



January 26, 2024

The third week of the 2024 Virginia General Assembly session has been a whirlwind of activity of issues impacting the membership. This will continue over the next two weeks as each branch works to conclude work on its own bills by February 13. Following are some of the issues impacting the membership:

Jobbers Are Refiners Issue

Your association has devoted more time to this issue than any other in recent memory. Last year's bill was an effort by dealers in Prince William County to void existing supply agreements and give them right of first refusal to buy jobber/distributor owned properties. This year the dealers are again seeking to put contractual relationships between jobber/ distributors into the Virginia Code for the first time ever, but with a different outcome. The bills as drafted ([SB248](#) and [HB392](#)) provide that the rental provisions in an agreement or franchise shall be based on commercially fair and reasonable standards at a fair market value of the leased marketing premises. If a dealer believes that the terms of an agreement do not meet the fair market value, the dealer may hire at his expense an independent third party appraisal company from a list of appraisal companies provided by the jobber/distributor to provide a market valuation study.

Rather than a statewide bill, we have been insisting that the provisions be limited to Planning District 8 (Northern Virginia) and that any legislation only applies to agreements entered into after July 1, 2024. Still under review are the provisions of the appraisal and renewals of existing contracts. The bills could be acted upon next week.

Tobacco Licensing

Virginia is currently one of ten states that does not require a license and fees to sell tobacco products. This year we have seen two bills ([HB790](#) and [SB582](#)) to require per location license with an annual renewal fee of at least \$300. The real objective for the public health groups pushing the bills is to permanently revoke licenses of those convicted of selling underage persons a third time and to create a permanent revenue stream for increased underage buyer sting operations.

In a meeting with the bill's sponsor Patrick Hope of Arlington and other groups this week we pointed out that the state already requires two state registrations for each location that sells tobacco products and instead of new mandates and fees we would support facilitating information sharing between the tax department (which administers the registrations) and the agencies responsible for assuring compliance with Virginia's tobacco 21 law. We also showed a study from the US Centers for Disease Control that 88 percent of youth access to tobacco and vape products comes from social sources - obtaining from friends, family, the internet and theft. The remaining 12 percent comes from commercial sources – 3.4 percent were convenience stores according to CDC. Given these

statistics, we told the delegate that we will continue to oppose any bill that focuses 100% on sellers. The new Democratic majorities in both branches will make it extremely hard to defeat this bill, but we continue to work diligently to minimize its impact.

As you can see from the linked list below, there are a great number of issues that we are following on behalf of association members this year. So far it appears that the most concerted efforts of the "electrify everything" movement are directed at leaf blowers and other landscaping equipment. It is too soon to tell if those efforts will be successful.