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## **OLR Bill Analysis**

### **sHB 5228**

#### ***AN ACT CONCERNING ELECTRONIC NICOTINE DELIVERY SYSTEM AND VAPOR PRODUCT DEALERS.***

#### **SUMMARY**

This bill adds to the reasons for the Department of Consumer Protection (DCP) to deny an initial or renewal e-cigarette dealer registration, to include when the applicant (1) has over 50% of annual gross revenue from sales of certain nicotine-related products and (2) uses more than 25% of retail sales area for selling these products.

The bill requires dealers to submit information as DCP requires to determine that not more than (1) 50% of the applicant's annual gross revenue at the location will come from sales of cigarettes, drug paraphernalia, electronic nicotine delivery systems, nicotine products, synthetic nicotine, tobacco products, and vapor products and (2) 25% of the total floor area dedicated to sales at the location will be dedicated to sales of these products. For renewals, the information must instead tie back to the prior registration period's sales, and the bill specifically requires DCP to deny the renewal if these thresholds are exceeded.

The bill also adds to the grounds for DCP to deny initial registrations (but not renewals) to include when the proposed business is located in a municipality that already has one dealer for every 2,500 residents based on the most recently completed decennial census.

The above provisions apply to (1) initial applications submitted on or after October 1, 2026, or (2) renewals of registrations initially issued on or after that date.

Existing law sets several other grounds for which DCP may refuse to grant or renew a dealer registration, such as fraudulent or deceitful practices or failure to maintain effective controls against theft, diversion, or loss.

EFFECTIVE DATE: October 1, 2026

**BACKGROUND**

***Related Bill***

sSB 231, favorably reported by the General Law Committee, adds additional reasons for DCP to deny an e-cigarette dealer registration.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 20    Nay 0    (03/11/2026)