ENROLLED

SENATE JOINT RESOLUTION NO. 21

Directing the Virginia State Crime Commission to study the practice of illegal cigarette trafficking. Report.

Agreed to by the Senate, February 28, 2012
Agreed to by the House of Delegates, February 24, 2012

WHEREAS, tobacco is a significant industry in Virginia, and the production, manufacturing, and sale of tobacco and tobacco products contributes greatly to Virginia's economy; and

WHEREAS, it has been well-documented that the problem of illegal trafficking and counterfeiting of cigarettes is growing; and

WHEREAS, the illegal trafficking of cigarettes has major economic impacts, and state and local governments are among the entities most directly affected by illegal trafficking of cigarettes; and

WHEREAS, illegal non-regulated cigarettes have unique and challenging public health implications; and

WHEREAS, cigarettes are easy to smuggle, buy, and ship, making it difficult to stop illegal trafficking because cigarettes are a legal commodity; and

WHEREAS, the United States Department of the Treasury has linked illegal tobacco trafficking to organized crime and the funding of terrorist groups; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Virginia State Crime Commission be directed to study the practice of illegal cigarette trafficking.

In conducting its study, the Virginia State Crime Commission shall (i) determine why illegal cigarette trafficking occurs; (ii) identify the methods of illegal cigarette trafficking and the strategies used by smugglers; (iii) document the effects and financial impact of illegal cigarette trafficking on State and local governments, and cigarette manufacturers, wholesalers, and retailers; (iv) identify the methods used to counterfeit cigarettes and cigarette tax stamps and the prevalence of these methods in the Commonwealth on the availability of counterfeit cigarettes and cigarette tax stamps; (v) determine the beneficiaries of illegal cigarette trafficking; (vi) review statutory options to combat illegal cigarette trafficking; (vii) identify potential uses of information technology to prevent illegal cigarette trafficking and assess the costs and benefits of using such technology; (viii) develop a set of policy and legislative recommendations to enhance the Commonwealth's efforts to combat the practice of illegal cigarette trafficking; (ix) identify the unique and challenging public health implications of illegal non-regulated cigarettes; and (x) consider such other related issues as the Virginia State Crime Commission deems appropriate. The Virginia State Crime Commission shall seek the participation of interested parties, including cigarette manufacturers, technology providers, wholesalers, and retailers, in the deliberations of this study.

Technical assistance shall be provided to the Virginia State Crime Commission by the Division of Legislative Services. All agencies of the Commonwealth shall provide assistance to the Virginia State Crime Commission for this study, upon request.

The Virginia State Crime Commission shall complete its meetings by November 30, 2012, and the Chairman shall submit to the Division of Legislative Automated Services an executive summary of its findings and recommendations no later than the first day of the 2013 Regular Session of the General Assembly. The executive summary shall state whether the Virginia State Crime Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.