

TOBACCO CONTROL BOARD MEETING MINUTES

APRIL 6, 2006

The Tobacco Control Board met on Thursday, April 6, 2006, for its monthly meeting in the Main Street Mall building, located at 101 E. Capitol Avenue, Little Rock, Arkansas, beginning at 9:00 a.m. in Conference Room "C". There were 6 - Board members present - Mr. Brian Bree, Mr. Kevin Case, Mr. John Hauge, Mr. Ronald Rivers, Mr. Vince Macy, Mr. Gene McKissick, who arrived after the meeting began, and 2 - Members absent - Mr. Mark Carter and Mr. Kevin Dedner.

Mr. Ron Rivers, Chairman, called the meeting to order and opened with a "Welcome" to those attending. He introduced and welcomed Mr. Chad Gallagher to the Tobacco Control Board. Mr. Gallagher was appointed by the Governor to replace Charlie Davis as the Director. Mr. Gallagher shared his experience in municipal and state government with the Board.

Mr. Rivers then introduced Mr. Charlie Moulton, serving as Hearing Officer, and Ms. Lydia Williams, as Court Reporter. The meeting was turned over to Mr. Moulton to proceed with the Disciplinary Hearing segment of the agenda. He called the following cases before the Board:

Default Judgments List

Dated April 6, 2006

Mr. Roland Darrow read the list of businesses with no one responding as being present. He also asked the three listings for Lehi Market in Marion be removed. Mr. Darrow asked for a motion to find Turrell One Stop and Olive Street Liquor Mart of Pine Bluff to be found in default with the three listing for Lehi Market being removed, issue the maximum penalty on all Sales to Minors cases, and issue the recommended fines on all other cases.

A motion was made and approved to accept the recommendation of Counsel to find those listed in default with the three listings for Lehi Market being removed, issue the maximum penalty on all Sales to

Minors cases, and issue the recommended fines on all other cases with 5 – Yes votes, and 3 – Members absent.

Case 2006-0230 Ingram Superstop West Memphis

VIOLATION: §26-57-228 Purchasing tobacco products from an unlicensed dealer, 2nd Offense, \$1,000 fine & 10-day suspension of permit.

§26-57-248(a) Possession of untaxed tobacco products, \$5,487.50 fine.

Destruction of all confiscated product

The business was represented by Mr. Ahmed Alifadel and his brother.

After hearing all the testimony in the case, a motion was made and approved to find Ingram Superstop in violation of §26-57-228 Purchasing from an unlicensed dealer, levy a \$1,000 fine and 10-day suspension, in violation of §26-57-248(a) Possession of untaxed tobacco, levy a \$5,487.50 fine and destruction of all confiscated product accepting the Director’s recommendation with 5 – Yes votes, 1 – Abstention, and 2 – Members absent.

Case 2005-0236

Tobacco 2 Go

West Memphis

VIOLATION:	§26-57-228	Purchasing from unlicensed dealer, 1st offense, \$500 fine and 5-day suspension of permit.
	§26-57-213	Failure to maintain invoices, 1st Offense, \$500 fine and 5-day suspension of permit.

The store location was represented by Mr. Abdulaziz Abdalla Adous.

After all evidence was presented and discussion by the Board, a motion was made to find Tobacco 2 Go in violation of §26-57-213 Failure to maintain invoices, levy a \$500 fine and 5-day suspension of permit and in violation of §26-57-228 Purchasing from an unlicensed dealer, levy a \$500 fine and 5-day suspension of permit with 2 – Yes votes, 4 – No votes, and 2 – Members absent. The motion failed.

A second motion was made and approved to find Tobacco 2 Go in violation of §26-57-213 Failure to maintain invoices, levy a \$500 fine with no suspension of permit, in violation of §26-57-228 Purchasing from an unlicensed dealer and §26-57-257, and levy a \$500 fine with no suspension of permit with 6 – Yes votes and 2 – Members absent.

The business was represented by Mr. Herrick Lo, the owner.

The testimony was presented and after discussion by the Board a motion was made and approved to find H & G Grocery & Deli in violation of §26-57-228 Purchasing from an unlicensed dealer, levy a \$500 fine with no suspension of permit, in violation of §26-57-213 Failure to maintain invoices, levy a \$500 fine with no suspension of permit, in violation of §26-57-248(a) Possession of untaxed tobacco, levy a \$1,000 fine and destruction of confiscated product with 6 – Yes votes and 2 - Members absent.

Case 2005-0209

USA Drug #1003

Little Rock

VIOLATION: §5-27-227(a)(1) Sale to Minor, 3rd offense, \$400 fine and 2-day suspension of permit

Mr. Dyer Custer, the District Manager for USA Drug, represented the store location.

After discussion a motion was made and approved to find USA Drug #1003 in violation of §5-27-227(a)(1) Selling to a minor, levy a \$200 fine and 1-day suspension of permit with 6 – Yes votes and 2 – Members absent.

The Disciplinary Hearing segment of the agenda was closed by the Hearing Officer and the meeting was turned back over to the Chairman.

Mr. Rivers asked for approval of the Board meeting minutes for March 2, 2006. A motion was made and approved to that effect with 6 – Yes votes and 2 – Members absent.

The Chairman called on Mr. Chad Gallagher to continue with “New Retail Permit Applications” on the agenda. After reviewing the report, the Director asked for approval of “New Retail Permit Applications issued from March 2, 2006, through April 5, 2006, as listed.” A motion was made and approved to accept the “New Retail Permit Applications issued

from March 2, 2006 through April 5, 2006” as listed, with 6 – Yes votes and 2 – Members absent.

Mr. Gallagher continued with his “Address to the Board” and started with a review of the Complaints Report dated March 2, 2006 through April 6, 2006.

He reported that he will be working with the agency staff to revise the ATCB web site.

He shared his goals for the agency under his leadership as the Director.

He then called on Mr. Greg Sled, Sales to Minors Enforcement Agent Supervisor, to give a report on the activity of the field agents.

Mr. Sled introduced two new agents, Ms. Stacy Lewis and Mr. Bo Hickey, and shared their law enforcement background with the Board. He then reviewed his monthly reports.

The Chairman continued with the Court Update since Mr. Arnie Jochums was not able to attend the meeting. The Board was given a copy of the agreement between the Attorney General’s Office and Phillip Morris. Mr. Rivers asked the members to review the agreement and any questions would be addressed by Mr. Jochums at the May 4th meeting.

Next on the agenda was the “Notice of Hearing and Offers of Settlement accepted by the permittee”. The Board reviewed the report dated March 2, 2006. A motion was made and approved to accept the “Notice of Hearing and Offers of Settlement List accepted by the permittee as on the report dated April 6, 2006” with 6 – Yes votes and 2 – Members absent.

Mr. Rivers continued with “Open Forum for Board Member Discussion” followed by “Open Forum for Comments from the Audience”.

During the “Comments from the Audience” Mr. Mohamed Nashal, the Store Manager of Hazel Street Food Mart in Pine Bluff, was present with his Attorney, Mr. James Hyden. Once again they requested the Board reconsider its decision on February 2, 2006. A motion was made to take no further action but failed with 4 – Yes votes, 2 – Members absent and 2 – Abstentions. No additional action was taken.

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Announcements included the next meeting date of the Board on Thursday, May 4, 2006.

All business of the Board had been conducted and the meeting was adjourned.

Minutes prepared by

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April 24, 2006