
DIGEST

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HB 623 Original

2026 Regular Session

Henry

Abstract: Provides for a three-tier system of permitting for the producers, manufacturers, and wholesalers of tobacco and vapor products.

Present law (R.S. 26:902) provides for the issuance of retail dealer and wholesale dealer permits for the sale of tobacco and vapor products in the state of La.

Proposed law retains present law and provides for a three-tier system for the issuance of permits for the sale of tobacco and vapor products in the state of La.

Proposed law provides that a manufacturer of tobacco or vapor products cannot:

- (1) Hold a retail dealer permit.
- (2) Hold a wholesale dealer permit.
- (3) Possess any direct or indirect financial interest in a permitted wholesaler or retailer in the state of La.

Proposed law provides that a wholesaler of tobacco or vapor products cannot:

- (1) Hold a retail dealer permit.
- (2) Be a manufacturer of tobacco or vapor products.

Proposed law provides that a retailer of tobacco or vapor products cannot:

- (1) Hold a wholesaler permit.
- (2) Be a manufacturer of tobacco or vapor products.
- (3) Purchase tobacco or vapor products from any person other than a wholesaler with a valid permit issued in the state of La.

Proposed law provides that all tobacco and vapor products must be sold by a manufacturer to a wholesaler with a valid permit. Further prohibits the direct shipment of products from a manufacturer to a retailer. Permits the direct shipment to a consumer provided that the seller has a

valid wholesale permit and complies with tax and reporting requirements.

Proposed law requires the commissioner of the office of alcohol and tobacco control (ATC) to establish and approve a digital product registry and chain of custody tracking system to track the transfer of tobacco and vapor products between tiers.

Proposed law provides for penalties of not less than \$5,000 nor more than \$25,000 for a first offense and suspension of a permit for 90 days. For a second offense, a permit is revoked. Further provides that all penalties shall be retained by the commissioner.

Proposed law provides that the purchase of products from an unauthorized source is a violation of proposed law and that the products are subject to forfeiture.

(Adds R.S. 26:914.1 and 914.2)