

kvcf kaplan voekler cunningham & frank PLC

2016 GENERAL ASSEMBLY LEGISLATIVE UPDATE

April 4, 2016

Now that the 2016 General Assembly Session has ended, we are pleased to provide the members of Virginia Smoke Free Association ("VSFA") with highlights of the session and legislation affecting the e-cigarette and vapor industry. Please contact us regarding these or other pieces of legislation. We welcome the opportunity to speak with you.

Sincerely,

Stephen E. Baril Kaplan Voekler Cunningham & Frank PLC 804.823.4003 <u>sbaril@kv-legal.com</u>

BILL	DESCRIPTION	ACTION
<u>SB 231</u>	Would have expanded the definition of "smoking" to include all "vapor products," and would have banned all vapor products from indoor public places.	DEFEATED
<u>SB 224</u>	Would have required each school board to implement policy to prohibit the use of tobacco products, including "vapor products," on all school property or at school-sponsored activities.	DEFEATED
<u>HB 627</u>	Would have created a new state tax on all "vapor products" at the rate of 15% of the manufacturer's sale price for the vapor products.	WITHDRAWN

VAPOR INDUSTRY LEGISLATION

OTHER HIGHLIGHTS OF 2016 SESSION

VSFA's defeat of three (3) very damaging pieces of legislation in its first session was quite an accomplishment. VSFA, in collaboration with Altria, S&M Brands and other notable lobbying groups, was able to kill SB 231 (banning vapor products from all indoor public places) in the Senate Local Government Committee 8-4. SB 224 was viewed as legislative overreach and was defeated on the House floor 38 - 60. After meeting with Del. Krizek (D – Alex.) early in the session, he not only withdrew HB 627 (new tax on all vapor products), but he asked to meet with VSFA representatives to learn more about the e-cig and vapor industry.

Legislative Day was another highlight of the session. President Jay Taylor, Amy McCann, Mike Provost, and VSFA lobbyist Steve Baril spent a half-day visiting with six (6) senators and five (5) delegates, including the chairmen of the powerful House Finance Committee, which has jurisdiction over all tax bills, and the Senate Local Government Committee, which had jurisdiction over SB 231. Eight (8) of these senators and delegates also represent districts where VSFA members are located. This delegation also included two of the physicians in the General Assembly, both of whom acknowledged the potential benefits of the vapor industry to reduce the harmful effects of traditional tobacco products.

In addition to Legislative Day, lobbyist Steve Baril met with dozens of other members of the General Assembly and provided them with VSFA brochures introducing them to the vapor industry and its potential benefits of reducing the harmful effects of traditional tobacco products.

For a new industry association, VSFA had a splendid first session and its members should be proud of these accomplishments.

Disclaimer

This information is provided for informational purposes only and is not intended to be legal advice. An attorney should be consulted when developing business plans or policies based upon this information.

Stephen E. Baril Kaplan Voekler Cunningham & Frank PLC 1401 East Cary Street Richmond, VA 23219 sbaril@ky-legal.com