

## **TOBACCO CONTROL BOARD MEETING MINUTES**

**FEBRUARY 2, 2006**

The Tobacco Control Board met on Thursday, February 2, 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 7 - Board members present - Mr. Brian Bree, Mr. Mark Carter, Mr. Kevin Case, Mr. John Hauge, Mr. Ronald Rivers, Mr. Gene McKissic, who arrived after the meeting began, Mr. Vince Macy, and 1 - Member absent - Mr. Kevin Dedner - who is a new member and couldn't begin serving on the Board until March 2, 2006, due to a prior commitment.

Mr. Ron Rivers, Chairman, called the meeting to order and opened with a "Welcome" to those attending. He introduced Ms. Teena Watkins, serving as Hearing Officer and Ms. Lydia Williams, as Court Reporter.

Mr. Rivers turned the meeting over to Ms. Watkins to proceed with the Disciplinary Hearing segment of the meeting. She called the following cases before the Board:

**Case 2005-0762                      Hazel Street Food Mart                      Pine Bluff, AR**

<b>VIOLATION:</b>	<b>§26-57-228</b>	<b>Purchasing tobacco products from an unlicensed dealer, 1<sup>st</sup> Offense, \$500 fine &amp; 5-day suspension of permit.</b>
	<b>§26-57-213</b>	<b>Failure to maintain invoices, 1<sup>st</sup> offense, \$500 fine.</b>
	<b>§26-57-248(a)</b>	<b>Possession of untaxed tobacco products, \$1675.00 fine and 5-day suspension of permit.</b>



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 January 5, 2006. A motion was made and approved to that effect with 7 – Yes votes and 1 – Member absent.

Next he asked for a motion to approve the committee meeting minutes for January 27, 2006. A motion was made and approved to that effect also with 7 – Yes votes and 1 – Member absent.

The Chairman called on Mr. Davis to continue with “New Retail Permit Applications” on the agenda. Mr. Davis, the Director, asked for approval of “New Retail Permit Applications issued from January 4, 2006, through February 1, 2006, as listed.”

A motion was made and approved to that effect with 7 – Yes votes and 1 – Member absent.

Mr. Davis continued with his Address to the Board and started with a review of the Complaints Report dated February 2, 2006.

He announced that Mr. Kevin Dedner with the American Cancer Society had been appointed by the Governor to replace Dr. J. Neal Beaton. Due to a prior commitment, Mr. Dedner would not be able to attend today’s meeting but will begin serving on the Board at the March 2, 2006, meeting.

He reminded board members that their “Statement of Financial Interest” was due to the Secretary of State’s Office on January 31, 2006.

He reviewed security changes to the Main Street Mall Building. A request had been submitted to obtain entry key cards for each board member. Those would be mailed to the members before the March 2, 2006, meeting.

The Board was given an envelope containing a complete update for their personal binders, which includes Cigarette and Tobacco Laws, Rules and Regulation, etc.

Mr. Davis also announced the agency office will be closed on Monday, February 20, 2006, for President’s Day.

He then called on Mr. Greg Sled, Sales to Minors Enforcement Agent Supervisor, to give a report on the activity of the field agents. The monthly Compliance Check Report was reviewed also.

At the January 5, 2006, board meeting, the Board recommended a committee be formed to discuss an "Application for Underage Sales to Minors Training" form and bring recommendations back to the Board. A committee was made up of two board members – Mr. Ronald Rivers and Mr. John Hague, industry representatives from Arkansas Oil Marketers Association, Hoover Oil Company, Arkansas Grocers & Retail Merchants Association, E-Z Mart, Kroger Company, and Exxon Tiger Marts, Health Department representatives – Ms. Tommie Waters and Ms. JoAnn Warren, and various Tobacco Control Board Agency staff along with Mr. Charlie Davis, the Director.

Mr. Sled shared information about the committee meeting held on January 27, 2006, and reviewed the recommended changes to the form with the Board. After discussion a motion was made and approved to accept the recommendations of the Committee with 7 – Yes votes and 1 – Member absent.

Mr. Davis reviewed and asked for approval of the "Offers of Settlement" accepted by the permittee on the report dated February 2, 2006. A motion was made and approved to accept the "Offers of Settlement List accepted by the permittee as listed on the February 2, 2006, Report" with 7 – Yes votes and 1 – Member absent.

The Chairman called on Mr. Arnie Jochums, Legal Counsel for the Board, to give a Court Update.

At the January 5, 2006, board meeting, Mr. Cliff Block, representing McLane Southwest, asked the Board to approve their request in his letter dated November 29, 2005, regarding additional guideline for an Application to Sell Cigarettes At Less Than Presumptive Cost. After discussion a motion was made and approved to see the proposal and review it before the February 2<sup>nd</sup> board meeting and bring it before the Board at that time.

Mr. Rivers called on Mr. Block to address the Board. After discussion a motion was made to table McLane's proposal. There was not a Second and the motion was withdrawn.

A second motion was made and approved to reject the proposal as submitted by McLane Southwest with 7 – Yes votes and 1 – Member absent.

Mr. Rivers reminded the Board that at the December 1, 2005, meeting a marketing plan for Grocery Supply Company was presented by Mr. Charles Singleton, a Little Rock Attorney, representing GSC. After reviewing the plan the Board had additional questions that couldn't be answered at that time. The Board agreed to table the plan until a representative of the company could come before the Board with additional information.

Mr. Charles Singleton, Attorney and representative of Grocery Supply Company, introduced Mr. Larry Kerns, President & CEO, Mr. Steve Sheen, Vice-President, and Mr. Mike Bain, Chief Operating Officer. Mr. Bain addressed the Board and provided additional information as requested.

After discussion a motion was made to approve the Marketing Plan for Grocery Supply Company with 7 – Yes votes and 1 – Member absent.

Next on the agenda was “Open Forum for Board Member Discussion” followed by “Open Forum for Comments from the Audience”.

Announcements included the next meeting date of the Board on Thursday, March 2, 2006.

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

Minutes prepared by: *Janis L. Campbell*

February 23, 2006