# February - March 2020 Newsletter

Hello everyone, we apologize for the lateness of our monthly newsletter. There were a lot of recent events which we were waiting for updates Here there are...

## Coronavirus/Covid-19 update

Recently, you cannot turn on your tv, radio, or social media outlet without hearing of the coronavirus/covid-19 illness. We will neither up-play nor down-play any medical or scientific facts or discussions. We ask that you remain safe and do what is best for you and your family. We have received many phone calls & emails asking what our plans are.

# As of - Tuesday, March 24, 2020 - until further notice:

- Business continues as normal with certain exceptions...
- New Hours of Operation are: Monday-Saturday 10am-7pm, Sunday 10am-6pm
- Per Maryland state mandates, no more than 10 individuals are allowed in the store at one time (including employees). We also ask that people do not linger/loiter. When your sale is complete, please exit the store.
- ALL purchases are credit card only no cash
- NO complimentary taste testing
- NO complimentary re-wicks
- NO handling your device UNLESS we are installing new coils (we will sterilize your tank, RDA, RDTA, etc)
- We now offer "curbside pickup" via our website (vapechalet.com). During checkout, select "curbside pickup", and call the store upon your arrival at 301-498-8273. We will bring your items to your vehicle please have ID ready to verify the order, your identity, and age.
- We will ship your items via USPS to your home/workplace via our website (vapechalet.com).
- We are working out the logistics of personal delivery to your home/workplace. Please visit our News/Events page on our website (vapechalet.com) for these updates.
- Further changes or updates will be listed on our website <u>(vapechalet.com)</u>, Facebook <u>(vapechaletstore)</u>, and Instagram (vapechalet) page(s).

## Local vape news/update

As you know, we are active members of the Maryland Vapor Alliance (MVA) which fights for the vape industry through advocacy. If you've been keeping up with our newsletters, you will recall that vaping in Maryland was on the proverbial chopping block. In our last newsletter we shared several proposed bills that would potentially eliminate vaping altogether.

The HB3 flavor ban bill came up again this past week in Committee. However, after some discussion, it did not advance. We were able to successfully stop this bill from advancing to the House floor! This is big development in a state that initiated numerous anti-vaping bills this session.

We also fought against a host of tax proposals during the legislative session and the main bill - HB732. With less than three hours to go during the General Assembly, the House of Delegates concurred with the Senate amendments to HB732 and then voted in favor of the bill by a vote of 88-47. Only 85 votes are needed to sustain a veto. As a result, with a few administrative actions remaining, this bill will go to the Governor's desk.

#### HB732 does the following:

- Raises the current sales tax on "electronic smoking devices," which includes "vaping liquids," from 6% to 12% at the final point of sale (6% state + 6% vape = 12% Total)
- Raises the current sales tax on "vaping liquids" that are sold in containers of 5ml or less from 6% to 60% at the final point of sale. This point is mute since we do not offer pre-filled containers less than 10ml.

It appears that the taxes will begin on July 1, 2020, but there is some ambiguity which we are attempting to sort out. Importantly, HB732 includes a preemption barring any new local taxes, except those in effect as of January 1, 2020.

Though very unusual for Maryland, there is discussion of a "Special Session", possibly in May, because the session is now in recess due to the coronavirus. We are actively engaged and will continue to push for sensible legislation. Once we hear of the outcome, we will let everyone know.