



VAPOR TECHNOLOGY ASSOCIATION
FROM THE TRENCHES: VTA WEEKLY UPDATE

April 28, 2017

THE FEDERAL FRONT

VTA MEETS WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

In a first-of-its-kind meeting, vapor industry leaders from VTA met with senior leadership at the U.S. Department of Health and Human Services. We presented a strong and detailed case for why vape shops and manufacturers all across the country need relief from the current deeming regulation (slide example below). In addition, we presented some of the significant positive scientific research that was not considered by FDA during the comment period of the deeming. We will be following up on additional requests for information on what was an engaging dialogue. Also, we took the opportunity to personally deliver to HHS senior staff the letter to Health and Human Services Secretary Tom Price which was signed by over 2,000 vapor business owners from all 50 states urging the agency to take immediate action to repeal, halt or dramatically delay the FDA's May 2016 Final "Deeming" Rule.



[CLICK HERE TO READ THE](#)

[FULL LETTER](#)

How HHS Can Save Vapor

The vapor industry is seeking an extension of the deadlines contained in the Deeming Rule for 2 years.
We need clarity on this now.

- From the smallest vape shop owner trying to plan a lease to the largest companies developing sophisticated testing plans, this regulatory uncertainty has resulted in an inability to plan a path forward.
- Employing the most generous standard: to adequately fulfill requirements associated with PMTA testing, the industry needs an extension of deadlines now. In meeting with the Agency, the Center often deferred to pharma standards.
- We feel FDA is not adequately prepared to provide industry with sufficient guidance and clarity on these very expensive processes.





VAPOR TECHNOLOGY ASSOCIATION

FROM THE TRENCHES: VTA WEEKLY UPDATE

April 28, 2017 – Page 2

THIS IS IT! WE NEED EVERYONE TO FOCUS.

CONGRESS HAS EXTENDED THE CONTINUING RESOLUTION BY 1 WEEK.

THAT MEANS YOU HAVE A FEW MORE DAYS TO LET CONGRESS KNOW WHAT WE NEED NOW!

The Cole-Bishop Amendment is only a few inches away from the finish line.

What we need is everyone to make the strongest final push.

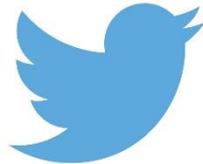
Every vape shop owner and every manufacturer and every supplier to stop and **MAKE YOUR VOICES HEARD!**

This is **NOT** something you can put off. Please take a few minutes **TODAY** to save vapor!

MAKE THREE CLICKS BELOW TO TELL CONGRESS TO SUPPORT COLE-BISHOP!



[E-MAIL YOUR CONGRESSMEN NOW!](#)



[TWEET YOUR CONGRESSMEN NOW!](#)



[CALL YOUR CONGRESSMEN NOW!](#)

YOU CAN MAKE THIS HAPPEN!

FORWARD THIS E-MAIL TO EVERYONE ON YOUR E-MAIL LIST.

ACTIVATE YOUR SOCIAL NETWORKS.

JOIN US ON TWITTER AND RETWEET!



CONGRESSIONAL UPDATE

Continuing Resolution Extended

Congress is extending the short term continuing resolution to give them to enough time to finish the final negotiations and pass the bill through both chambers. There is strong potential for the final agreement to carry at least 8-10, if not all, of the individual appropriations bills, including the Agriculture Appropriations bill. The appropriators have been working diligently to bring their bills to a close, and over the past week and weekend many of the individuals bills

were finalized between both sides.

Dr. Gottlieb Nomination Moving

Additionally, FDA nominee Dr. Scott Gottlieb is expected to be reported out of the Senate Health, Education, Labor and Pensions Committee this week following a short delay due to some senators' requests for more time to review the nominee's conflict-of-interest information.





Congressman Hunter Files Bill

Congressman Duncan Hunter (R-CA) filed a bill yesterday that, if passed, would impact how vapor products are regulated in the U.S. Congressman Hunter has been a long-time champion for the vapor industry, and we appreciate his support. While we have some ongoing concerns with this legislation, we will continue to work with his office on potential changes. VTA also will continue to work with members of both parties to promote the bi-partisan Cole-Bishop approach aggressively as a vehicle to preserve our industry while protecting children and adult consumers.

VTA WEBINAR SERIES CONTINUES WITH 2 NEW INSTALLMENTS



From the D.C. Trenches - Update on All Things Federal

On Tuesday, May 2, 2017, at 2:00 pm (eastern), **Ashley Davis and Malloy McDaniel from West Front Strategies** in Washington, D.C. will provide an in depth look at federal legislative strategy. First, they will provide you an up-to-the-minute update on where things stand with the fight to secure the Cole-Bishop Amendment in the Agriculture

Appropriations bill. Second, they will discuss the legislative process in D.C. and, specifically, which bills actually become laws and which bills don't, and why. [Please click here to register for "From the D.C. Trenches - Update on All Things Federal!"](#)

A New Day for Indiana Vapor!

On Friday, May 5, 2017, at 2:00 p.m. (eastern) we will host a webinar on the new vapor law that ISFA and VTA just passed in Indiana - SB 1. Join in to learn how SB 1 became law and what it means for your business. **Matthew Norris and Mike Leppert of the Indiana law firm Krieg DeVault, LLP**, who were instrumental to passing SB 1 and know all of the relevant Indiana players, will give you the play-by-play and tell you what you need to know to do vapor business again in Indiana. [Click here to register now!](#)

THE STATE OF THE STATES

Vapor Victories at the State Level

VTA has had several significant state vapor association victories in the last week which will be vital to the vaping industry across several states. We are extremely excited about the progress we have made, but as always there is more work to do. That said, the Right Team and Right Strategy usually leads to successes and here are just a few!



Indiana Is Open Again For Business!

Yesterday, Indiana Governor Eric Holcomb signed SB 1 into law! Amy Lane, ISFA President, released the following statement upon passage of SB 1: "**The Indiana Smoke Free Alliance** was formed to fight the unfair vapor products monopoly that passed two years ago; a monopoly that



VAPOR TECHNOLOGY ASSOCIATION

created significant burdens for small businesses to compete while using security provisions to create a market advantage for a few select business interests."

When other folks wrote off Indiana, VTA and ISFA said "no way". In one session, we were able to repeal and replace the abomination of a vaping law and re-open the Indiana market **for the entire industry**. SB 1 creates a path to licensure for all manufacturers, distributors, and retailers who are seeking to sell vapor products in Indiana. The bill further aligns requirements for manufacturers doing business in Indiana with the requirements of the federal deeming rule.



In addition, the legislation creates a clear path forward for online sales, strips the arbitrary rulemaking authority from the ATC, and eliminates the onerous security requirements on manufacturers which created a monopoly in Indiana for a limited group of manufacturers.

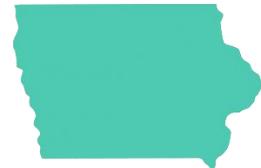
The Indiana Smoke Free Alliance and VTA were the architects of and executed the singular strategy that would ensure the Indiana market was re-opened to ALL, not just some, segments of the industry. ISFA needs your support. **Click here to join ISFA now!** To give you the inside scoop on how this victory occurred, and what the new law means for you and your business, we will be hosting a webinar next week! Make sure to register above.



IFAST Passes Legislation to Allow Online Sales in Iowa

Iowans For Alternatives to Smoking and Tobacco (IFAST) is responsible for yet another big victory in Iowa this session. SF 518 will finally allow online sales in the state of Iowa. This bill will allow Iowa vapor retailers to thrive and grow.

SF 518 legalizes the sale of vapor products online and levels the playing field for all vapor retailers by taxing all sales of vapor products, including those sold online, at the current sales tax rate for Iowa. The bill also requires age verification for face-to-face sales as well as requires retailers to utilize a shipping method that requires signature acceptance prior to delivery. Congrats to Corey Halfhill, Mike Triplett, and the entire Iowans For Alternatives to Smoking and Tobacco team. To join IFAST, please contact Corey Halfhill at corey.h@centraliowaecigs.com.



Pennsylvania Tax Reform Bill Passes Committee

In a huge step towards reviving the Pennsylvania vaping industry, the **Pennsylvania Vape Association** passed SB 508 out of the Pennsylvania Senate Finance Committee this week by a vote of 9-3. Securing the support of Senate leadership, PVA and its team is turning the tide in a state that has been decimated in recent months. The 40% tax wholesale and floor tax on vapor products that passed the General Assembly in July 2016 and was implemented in October 2016 helped force over 100 small and mid-sized businesses to close and many Pennsylvanians have lost their jobs.

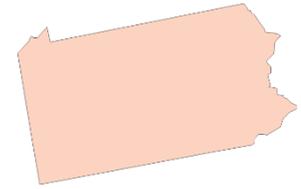


VAPOR TECHNOLOGY ASSOCIATION

FROM THE TRENCHES: VTA WEEKLY UPDATE

April 28, 2017 – Page 5

The PVA has proposed as a viable alternative approach replacing the crippling wholesale tax with a 5 cents per milliliter excise tax on e-liquid. Other states have implemented a per milliliter rate (Louisiana and North Carolina) and it has allowed brick and mortar stores to remain open and competitive.



There is nothing easy about what was just accomplished. If you own a vape business in Pennsylvania, you need to join this fight. This is not the time to sit on the sidelines as there is still a lot of work to be done and PVA needs all hands on deck. **Click here to learn more about SB 508 and join the Pennsylvania Vape Association now!**



OHVTA
OHIO VAPOR TRADE ASSOCIATION

OHVTA Strips 69% Vapor Tax & License Fee Out of House Budget; Now Turns to Senate

This week the Ohio House released its budget stripping out the onerous 69% vapor tax and licensing fee. In a MAJOR step forward for Ohio vapor, the **Ohio Vapor Trade Association's** tireless and professional strategy in Columbus is paying off. As our fight now turns to the Senate, stay tuned for VTA's and OHVTA's call to action. Joining OHVTA couldn't be easier. Just click **HERE**.

GET SOCIAL / STAY CONNECTED



Get involved and Save Vapor!

We are on the right path, but in order to be successful, we must present a unified front. This is why VTA wants YOU to get involved. Call your state legislator. Write your congressman. If we do not make our voices heard, the powerful interests that are working to defeat us will prevail. To learn more about how to get involved in the

fight to save vapor, visit www.vaportechnology.org and www.SaveVapor.org.

Please take a moment and forward this email to anyone you know will be interested in what's going on and encourage them to sign up for our mailing list at www.vaportechnology.org or www.SaveVapor.org.

And, don't forget to follow us on [Facebook](#) and [Twitter](#).

Thank you for all you do to defend our industry!

Tony Abboud
Executive Director
Vapor Technology Association