

**HB 2528 B STAFF MEASURE SUMMARY**

**Carrier:** Rep. Hudson

**House Committee On Revenue**

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**Action Date:** 06/04/25

**Action:** Do pass with amendments and rescind subsequent referral to Ways and Means. (Printed B-Eng.)

**Vote:** 5-1-1-0

**Yeas:** 5 - Hudson, Marsh, Nathanson, Smith G, Walters

**Nays:** 1 - Reschke

**Exc:** 1 - Levy B

**Fiscal:** Has minimal fiscal impact

**Revenue:** Has minimal revenue impact

**Prepared By:** Jonathan Hart, Economist

**Meeting Dates:** 5/13, 5/29, 6/3, 6/4

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**WHAT THE MEASURE DOES:**

Adds nicotine derived from any source to the definition of tobacco products for purposes of regulation. Repeals the criminal prohibition of sales of tobacco products and inhalant delivery systems to a person under 21 and replaces it with a civil prohibition enforced by the Oregon Health Authority (OHA). Prohibits distributing, offering, or providing free samples of tobacco/nicotine products or inhalant delivery systems. Requires sale of tobacco and nicotine products to occur at licensed premises. Applies beginning October 1, 2025. Takes effect on 91st day following sine die.

**ISSUES DISCUSSED:**

- Existing Federal and Oregon regulations and enforcement for nicotine products
- FDA approval of cessation products versus marketing approval
- Use of nicotine products as alternative to products containing tobacco
- Penalties for selling products to people over 21
- Risks and benefits of nicotine products versus tobacco products
- Scope of agency rulemaking authority

**EFFECT OF AMENDMENT:**

Replaces the bill.

**BACKGROUND:**

HB 2528 would add products with nicotine from any source to Oregon regulation.

The products are included in federal regulation. In 2020 Congress raised the minimum age to purchase tobacco products to 21. In 2022, Congress expanded the definition of tobacco products for regulation to include products containing "nicotine from any source" in the Consolidated Appropriations Act. The U.S. Food and Drug administration has specifically noted that nicotine pouches are subject to regulation.

While many products would be added to regulation under the bill, the primary category of additional products are [nicotine pouches](#). An oral nicotine pouch is a small bag that contains nicotine and some other ingredients, but it does not contain tobacco leaf. Other products include nicotine lozenges that look like small hard candies and as they dissolve, the nicotine is absorbed by the mouth. The leading nicotine pouch in the United States is ZYN, with owner [Philip Morris International reporting](#) shipments of 202 million cans (usually 15 pouches each) in the first quarter of 2025, and a market share around 70 percent of value and 60 percent of volume.