack to \$1.64 per pack, was placed on General File as amended on February 25, 2026. The amended version adds a section that would tax all electronic nicotine delivery systems at 30% of the purchase price.
- LB1254, which prohibits the sale of electronic smoking devices without a child safety feature, was considered in the Judiciary Committee on February 26, 2026.

Oregon:

- SB1571 was amended in the Senate. The bill expands tobacco and nicotine definitions to cover all nicotine forms, including pouches, lozenges, and inhalant delivery systems, requires any sale of tobacco products to occur in person, replaces the criminal under-21 sales prohibition with civil enforcement, and adds requirements for labeling, child-resistant packaging, and retailer notices. The bill passed the Senate and passed the House Rules Committee on February 26, 2026.

South Carolina:

- SB287 creates a vapor product directory through the Attorney General. 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. The directory would be published by February 1, 2027. Each manufacturer of vapor products must submit

documentation to the AG substantiating compliance with any new federal requirements. Only vapor products listed in the directory will be allowed to be sold. There is a 60-day sell-through period for wholesalers and retailers. The bill also bans certain vapor products, including those that use the term “candy,” “cake,” and “cartoon images.” The bill was signed by the Governor on February 25, 2026.

South Dakota:

- HB1220 requires a license to sell nicotine products at retail; a separate license is required for each location. A nicotine product retailer may buy nicotine products only from a nicotine product distributor. Distributors are required to obtain a nicotine product distributor license. The bill includes penalties for selling nicotine products without a license. It passed the House on February 19th and will be heard in the Senate Health and Human Services Committee on March 2, 2026.
- HB1240, which requires wholesale and retail licensing for the distribution and sale of vapor products and includes penalties for violations for selling without a license, failed in the House (31y to 36n) on February 18, 2026.
- SB221 requires retailers to obtain a license to sell nicotine products (alternative nicotine products, tobacco products, including cigarettes, and vapor products), with a fee of \$500 for a business that derives annual gross income of 50% or more from the sale of nicotine products and \$250 for a business that derives less than 50%. In addition, retailers must maintain inventory and sales records for three years, are subject to regular inspections, and must purchase nicotine products from a licensed distributor. Further, the bill requires signage for age-21 sales, imposes penalties for violations, and prohibits remote sales. The bill passed the Senate on February 24, 2026.

Tennessee:

- SB2293, which expands the definition of consumable material to include natural and synthetic liquid nicotine solutions or a liquid nicotine analogue, and assigns fine authority to the ABC, will be heard in the Senate Commerce and Labor Committee on March 3, 2026.

Utah:

- SB210 was substituted in the Senate. The bill changes nicotine and electronic cigarette regulations by standardizing and increasing licensing fees, expanding definitions to cover all nicotine products including pouches, lozenges, and inhalant delivery systems, updating enforcement and penalties for sales of unregistered or non-compliant products, clarifying inspection authority, and establishing a dedicated restricted account to fund product disposal and enforcement. The bill passed the full Senate and was sent to the House where it is with the House Rules Committee.
- HB337 was substituted in House committee. The substitute bill reduced cigarette tax increase from \$1.70 to \$3.45 per pack (previous proposed rate \$3.70 per pack). The bill also increases the moist snuff and nicotine pouch tax from 56% to 86%, and adds specific funding distribution provisions, effective July 1, 2026. The bill passed the House and was sent to the Senate Rules Committee.
- HB447 was amended in the House. The bill authorizes the remote (internet, mail, etc.) sale of cigars and pipe tobacco to consumers and imposes a special excise tax at 86% of

manufacturer's sale price of the product. Remote sellers must obtain a new remote-sales license to be authorized for sale. Implements criminal penalties and enforcement provisions for non-compliance. The bill includes coordination language aligning the new license with existing tobacco licensing laws and includes a special effective date of January 1, 2027. The amended bill passed the House and was sent to the Senate Revenue and Taxation Committee.

- HB 385 was substituted in the House. The bill creates a specialized product retailer license for businesses selling specialized products, including nicotine, electronic cigarette, cannabinoid, and kratom products. The previous revenue/floor-space thresholds for "retail tobacco specialty businesses" were removed. The annual retailer license fee was reduced from \$10,000 to \$600, and licensed retailers must provide a product list and an ingredient disclosure for all products. The substitute bill passed the House and was sent to the Senate Natural Resources, Agriculture, and Environment Committee.

Vermont:

- S198 expands the definition of a tobacco substitute to include nicotine pouches. The bill would tax nicotine pouches with a nicotine concentration of less than 5 milligrams per gram at 92% of the wholesale price, and with a nicotine concentration of 5 milligrams per gram or higher at 100% of the wholesale price. In addition, the bill requires tax stamps for tobacco substitutes (which include vapor products and nicotine pouches) and significantly increases fees for a tobacco license. The Senate Committee on Economic Development, Housing, and General Affairs heard the bill on February 26, 2026, and no vote was taken.

Virginia

- HB308 transfers responsibilities related to licensing and enforcement of retail tobacco products (including vapor products) from the Department of Taxation to the Virginia Alcoholic Beverage Control Authority (ABC Authority). The bill also establishes a new permit system for retailers selling tobacco products. Each business location must hold its own retail tobacco permit, with application and annual fees. The bill, as amended, passed the House. As amended, it must be reenacted by the 2027 session of the General Assembly to become effective. The bill was heard in the Senate Rehabilitation and Social Services Committee on February 27, 2026.
- SB620, which transfers responsibilities related to licensing and enforcement of retail tobacco products (including vapor products) from the Department of Taxation to the Virginia Alcoholic Beverage Control Authority (ABC Authority). The bill also establishes a new permit system for retailers selling tobacco products. Each business location must hold its own retail tobacco permit, with application and annual fees. The House Committee on General Laws reported the bill with a committee substitute on February 26, 2026.

Washington:

- HB2382, which increases the cigarette tax from \$3.025 to \$5.025 and increases maximum tax on cigars from \$0.65 to \$0.85. The bill was referred to House Appropriations Committee on February 24.
- SB6129 was substituted in committee. The substitute bill establishes a uniform excise tax on all nicotine products except cigarettes at 95% of the taxable sales price, repealing previous vapor and tobacco product tax structures. The bill also increases the cigarette tax

from \$3.025 to 5.00 per pack. The bill received a favorable recommendation from the Senate Ways & Means Committee and was sent to the Senate Rules Committee for consideration on February 23.

West Virginia:

- HB5437 creates a vapor product directory by requiring vapor product manufacturers to certify with the state (1) the manufacturer received a marketing authorization or similar order for the vapor product from the FDA or (2) the manufacturer submitted a PMTA for the vapor product to the FDA and the application remains under review by the FDA or a final decision on the application has not taken effect. The State Tax Commissioner and the Alcohol Beverage Control Commissioner would be required to make the directory publicly available. The sale of any vapor product not listed in the directory would be prohibited. Vape or smoke shop retailers are required to be licensed and can only sell vapor products listed in the directory. The bill imposes penalties for violations by distributors, wholesalers, retailers, and manufacturers and provides for unannounced compliance checks. The bill passed the House Committee on Health and Human Resources, as substituted, and was referred to the House Committee on Judiciary on February 23, 2026.
- SB392 increases the vapor tax from 7.5-cents per ml to \$1.20 per cartridge/closed systems and 25-cents per ml for open vapor systems passed the Senate on February 20, 2026, and was sent to the House Finance Committee for further consideration.

Wyoming:

- SB96 modifies tobacco taxes by explicitly including cigars and pipe tobacco in the taxable events and establishes that the applicable tax must be paid on each nicotine product, but not more than once per product. For cigars, the bill sets a maximum excise tax of thirty cents (\$0.30) per cigar. This bill failed third reading in the Senate by a vote of 13y-18n on February 23, 2026.

State Legislative Sessions

46 states are holding state legislative sessions in 2025. The following 42 states are in session:

- AK, AL, AZ, CA, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, MA, MD, ME, MI, MN, MO, MS, NC, NE, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, SD, TN, UT, VA, VT, WA, WV, WI

New Mexico adjourned its 2026 session. As a result, a bill to increase tobacco taxes failed.