

## **WV Wholesalers Session Summary**

As mandated by the West Virginia Constitution, the Legislature concluded their business at the stroke of midnight on Saturday, April 13th, bringing an end to the regular 60-Day Session. The Legislature is currently in extended session for the budget.

This session alone, 1,829 bills were introduced. Of those, 215 bills completed legislation and most are awaiting the Governor's signature. About one-third of these bills were rule-making review bundles or supplemental appropriations. Thus, the saying that it is far easier to kill a bill than to pass one still rings true.

**Good news: We once again will live another year without a tobacco tax increase.** Every year we work against the tax increase and every year it gets more difficult.

**This year , we were able to pass some legislation to benefit our industry:**

**HB 2992 – eliminating duplicative reporting requirements imposed on distributors of imported cigarettes** – This bill was introduced by the tax department for the benefit of the distributors. The bill does exactly what the title of the bill says it does.

**HB 3003 – Facilitating compliance with the Tobacco Master Settlement Agreement** - The purpose of this bill is to facilitate compliance with the Tobacco Master Settlement Agreement by requiring nonparticipating tobacco product manufacturers that are new or that have an elevated risk of noncompliance with said statute to post a bond conditioned of their compliance.

**General Business bills in which were active on behalf of WVWA:**

**Wage Payment (SB 355)** – This is a big win for most businesses in WV. Current law states that employees, upon termination, must be paid all wages within 72-hours. If accurate payment is not made to them then the liquidated damages equal to three times the amount of wages owed must be paid to the terminated employee. New language states “no later than the next regular payday or four business days, whichever comes first.” For the purposes of this bill, “business day” is defined as a day on which state offices are open for regular business. Payment of wages shall be made through the regular pay channels or, if requested by the employee, by mail. If the employee gives at least one pay period's written notice of intention to quit, the person, firm or corporation shall pay all wages earned by the employee at the time of quitting.

**Relating to further defining a retailer engaging in business in this state for purposes of sales and use taxes (HB 2754 )** – The purpose of this bill is to require certain retailers located out of state to collect and remit use tax as provided by West Virginia Code §11-15A-6. Those certain retailers are related to persons and entities in the state which perform services related to the tangible personal property or services sold by the retailer. This is estimated to bring \$10 million in revenue to the state. It's bills like these that bring additional dollars to the state and help to keep us from raising taxes.

**Home Rule Bill (SB 435)** - This legislation extends a pilot project adopted five years ago, and was set to expire this year, until 2019. Charleston, Wheeling, Bridgeport and Huntington are the only cities now participating in the pilot project. The legislation will allow 20 municipalities to participate. Bill supporters say home rule allows municipalities to streamline local government, and thus operate more efficiently, rather than relying on state government. Important provisions to WVWA member companies is that it allows cities to add up to a one percent sales tax, but only if the business and occupation tax is cut and it does not allow for annexation. We were in support of this bill.

**Authorizing the establishment of Job Creation Work Groups (HB 3013)** - This bill authorizes the establishment of job creation work groups to obtain information available to assist the Legislature's efforts to take effective action to increase and attract jobs in West Virginia. This is a very pro jobs bill that the business community supported.

Knowing that we need applicants and employees that are educated and armed with the skills necessary to enter the workforce, we were glad to be supportive and part of the team that worked hard for passage of the **Governor's Education Bill** (SB 359). This bill outlines a comprehensive plan to raise student achievement and improve the state's education system. The legislation addresses all five areas outlined by the governor before the legislative session:

- All children will read at grade level by the end of third grade;
- High school graduates will be ready to enter the workforce upon graduation or make a seamless transition into college or vocational school;
- All students will be taught by great teachers;
- Students will learn in a variety of ways; and
- Public education will be delivered locally, not by Charleston.

**In addition to defeating the tobacco tax we worked to defeat:**

- Legislation that would ban the sale of **flavored tobacco**

- **Taxes on soft drinks and beer**
- Giving employees the right to request to **review their personnel file**
- Regulations that would not allow **SNAP benefit users to purchase sugary drinks**

## **Study Resolutions**

There were several study resolutions introduced and discussed but the final decision on those will be deferred by the President and Speaker when determining the interims studies. Among those were: **SCR 52 – Requesting the Joint Committee on Government and Finance study tobacco use in West Virginia, with emphasis on cigarette smoking prevalence, smoking-related deaths, smoking-related economic costs and tobacco prevention policies focused on smoke-free workplaces.** We will be working on this SCR and other issues during the interim process.

## **2014 Session**

Keep in mind that good bills die in the process as well and we will be back to work on those again next year! Now is the time to start thinking about the 2014 session. If you have ideas or suggestions please feel free to contact the WVWA office.

## **Thanks**

For those of you that got involved in the process and attended our Legislative Day, made phone calls or sent letters to your Delegates and Senators, we would like to thank you on behalf of our industry.