



**2017
GENERAL ASSEMBLY LEGISLATIVE REPORT**

March 10, 2017



Now that the 2017 General Assembly Session has ended, we are pleased to provide the members of the Virginia Smoke Free Association (“VSFA”) with a summary of legislation affecting the e-cigarette and vapor industry, as well as a general overview of our activities this session designed to increase VSFA’s profile across the legislative landscape and throughout Virginia. Please contact us regarding the information contained here if you have any questions or comments. We welcome the opportunity to speak with you.

Sincerely,

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VAPOR INDUSTRY LEGISLATION

BILL	DESCRIPTION	ACTION
HB2056	<ul style="list-style-type: none"> • Would have established two new taxes at the state level - a \$0.05/ml tax on e-liquid, and another 10% tax on hardware. • Would have enabled counties, cities, and towns to individually pass ordinances levying those same taxes at the local level. • Would have created a new state licensure requirement. 	STRICKEN 
SB938	<ul style="list-style-type: none"> • Would have authorized a locality, by ordinance, to designate nonsmoking areas in an outdoor amphitheater or concert venue owned by a locality. 	DEFEATED 

HIGHLIGHTS OF THE 2017 SESSION

The General Assembly met in Richmond from January 11 until February 25, 2017 to conduct its annual Regular Session business. As is customary in odd-numbered years, the legislature met for 45 full days and focused on the Commonwealth's 2016-2018 budget totaling \$107 billion. The VSFA and its lobbying team were successful not only in defending the rights and opportunities of Virginia's vapor industry, but the Association also had its most successful year building awareness among legislators across the State.

The beginning of the 2017 session saw the proposal of two pieces of legislation, each of which could have potentially harmed the VSFA differently. HB2056, while it did not seek an outright ban on the vapor industry and its products, was the most comprehensively damaging bill the Association has seen since its founding. As originally proposed the legislation would have established a number of state taxes on member businesses, would have given all Virginia localities the ability to levy those same taxes, and would have created a statewide licensure requirement for member companies. With a focused effort by legislative counsel, the Association was able to work with the bill's chief sponsor and have the bill stricken.

SB938 was a "slippery slope" bill that, while it focused on "smoking" and would not have directly affected the VSFA as introduced, VSFA monitored to ensure it would not be amended to damage the vapor industry. In concert with industry partners, the VSFA tracked the bill through the Senate until it died in a House committee.

VSFA leadership had two successful General Assembly Days meeting with key legislators. Jay Taylor, Yan Glazer, Mike Maculley, Mike Provost, and lobbyists Steve Baril and James Hoffman met with the Speaker-Elect, the Senate Majority Leader, key members of the powerful House Finance Committee, among other influential members of the General Assembly. General Assembly days are essential to heightening the legislature's awareness of VSFA, and allowing legislators the opportunity to meet our members.

For the second straight year, VSFA not only repelled damaging legislation, but went further than ever to make itself the leader in the vapor industry in Virginia.

Disclaimer

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