



**2018
GENERAL ASSEMBLY LEGISLATIVE REPORT**

March 21, 2018

The 2018 General Assembly regular session ended March 10, and we are pleased to provide the members of the Virginia Smoke Free Association (“VSFA”) with a general overview of our activities this session and a summary of important legislative items. Alongside VSFA’s leadership, we continue to build the Association’s profile across the legislative landscape and throughout Virginia while working to protect the vapor industry and tell its dynamic story. 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	STATUS
SB303	<ul style="list-style-type: none"> • Would have treated nicotine vapor products like tobacco products. • Would have banned open-air use on all school property and at all school sponsored events, including off-site. 	DEFEATED 
Budget Amendment (3-5.16 #3s)	<ul style="list-style-type: none"> • Would authorize study of current taxation of tobacco products, vapor products, and other “modified risk” products. • Potential restructure of entire taxation landscape, including vapor products. • Study due on NOV 1, 2018. 	PARTICIPATE 

HIGHLIGHTS OF THE 2018 SESSION

The General Assembly met in Richmond from January 10 until March 10, 2018 to conduct its annual regular session business. As is customary in even-numbered years, the legislature met for 60 days and focused on the Commonwealth's 2018-20 budget totaling \$115 billion. The regular session ended on March 10, but the legislators left Richmond without agreeing on a budget. As a result, the Governor has scheduled a special session on April 11 when lawmakers will return - sharply divided over Medicaid expansion and other budget issues. Contrary to most political logjams, the prospect of expansion and its effect on the budget largely pits House vs. Senate and Republicans vs. the Governor. The House favors expansion with a "work-for-benefits" requirement - the Senate objects to expansion. Our legislative team will keep the VSFA up-to-date as developments happen and news breaks.

The beginning of the 2018 session saw the proposal of one piece of bad legislation and a potentially devastating budget amendment. SB303 would have lumped "vapor products" with "tobacco products," and banned them on all school grounds as well as at all offsite school events. We used SB303 to challenge the all too frequent practice of treating "vapor products" identically to "traditional tobacco products." We successfully made this important distinction for the vapor industry, and the bill was killed by a Senate committee. This strategy of "differentiation" became our mantra during a very successful General Assembly Day.

On March 7, VSFA representatives Jay Taylor, Yan Gleyzer, Duane Leister, Tracy Musgrove, Amy McCann, and Maggie Gowen, along with lobbyists Steve Baril and James Hoffman, spoke with 13 legislators and 8 legislative aides. Central to our message was the differentiation of vapor products from tobacco products, prevention of youth access, smoking cessation, and the concerns of small business owners. We successfully used our General Assembly Days to heighten the legislature's awareness of VSFA by meeting our members and presenting our stories about helping people quit smoking.

What is most critical to the VSFA going forward is a budget amendment introduced with the support of Richmond-based Altria Group. This amendment (which we believe will remain in the final document to be agreed upon next month), calls for a post-session study of Virginia's tax structure for tobacco products and requests the Joint Subcommittee on Tax Preferences to evaluate vapor products and other "modified risk" products currently not taxed. The Subcommittee's findings are to be reported to the General Assembly by November 1, 2018. ***Clearly, this could be the death knell of the vapor industry and requires VSFA's attention.***

VSFA has been invited to participate in this study to protect the interests of the vapor industry. We strongly urge the VSFA to do so.

Disclaimer

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