ARLINGTON COUNTY, VIRGINIA

A County Board Recessed Meeting of Arlington County, Virginia, held at the Bozman Government Center 2100 Clarendon Boulevard, Room 307 Arlington, VA 22201 thereof on March 17, 2026 at 3:00 PM

PRESENT: Matt de Ferranti, Chair
Maureen Coffey, Vice-Chair
Susan Cunningham, Member
Julius D. "JD" Spain, Sr., Member
Takis Karantonis, Member

ALSO PRESENT: Mark Schwartz, County Manager
Ryan Samuel, County Attorney
Mason Kushnir, County Board Clerk
Jonathan Davis, County Board Deputy Clerk

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I. COUNTY BOARD BUSINESS AND REPORTS

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- **Appointments**

On a motion by MATT DE FERRANTI, Chair, the County Board made the following appointments:

Community Development Citizen's Advisory Committee
Appoint — Margaret McGilvray, to a seat representing Public Interest at Large, for a term ending March 31, 2029

Community Oversight Board
Reappoint — Lisa Ortiz for a term ending March 31, 2030
Reappoint — David Smith for a term ending March 31, 2030

Crystal and Pentagon Cities Council
Reappoint — Robert Mandle to a seat representing the National Landing Business Improvement District for a term ending March 31, 2028

Economic Development Commission
Reappoint — Nick Gregorios for a term ending March 31, 2029

Fiscal Affairs Advisory Commission
Appoint — Owen Williams for a term ending March 31, 2028
Reappoint — Claire Noakes for a term ending March 31, 2028

Technology Advisory Commission
Reappoint — James Smith for a term ending March 31, 2029

Tenant-Landlord Commission
Reappoint — Sarah Lanford for a term ending March 31, 2029

Transportation Commission
Appoint — Kasey Vanderpoel for a term ending March 31, 2029

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

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- **Meeting Highlights**

Matt de Ferranti highlighted Resources for Federal Workers, including resume assistance, mental health support, food security, housing resources, health insurance resources and upcoming events dedicated to providing resources and assistance to recently separated federal workers.

Matt de Ferranti highlighted available Resources for Immigrants and Refugees, including information that is publicly available on linked websites where visitors can learn their rights, as well as information about the official path to citizenship.

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- **Recognitions:**

Matt de Ferranti recognized Pamela van Hine for her years of service as a member of the Crystal and Pentagon Cities Council, representing the Aurora Highlands Civic Association.

Matt de Ferranti and Staff recognized the 27 businesses and properties receiving the 2026 Arlington Transportation Partners Platinum Champions awards.

Matt de Ferranti and Diane Kresh issued the below proclamation in recognition of Women's History Month:

WOMEN'S HISTORY MONTH

WHEREAS, Women's History Month (Public Law 100-9) acknowledges the achievements and challenges of women who have and continue to help build and shape our nation; and

WHEREAS, we honor the role women have played in building our nation, which in 2026 celebrates the 250th anniversary of its founding; and

WHEREAS, Abigail Adams, in a letter to her husband John Adams, in March 1776, wrote, "Remember the Ladies," a plea for greater legal protections and equality for women; and

WHEREAS, stories of women like Selina Norris Gray, an enslaved woman at Arlington House, enrich our community. When the Lee family fled in 1861, Gray prevailed upon General McDowell to move the Washington family heirlooms to the US Patent Office for safekeeping. Freed in 1862, she and her family later purchased 10 acres in Green Valley, where she lived until her death in 1907. Selina Gray Square at 1201 South Ross Street is named in her honors; and

WHEREAS, American women have served our country in the military with bravery and distinction and will be remembered for their sacrifices during this 25th anniversary year of the September 11 attack on the Pentagon; and

WHEREAS, Arlington County leadership and government is committed to creating a gender equal world, free of bias, stereotypes, and discrimination, where people live openly and authentically without fear, and where difference is valued and celebrated; and

WHEREAS, to those who seek to divide us we recall the words of Dolores Huerta, founder of the United Farm Workers whose labor nourishes all of us, "We can't let people drive wedges between us… because there's only one human race."

NOW THEREFORE, the County Board of Arlington, Virginia, does hereby proclaim MARCH 2026, as WOMEN'S HISTORY MONTH in Arlington County and encourage all residents to join in honoring our history and celebrating the contributions of all who identify as women.

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- **Board Reports**

Matt de Ferranti and Mason Kushnir shared updates to the upcoming County Board Meeting Schedule to account for the statewide election and numerous work session conflicts.

Susan Cunningham, Julius D. "JD" Spain, Sr., and Mason Kushnir shared updates on progress made as part of the Board Structure and Performance Initiative, including the current timeline of activities and anticipated next steps for the proposed External Research Partner.

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- **Closed Meeting**

At 3:42 PM, On a motion by MATT DE FERRANTI, Chair, seconded by MAUREEN COFFEY, Vice-Chair, the County Board convened a closed meeting, as authorized by Virginia Code sections 2.2-3711.A.1, 7, and 8 for the following purposes:

> Consultation with the County Attorney regarding three matters in active litigation and one matter that will result in probable litigation where such discussions in open meeting would adversely affect the litigating posture of the County;
>
> Consultation with the County Attorney for legal advice regarding the Board's legal considerations in land use and planning decisions; and,
>
> Discussion of the performance of a Board appointee.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

Certification of Closed Session Discussions

At 6:44 PM, On a motion by MATT DE FERRANTI, Chair, seconded by MAUREEN COFFEY, Vice-Chair, by a roll call vote of 5 to 0, the voting recorded as follows:

> **MEMBER – VOTE**
> Mr. de Ferranti – Aye
> Ms. Coffey – Aye
> Ms. Cunningham – Aye
> Mr. Spain, Sr. – Aye
> Mr. Karantonis – Aye

the County Board certified that, at the just concluded closed session: (1) only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board.

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II. REGULAR HEARING ITEMS

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34. Arlington View Neighborhood Plan Update.

After a duly advertised public hearing, a motion was made by MATT DE FERRANTI, Chair, seconded by TAKIS KARANTONIS, Member, to adopt the resolution (attached to the staff report) to accept the 2026 Arlington View Neighborhood Plan Update, subject to staff comments specified in the plan, and with the following amendments:

In the final paragraph, replace "Neighborhood conservation advisory committee" with "Arlington Neighborhoods Advisory Committee" and replace "North Highlands" with "Arlington View neighborhood," as shown onscreen.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

The adopted Resolution reads as follows:

Resolution to Accept the Arlington View Neighborhood Plan

Whereas, the County Board created the Arlington Neighborhoods Program (formerly Neighborhood Conservation) in 1964 to encourage neighborhoods to carry out neighborhood improvement plans and provide dedicated funding to implement those plans; and

Whereas, the Arlington Neighborhoods Program is a mechanism for improvement and maintenance of areas where residents indicate a desire to achieve an improved neighborhood and fulfill a broader vision of the modern "urban village" through coordination of public and private efforts; and

Whereas, these plans are initiated and prepared by the neighborhoods, who work with the Arlington Neighborhoods Advisory Committee and County staff; and

Whereas, Arlington Neighborhoods Plans have three purposes:
1) To build a neighborhood vision and consensus on issues affecting the neighborhood, to evaluate County service delivery and the state of the neighborhood, and to suggest policies and projects that will improve the neighborhood
2) To establish eligibility for Arlington Neighborhoods Program funding
3) To provide guidance to the County Board, Commissions, Departments and staff concerning issues in neighborhoods; and

Whereas, the County Board created the Arlington Neighborhoods Advisory Committee (ArNAC) to guide the Arlington Neighborhoods Program, and the ArNAC reviewed this Arlington View Neighborhood Plan and recommends its acceptance; and

Whereas, the Planning Commission also recommended acceptance of the Arlington View Neighborhood Plan, as updated through February 2026.

Now, therefore be it resolved that after careful consideration of the recommendations of the Arlington Neighborhoods Advisory Committee, the County Board hereby accepts the Arlington View Neighborhood Plan, as updated through February 2026 as a statement of the Arlington View neighborhood and directs the County Manager to ensure that the recommendations of this plan are considered in decision-making and actions that affect the Arlington View neighborhood.

#34 - Board Report (Final)

#34 - Item Attachment - AVCA_COUNTY BOARD RESOLUTION

#34 - Item Attachment - AVCA_NEIGHBORHOOD PLAN

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35. Board Action to approve and authorize execution of the Northern Virginia Cigarette Tax Agreement and adopt a resolution to authorize advertisement of a public hearing at the March 26, 2026, County Board Meeting to consider adoption of an ordinance to amend, reenact, and recodify Chapter 39 (Cigarette Tax) Sections 39-2 (Definitions), 39-4 (Methods of Collection), 39-5 (Registered Agents), 39-7 (Sale of Cigarettes in Vending Machines; Contraband), 39-8 (Illegal Acts), 39-12 (Erroneous Assessment; Notices and Hearings in the Event of Sealing of Vending Machines or Seizure of Contraband Property), 39-13 (Disposal of Seized Property), and 39-14

(Extensions) of the Arlington County Code ("County Code") to (a) repeal Section 39-7 (Sale of Cigarettes in Vending Machines; Contraband), and (b) enact other conforming changes to Chapter 39 of the County Code to enable the county to join the Northern Virginia Cigarette Tax Board and Implement various technical corrections."

After a duly advertised public hearing, a motion was made by MATT DE FERRANTI, Chair, seconded by SUSAN CUNNINGHAM, Member, to adopt a resolution (Attachment A of the staff report) to authorize advertisement of a public hearing at the March 26, 2026, County Board Tax Rate Hearing to consider adoption of an ordinance to amend, reenact, and recodify Chapter 39 (Cigarette Tax) sections 39-2 (Definitions), 39-4 (Methods of Collection), 39-5 (Registered Agents), 39-8 (Illegal Acts), 39-12 (Erroneous Assessment; Notices and Hearings in the Event of Sealing of Vending Machines or Seizure of Contraband Property), 39-13 (Disposal of Seized Property), and 39-14 (Extensions) and repeal Chapter 39 (Cigarette Tax) section 39-7 (Sale of Cigarettes in Vending Machines; Contraband) of the Arlington County Code ("County Code") to (a) repeal section 39-7 (Sale of Cigarettes in Vending Machines; Contraband), and (b) enact other conforming changes to Chapter 39 of the County Code to enable the County to join the Northern Virginia Cigarette Tax Board and implement various technical corrections.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

The adopted Resolution reads as follows:

RESOLUTION TO AUTHORIZE ADVERTISEMENT OF A PUBLIC HEARING AT THE MARCH 26, 2026, COUNTY BOARD MEETING TO CONSIDER ADOPTION OF AN ORDINANCE TO AMEND, REENACT, AND RECODIFY CHAPTER 39 (CIGARETTE TAX) SECTIONS 39-2 (DEFINITIONS), 39-4 (METHODS OF COLLECTION), 39-5 (REGISTERED AGENTS), 39-8 (ILLEGAL ACTS), 39-12 (ERRONEOUS ASSESSMENT; NOTICES AND HEARINGS IN THE EVENT OF SEALING OF VENDING MACHINES OR SEIZURE OF CONTRABAND PROPERTY), 39-13 (DISPOSAL OF SEIZED PROPERTY), AND 39-14 (EXTENSIONS) AND REPEAL CHAPTER 39 (CIGARETTE TAX) SECTION 39-7 (SALE OF CIGARETTES IN VENDING MACHINES; CONTRABAND) OF THE ARLINGTON COUNTY CODE ("COUNTY CODE") TO (A) REPEAL SECTION 39-7 (SALE OF CIGARETTES IN VENDING MACHINES; CONTRABAND), AND (B) ENACT OTHER CONFORMING CHANGES TO CHAPTER 39 OF THE COUNTY CODE TO ENABLE THE COUNTY TO JOIN THE NORTHERN VIRGINIA CIGARETTE TAX BOARD AND IMPLEMENT VARIOUS TECHNICAL CORRECTIONS

The County Board of Arlington County, Virginia, hereby resolves that the following item shall be advertised for a public hearing at the March 26, 2026, County Board meeting to consider the following:

Adoption of ordinance to amend, reenact, and recodify Chapter 39 (Cigarette Tax) sections 39-2 (Definitions), 39-4 (Methods of Collection), 39-5 (Registered Agents), 39-8 (Illegal Acts), 39-12 (Erroneous Assessment; Notices and Hearings in the Event of Sealing of Vending Machines or Seizure of Contraband Property), 39-13 (Disposal of Seized Property), and 39-14 (Extensions) and repeal chapter 39 (Cigarette Tax) section 39-7 (Sale of Cigarettes in Vending Machines; Contraband) of the Arlington County Code ("County Code") to (a) repeal section 39-7 (Sale of Cigarettes in Vending Machines; Contraband), and (b) enact other conforming changes to Chapter 39 of the County Code to enable the County to join the Northern Virginia Cigarette Tax Board and implement various technical corrections, as follows:

ORDINANCE TO AMEND, REENACT, AND RECODIFY CHAPTER 39 (CIGARETTE TAX) SECTIONS 39-2 (DEFINITIONS), 39-4 (METHODS OF COLLECTION), 39-5 (REGISTERED AGENTS), 39-8 (ILLEGAL ACTS), 39-12 (ERRONEOUS ASSESSMENT; NOTICES AND HEARINGS IN THE EVENT OF SEALING OF VENDING MACHINES OR SEIZURE OF CONTRABAND PROPERTY), 39-13 (DISPOSAL OF SEIZED PROPERTY), AND 39-14 (EXTENSIONS) AND REPEAL SECTION 39-7 (SALE OF CIGARETTES IN VENDING MACHINES; CONTRABAND) OF THE ARLINGTON COUNTY CODE ("COUNTY CODE") TO (A) REPEAL SECTION 39-7 (SALE OF CIGARETTES IN VENDING MACHINES; CONTRABAND), AND (B) ENACT OTHER CONFORMING CHANGES TO CHAPTER 39 OF THE COUNTY CODE TO ENABLE THE COUNTY TO JOIN THE NORTHERN VIRGINIA CIGARETTE TAX BOARD AND IMPLEMENT VARIOUS TECHNICAL CORRECTIONS

BE IT ORDAINED, by the County Board of Arlington County, Virginia, that Chapter 39 (Cigarette Tax) sections 39-2 (Definitions), 39-4 (Methods of Collection), 39-5 (Registered Agents), 39-7 (Sale of Cigarettes in Vending Machines; Contraband), 39-8 (Illegal Acts), 39-12 (Erroneous Assessment; Notices and Hearings in the Event of Sealing of Vending Machines or Seizure of Contraband Property), 39-13 (Disposal of Seized Property), and 39-14 (Extensions) of the Arlington County Code are amended, reenacted, and recodified as follows:

Chapter 39

CIGARETTE TAX

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§ 39-2. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Carton" shall have the meaning given such term in the Virginia Cigarette Tax Statute.~~means any container, regardless of material used in its construction, that contains packages of cigarettes.~~

"Cigarette" ~~means any roll of any size or shape for smoking, whether filtered or unfiltered, with or without a mouthpiece made wholly or partly of cut, shredded or crimped tobacco or other plant or substitute for tobacco, whether the same is flavored, adulterated or mixed with another ingredient, if the wrapper or cover is made of any material other than leaf tobacco or homogenized leaf tobacco, regardless of whether the roll is labeled or sold as a cigarette or by any other name~~shall have the meaning given such term in the Virginia Cigarette Tax Statute.

"Commissioner of the Revenue" means the Commissioner of the Revenue of Arlington County, Virginia, and any of the Commissioner's designees.

"County" means Arlington County, Virginia.

"Dealer" means every manufacturer, manufacturer's representative, self-wholesaler, wholesaler, retailer, ~~vending machine operator,~~ public warehouseman or other person who shall sell, receive, store, possess, distribute or transport cigarettes within or into the County.

"Northern Virginia Cigarette Tax Board" means the Northern Virginia Cigarette Tax Board organized pursuant to Virginia Code § 58.1-3832.1, Chapter 13 (§ 15.2-1300 *et seq.*) of Title 15.2, and the Regional Cooperation Act (§ 15.2-4200 *et seq.*), with the purpose of administering local cigarette taxes in Northern Virginia on a regional basis.

"Package" means any container, regardless of the material used in its constructions, in which separate cigarettes are placed without such cigarettes being placed into any container within the package. Packages are those containers of cigarettes from which individual cigarettes are ordinarily taken when they are consumed by their ultimate user. Ordinarily a package contains twenty (20) cigarettes; however, "package" includes those containers in which fewer or more than twenty (20) cigarettes are placed.

"Person" means any individual, firm, unincorporated association, company, corporation, joint stock company, group, agency, syndicate, trust or trustee, receiver, fiduciary, partnership and conservator. The word "person" as applied to a partnership, unincorporated association or other joint venture means the partners or members thereof, and as applied to a corporation, shall include all the officers and directors thereof.

"Place of business" means any place where cigarettes are sold, placed, stored, offered for sale or displayed for sale or where cigarettes are brought or kept for the purpose of sale, consumption or distribution, ~~including vending machines,~~ by a dealer within the County.

"Registered agent" means every dealer and other person who shall be required to report and collect the tax on cigarettes under the provisions of the chapter.

"Retail dealer" means every person who, in the usual course of business, purchases or receives cigarettes from any source whatsoever for the purpose of sale within the County to the ultimate consumer; ~~or any person who, in the usual course of business, owns, leases, or otherwise operates within his own place of business, one (1) or more cigarette vending machines for the purpose of sale within the County of cigarettes to the ultimate consumer;~~ or any person who, in any manner, buys, sells, stores, transfers, or deals in cigarettes for the purpose of sale within the County to the ultimate consumer, who is not licensed as a wholesaler~~, or vending machine operator~~.

"Sale" or "sell" means every act or transaction, regardless of the method or means employed, including barter, exchange, ~~or the use of vending machines or other mechanical devices~~ or a criminal or tortious act whereby either ownership or possession, or both, of any cigarettes shall be transferred within the County from a dealer as herein defined to any other person for a consideration.

"Self-wholesaler" means any person who owns and operates one (1) or more retail stores and purchases cigarettes directly from a dealer, as herein defined, and whose function it is to store or warehouse cigarettes for distribution to his several retail outlets for sale at retail.

"Stamp" ~~means a small, gummed piece of paper or decalcomania used to evidence payment of the tax levied under §§ 58.1-1000 *et seq.* of the Virginia Code as amended (1950) and officially designated as a Virginia revenue stamp or any other evidence of payment of Virginia taxes as may replace physical Virginia revenue stamps upon amendment of the Virginia Code~~ means the stamp or stamps by the use of which the tax levied hereunder and/or under the Virginia Cigarette Tax Statute is paid, including any other authorized means of evidencing payment. "Stamp" shall include any dual stamp authorized and used by the Northern Virginia Cigarette Tax Board for enforcement of the tax levied hereunder pursuant to any agreement between the County and the Northern Virginia Cigarette Tax Board.

"Store" or "storage" means the keeping or retention of cigarettes in this County for any purpose except sale in the regular course of business.

"Treasurer" means the Treasurer of Arlington County and any of the Treasurer's designees.

"Use" means the exercise of any right or power over any cigarettes or packages of cigarettes incident to the ownership or possession of those cigarettes or packages of cigarettes including any transaction where possession is given or received or otherwise transferred, other than a sale.

"User" means any person who exercises any right or power over any cigarettes or packages of cigarettes subject to the provisions of this chapter incident to the ownership or possession of those cigarettes or packages of cigarettes or any transaction where possession is given or received or otherwise transferred, other than a sale.

"Virginia Cigarette Tax Statute" means § 58.1-1000 *et seq.* of the Virginia Code, as amended.

"Virginia tax" means the tax levied by the Commonwealth of Virginia under the Virginia Cigarette Tax Statute.

"Wholesaler" means any person who sells cigarettes to dealers, as herein defined, for the purpose of resale only, or who sells at wholesale to institutions, commercial or industrial users.

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§ 39-4. Methods of Collection.

A. The tax imposed by this chapter shall be paid by each dealer or other person liable for the tax under a reporting method deemed by the Commissioner to carry out the provisions of this chapter. Each dealer or other person liable for the tax is hereby required, and it shall be his duty to collect and pay the tax and report separately for packages of twenty (20) cigarettes and packages of cigarettes which contain fewer or more than twenty (20) cigarettes on forms prescribed for this purpose by the Board Commissioner (1) the quantity of cigarettes sold and delivered to (a) each registered agent in the County appointed by the Commissioner for which no tax was collected, (b) each manufacturer's representative, and (c) each separate person and place of business within the County during the preceding calendar or fiscal month; and, (2) the quantity of cigarettes received during the preceding calendar or fiscal month for distribution in the County; and (3) the quantity of cigarettes for distribution in the County on hand; and (4) such further information as the Commissioner may require for the proper administration and enforcement of this chapter for the determination of the exact number of cigarettes in the possession of each dealer or user.

B. Each dealer or other person liable for the tax shall file such reports with the Commissioner by the fifteenth day of each month for the month prior and pay the tax due to the County ~~between the first (1st) and~~before the twentieth (20th) day after the close of each calendar or fiscal month.

C. When, upon examination and audit of any invoices, records, books, canceled checks or other memoranda touching on the purchase, sale, receipt, storage, exchange or possession of tobacco products taxed herein, any dealer or other person liable for the tax is unable to furnish evidence to the Commissioner of sufficient tax payments to cover cigarettes which were sold, used, stored, received, purchased or possessed by him, the prima facie presumption shall arise that such cigarettes were received, sold, used, stored, purchased or possessed by him without the proper tax having been paid. The Commissioner shall, from the result of such examination and audit based upon the best information available, assess the tax due and unpaid and shall impose a penalty of ten percent (10%) of the gross tax due which shall be added to the tax due. Interest shall accrue as prescribed in § 27-3.

D. When any dealer or other person liable for the tax files a false or fraudulent report or fails to file a report or fails to perform any act or performs any act to evade payment of the tax, the Commissioner shall administratively assess the tax due and unpaid and impose a penalty of fifty percent (50%). The dealer or other person liable for the tax shall be notified of such deficiency and such tax, penalty and interest assessed shall be due and payable within ten (10) days after notice of such deficiency has been issued. Every dealer or other person liable for the tax shall examine each package of cigarettes to ensure that the ~~Virginia revenue~~ required stamp has been affixed thereto prior to offering them for sale in Arlington County.

E. The dealer or other person liable for the tax shall be notified of such deficiency and such tax, penalty and interest assessed shall be due and payable within ten (10) days after notice of such deficiency has been issued. ~~No interest shall be imposed on such unpaid tax and penalty assessed on or after July 1, 1999.~~ Every dealer or other person liable for the tax shall examine each package of cigarettes to ensure that the ~~Virginia revenue~~ required stamp has been affixed thereto prior to offering them for sale in Arlington County.

F. Any dealer or other person liable for the tax found to have had untaxed cigarettes which have been lost whether by negligence, theft, or any other unaccountable loss, shall be liable for and shall pay the tax due thereon.

G. ~~It shall be duty of e~~Each dealer or other person liable for the tax ~~and he is hereby required to~~shall (i) maintain and keep for a period of three (3) years, not including the current calendar year, records of cigarettes received, sold, stored, possessed, transferred or handled by him in any

manner whatsoever, ~~to~~ (ii) make all such records available for audit, inspection and examination and ~~to~~ (iii) make available at all reasonable times, the means, facilities and opportunity for making such audit, inspection or examination upon demand of the Commissioner.

§ 39-5. Registered Agents.

Any dealer or other person liable for the tax who shall sell, buy, store, possess, distribute or transport cigarettes within, or into the County, shall first make application to the Commissioner to qualify as a registered agent. Such application ~~blank, which~~ shall be ~~supplied upon request, shall require such information relative to the nature of the business engaged in by said applicant~~in such form as the Commissioner deems necessary. Such applicant shall provide a surety bond to the County of one hundred and fifty percent (150%) of his average monthly tax liability ~~or fifty thousand dollars ($50,000.00), whichever is less,~~ with a surety company authorized to do business in the Commonwealth of Virginia. Such bond shall be so written that, on timely payment of the premium thereon it shall continue in force from year to year. Any applicant whose place of business is outside the County shall automatically, by filing his application, submit himself to the County's legal jurisdiction and appoint the Commissioner as his agent for any service of lawful process.

Upon receipt of the properly completed application, and the required surety bond executed~~, the Commissioner shall issue to said~~ the applicant ~~a permit to~~shall be qualified ~~qualify~~ as a registered agent to purchase, sell, use, store, possess, distribute or transport cigarettes within or into the County.

Registered agents shall agree to the reporting and payment requirements placed upon them by this chapter and the rules and regulations as from time to time may be promulgated by the Commissioner. When any registered agent's monthly report and payment of the tax is not received within the dates prescribed, the Commissioner shall impose a ~~late reporting~~ penalty for late filing or payment of ten percent (10%) of the gross tax due or ten dollars ($10.00) whichever is greater~~, but in no event more than five hundred dollars ($500.00)~~. The Commissioner may also require such registered agents to provide proof that they have complied with all applicable State laws to legally conduct such business and to file financial statements showing all assets and liabilities. The Commissioner may revoke any registered agent's permit if such bond, as required, is impaired for any reason.

~~After adoption of this chapter, dealers or other persons liable for that tax who shall sell, use, store, possess, distribute or transport tobacco products within or into the County, shall be allowed thirty (30) days to become qualified as a registered agent.~~

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§ 39-7. ~~Sale of Cigarettes in Vending Machines; Contraband~~Reserved.

~~Any cigarettes placed in any coin-operated vending machine shall be presumed for sale within the County. Any vending machine located within the County containing cigarettes upon which the Virginia revenue stamp has not been affixed or containing cigarettes placed so as to not allow visual inspection of the Virginia revenue stamp through the viewing area as provided for by the vending machine manufacturer shall be in violation of this chapter.~~

~~Any cigarettes, coin-operated vending machines, counterfeit stamps, or other property found in violation of this chapter shall be declared contraband goods and may be seized by the Commissioner. In addition to any tax due, the dealer or other person liable for the tax possessing such untaxed cigarettes shall be subject to civil and criminal penalties herein provided.~~

~~In lieu of seizure, the Commissioner may seal such vending machines to prevent continued illegal sale or removal of such cigarettes. The removal of such seal from a vending machine by an unauthorized person shall be a violation of this chapter. Nothing in this chapter shall prevent the seizure of any vending machine at any time after it is sealed.~~

§ 39-8. Illegal Acts.

It shall be unlawful and a violation of this chapter for any dealer or other person liable for the tax:

A. To perform any act or fail to perform any act for the purpose of evading the payment of any tax imposed by this chapter or of any part thereof, or to fail or refuse to perform any of the duties imposed upon him under the provisions of this chapter or to fail or refuse to obey any lawful order which may be issued under this chapter; or

B. To falsely or fraudulently make, or cause to be made, any invoices or reports, or to falsely or fraudulently forge, alter or counterfeit any stamp, or to procure or cause to be made, forged, altered or counterfeited any such stamp, or knowingly and willfully to alter, publish, pass or tender as true any false, altered, forged or counterfeited stamp or stamps; or

C. To sell, offer for sale, or authorize or approve the sale of any cigarettes upon which the ~~Virginia revenue~~required stamp has not been affixed; or

D. To possess, store, use, authorize or approve the possession, storage or use of any cigarettes in quantities of more than ~~sixty (60) packages~~six cartons upon which the ~~Virginia~~ required revenue stamp has not been affixed; or

E. To transport, authorize or approve the transportation of any cigarettes, in quantities of more than ~~sixty (60) packages~~six cartons into or within the County upon which the ~~Virginia~~ required revenue stamp has not been affixed, if they are:

1. Not accompanied by a bill of lading or other document indicating the true name and address of the consignor or seller and the consignee or purchaser and the brands and quantity of cigarettes transported; or

2. Accompanied by a bill of lading or other documents which ~~is~~ are false or fraudulent in whole or part; or

3. Accompanied by a bill of lading or other document indicating:

a. A consignee or purchaser in another state or the District of Columbia who is not authorized by the law of such other jurisdiction to receive or possess such tobacco products on which the taxes imposed by such other jurisdiction have not been paid unless the tax of the state or district of destination has been paid and said cigarettes bear the tax stamps of that state or district; or

b. A consignee or purchaser in the Commonwealth of Virginia but outside the taxing jurisdiction who does not possess a Virginia Sales and Use Tax Certificate, a Virginia retail tobacco license and, where applicable, both a business license and a retail tobacco license issued by the local jurisdiction of destination; or

E. To reuse or refill with cigarettes any package from which cigarettes have been removed, for which the tax imposed has been theretofore paid; or

G. To remove from any package any stamp with intent to use or cause the same to be used after same have already been used or to buy, sell, or offer for sale or give away any used, removed, altered or restored stamps to any person, or to reuse any stamp which had theretofore been used for evidence of the payment of any tax prescribed by this chapter or to sell, or offer to sell, any stamp provided for herein.

§ 39-8.1 Northern Virginia Cigarette Tax Board

Pursuant to Virginia Code § 58.1-3832, the County has by enactment of this ordinance authorized the Commissioner, on behalf of the County, to enter into an agreement, the form of which is hereby approved, to delegate such administrative and enforcement authority under this ordinance to the Northern Virginia Cigarette Tax Board as is provided in such agreement pursuant to the provisions of Virginia Code § 15.2-1300.

During the continuance of such agreement, the Northern Virginia Cigarette Tax Board may act on behalf of the Commissioner exercising the powers delegated, issue a common revenue stamp, bring appropriate court action in its own name where necessary to enforce payment of the taxes and penalties levied hereunder and

exercise such further powers as are provided in § 39-10 and the agreement. Any common revenue stamp issued by the Northern Virginia Cigarette Tax Board shall be of the same stamp technology that is used or required by the Commonwealth for the Virginia tax.

Pursuant to such agreement, the Northern Virginia Cigarette Tax Board is authorized to enter into an arrangement with the Virginia Department of Taxation under which a tobacco wholesaler who so desires may use a dual die or stamp to evidence the payment of both the tax levied hereunder and the Virginia tax.

§ 39-8.2 Powers of the Northern Virginia Cigarette Tax Board.

The Northern Virginia Cigarette Tax Board may delegate any of its powers to its Administrator or employees and may adopt regulations regarding the administration and enforcement of the provisions of this Chapter.

(a) The Northern Virginia Cigarette Tax Board shall be granted the following powers:

(1) To assess, collect and disburse the cigarette tax for each participating jurisdiction;

(2) To audit sales of cigarettes for each participating jurisdiction;

(3) To provide information to Commonwealth's attorneys or County attorneys for each participating jurisdiction;

(4) To designate an Administrator;

(5) To manage the Northern Virginia Cigarette Tax Funds;

(6) To retain a certified public accountant to audit its books;

(7) To designate a depository bank or banks;

(8) To contract with member jurisdiction for administrative services;

(9) To hold and convey real and personal property;

(10) To enter into contracts;

(11) To hire, supervise and discharge its own employees;

(12) To sue and be sued in its own name;

(13) To prescribe the design of a stamp(s) and to issue and sell said stamps to authorized dealers;

(14) To establish different classes of taxpayers;

(15) To promulgate resolutions for the assessment and collection of cigarette taxes and the enforcement of this ordinance; and

(16) To conduct inspections of any place of business in order to enforce the provisions of this ordinance and all resolutions of the Board.

(b) The Board may employ legal counsel, bring appropriate court action in its own name to enforce payment of the cigarette tax or penalties owed and file tax liens against property of taxpayers hereunder.

(c) The Board is authorized to enter into an agreement with the Virginia Department of Taxation under which a registered agent with the Northern Virginia Cigarette Tax Board who is also qualified to purchase Virginia revenue stamps, may qualify to purchase dual Virginia - Northern Virginia

Cigarette Tax Board stamps from the Virginia Department of Taxation. Authority to purchase dual stamps is granted solely by the Board and may be revoked or suspended for violations of this ordinance or resolutions adopted by the Board.

(d) The Board may appoint certain employees as Tobacco Revenue Agents, who shall be required to carry proper identification while performing their duties. Tobacco Revenue Agents are further authorized to conduct inspections of any place of business and shall have the power to seize or seal any vending machines, seize any cigarettes, counterfeit stamps or other property found in violation of this Article and shall have the power of arrest upon reasonable and probable cause that a violation of this Article has been committed. The Board is authorized to provide its tobacco revenue agents with (1) firearms for their protection; (2) emergency equipped vehicles while on duty; and (3) other equipment deemed necessary and proper.

(e) The Board may exchange information related to the sale, use, transportation or shipment of cigarettes with an official of any other jurisdiction entrusted with the enforcement of the cigarette tax laws of said other jurisdiction.

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§ 39-12. Erroneous Assessment; Notices and Hearings in the Event of ~~Sealing of Vending Machines or~~ Seizure of Contraband Property.

Any person assessed by the Commissioner with a cigarette tax, penalties and interest or any person whose cigarettes~~, vending machines and~~ or other property have been sealed or seized under processes of this chapter who has been aggrieved by such assessment, seizure, or sealing may file ~~a request for a hearing~~an appeal before the Commissioner for a correction of such assessment and the return of such property seized or sealed.

Where holders of property interest in cigarettes~~, vending machines~~ or other property are known at time of seizure ~~or sealing~~, notice of seizure ~~or sealing~~ shall be sent to them. Where such holders of property interests are unknown at time of seizure ~~or sealing~~, it shall be sufficient notice to such unknown interest holders to post such notice to a door or wall of the room or building which contained such seized ~~or sealed~~ property. Any such notice of seizure ~~or scaling~~ shall include procedures for an administrative hearing for return of such property seized or sealed as well as affirmative defenses set forth in this section which may be asserted.

Such hearing shall be requested within ten (10) days of the notice of such assessment, seizure, or sealing and shall set forth the reasons why said tax, penalties and interest and cigarettes, vending machines or other property should be returned or released. Within five (5) days after receipt of such hearing request, the Commissioner shall notify the petitioner of a date and time for the informal presentation of evidence at a hearing to be held within fifteen (15) days of the date notification is sent. Any such request for hearing shall be denied if the assessed tax, penalties and interest have not been paid as required or if the request is received more than ten (10) days from first notice to the petitioner of such seizure or sealing. Within five (5) days after the hearing, the Commissioner shall notify the petitioner whether his request for a correction has been granted or refused. Appropriate relief shall be given by the Commissioner if he is convinced by the preponderance of the evidence that the illegal sale or use of such seized cigarettes or vending machines or other property was not intentional on the part of the petitioner, and that said seized cigarettes were in the possession of a person other than the petitioner without the petitioner's consent at the time said cigarettes~~, vending machines~~ or other property were seized or sealed or that petitioner was authorized to possess such untaxed cigarettes. If the Commissioner is satisfied
that the tax was erroneously assessed, he shall correct the assessment and the Treasurer shall refund the amount erroneously assessed together with any interest and penalties paid thereon and shall return any cigarettes~~, vending machines~~ or other property seized ~~or sealed~~ to the petitioner. Any petitioner who is unsatisfied with the written decision of the Commissioner may, within thirty (30) days of the date of said decision, appeal such decision to the appropriate court in the jurisdiction where the seizure or sealing occurred.

§ 39-13. Disposal of Seized Property.

Any seized and confiscated cigarettes~~, vending machines~~ or other property used in the furtherance of any illegal evasion of the tax may be disposed of by sale or other method deemed appropriate by the

Commissioner after any petitioner has exhausted all administrative appeal procedures. No credit from any sale of cigarettes~~, vending machines,~~ or other property seized shall be allowed toward any tax and penalties assessed.

§ 39-14. Extensions.

The Commissioner, upon a finding of good cause, may grant an extension of time to file a tax report upon written application therefor, until the end of the calendar or fiscal month in which any tax report is due hereunder, for a period not exceeding thirty (30) days. In no case shall a request for extension of time to file a tax report be granted by the Commissioner when such request is not received within the due date for filing such tax report. Where such extension is granted beyond the end of the calendar or fiscal month in which any tax report is due, hereunder, interest on the tax at a rate specified in § 27-3, provided, however, that such interest shall not exceed the rate permitted by Virginia Code § 58.1-3832.

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BE IT FINALLY ORDAINED that anything not hereby amended remain as previously enacted.

#35 - Board Report (Final)

#35 - Item Attachment - ATTACHMENT A - RTA

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IV. ADDITIONAL ITEMS

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Abraham-Paul v. Osorio Settlement

On a motion by MATT DE FERRANTI, Chair, seconded by SUSAN CUNNINGHAM, Member, the County Board authorize, in a final form approved by the County Attorney, a settlement in the matter of Abraham-Paul v. Osorio, et al, Case No.: 1:25-cv-01253, now pending before the United States District Court for the Eastern District of Virginia, and authorize the County Attorney or his designee to execute any documents necessary to effectuate such settlement.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

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Remnant Defendants Opioid Settlement

On a motion by MATT DE FERRANTI, Chair, seconded by JULIUS D. "JD" SPAIN, SR., member, the County Board authorized the County's participation in the proposed settlement of opioid-related claims against the following and any related corporate entities:

- Associated Pharmacies, Inc (and American Associated Pharmacies);
- J M Smith Corporation;
- Louisiana Wholesale Drug Company, Inc.;
- Morris and Dickson Co.;
- North Carolina Mutual Wholesale Drug Company, Inc.;
- and United Natural Foods, Inc. (including its subsidiaries SuperValu and Advantage Logistics).

and directed the County Attorney and the County's outside counsel to execute the documents necessary to effectuate the County's participation in the settlement, including any required release of claims against these entities.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

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Insulin Litigation

On a motion by MATT DE FERRANTI, Chair, seconded by MAUREEN COFFEY, Vice-Chair, the County Board elected to waive its Lexecon rights in In Re: Insulin Pricing Litigation, MDL No. 3080, currently pending in the United States District Court for the District of New Jersey and authorize the County Attorney or outside counsel to take any steps necessary to effectuate the waiver.

The motion was adopted and carried by a vote of 5-0, the voting recorded as follows: Matt de Ferranti, Chair – Aye; Maureen Coffey, Vice-Chair – Aye; Susan Cunningham, Member – Aye; Julius D. "JD" Spain, Sr. – Aye; and Takis Karantonis, Member – Aye.

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Adjournment

Without objection, at 7:27 PM the March 17, 2026 Recessed County Board Meeting was adjourned.

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Matt de Ferranti, Chair

ATTEST:

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Mason Kushnir, Clerk
Approved: September 19, 2026