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Legislation to Increase Tobacco Purchase Age to 21

We learned early in the week that legislation would be introduced to raise the legal age for purchase of cigarettes, OTP and vaping products from 18 to 21. Two bills were introduced on Thursday and were immediately endorsed by Democratic and Republican leaders of both branches and Governor Northam. A remarkable turnaround which would have been unthinkable in Virginia just a few years ago is now virtually certain to happen on July 1.

Pressure from the Federal Drug Administration to end what it deems a national epidemic of teenage vaping has fueled much of these efforts as has Altria's growing presence in noncombustible products.

House Bill Threatens Kinder Morgan Expansion in Roanoke

Shortly after the closing of Line 25 by Colonial Pipeline last September, Kinder Morgan announced plans to increase capacity along its Plantation Pipeline to Roanoke. Unfortunately, these plans are at risk due to legislation, [HB1635](#), by Delegate Sam Rasoul of Roanoke which seeks to eliminate fossil fuel use in Virginia by 2050. One provision of this legislation would prohibit expansion of any pipeline by more than five percent. We are opposing this bill strongly and pointing out that the effect of the bill will be decreased availability and higher cost of petroleum products for SW Virginia consumers.

Gambling/ Lottery

Friday, a packed house at a Senate General Laws and Technology committee held a hearing on multiple bills to legalize sports betting and casinos in

Virginia. Currently there are two casino proposals, one each for Bristol, Danville and Portsmouth, and another by the federally recognized Pamunkey Indian tribe in Norfolk. Last week the Pamunkeys made an abrupt shift of strategy abandoning, for the time being at least, their efforts to put a casino in Norfolk under the sovereignty status they gained during the Obama Administration. They now want to be allowed to open a casino thru the General Assembly process. Also considered were two bills to allow sports betting in Virginia. Efforts to lift Virginia's ban on online lottery sales are almost certainly dead for the year as the US justice department issued new guidance this week stating that online lotteries are illegal and giving the four states with online games 90 days to end their programs.

Interstate 81

There is a great deal of talk, but no action so far on the state's proposal to rehabilitate interstate 81. A VDOT study has recommended a two billion dollar spending project with two funding alternatives, expansion of the 7.6 cent (gasoline) and 7.7 cent (diesel) local gas tax combined with a sales tax increase or imposing a 17 cent per mile toll on commercial vehicles. Right before session, Governor Northam and I-81 area legislators endorsed tolling. VPCMA strongly opposes expansion of the local gas tax to I-81 jurisdictions as these jurisdictions are not contiguous and will lead the transfer of gallons from locations with the tax to those without it, and increase the possibility of tax evasion. Once the debate over interstate 81 funding concludes, we can expect to see a concerted effort in 2020 to raise the statewide fuels tax. [Here](#) are three pages from State Finance Secretary Aubrey Layne's presentation this past week. In it he bemoaned the fact that fuel tax collections were not going to meet their projections next year. Of course he did not mention that their projection of a 5.6 percent increase in fuels taxes was wildly optimistic, and the actual increase of 2.6 percent is in keeping with national trends. We will be recommending that one of the fixes to transportation funding is to require electric vehicles to pay more than they are paying today - \$64 annually- less than half of what the most fuel efficient vehicles pay in taxes.

For a full listing of bills we are following, [click here](#).