

TOBACCO CONTROL BOARD MEETING MINUTES

JUNE 1, 2006

The Tobacco Control Board met on Thursday, June 1, 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. Mark Carter, who arrived after the meeting began, Mr. Kevin Case, Mr. Kevin Dedner, Mr. John Hauge, Mr. Ronald Rivers, and Mr. Vince Macy, 1 - Member absent, Mr. Gene McKissic, and 1 - Open position.

The Chairman, Mr. Ron Rivers, called the meeting to order and opened with a "Welcome" to those in attendance.

Mr. Rivers asked Mr. Arnie Jochums, Attorney for the Board, to give his "Court Update". Next the Chairman introduced Mr. Brent Gasper, serving as Hearing Officer, and Ms. Lydia Williams, as Court Reporter. The meeting was turned over to Mr. Gasper to proceed with the Disciplinary Hearing segment of the agenda. He called the following cases before the Board:

Default Judgments List

Dated June 1, 2006

Mr. Roland Darrow read the list of businesses with no one responding as being present. He also asked the Board to approve the Default List dated June 1, 2006, find those listed in default and accept the recommendation of the Director.

A motion was made and approved to accept the Default List dated June 1, 2006, find those listed in default, accept the recommendation of the Director to levy the maximum fine on all Sales to Minors cases and issue recommended fines on all other cases with 5 - Yes votes, 2 - Members absent and 1 - Open position.

Case 2006-0272

Chad's Market

Blytheville, AR

VIOLATION: §26-57-228 Purchasing tobacco products from an unlicensed dealer, 1st Offense, \$500.00 fine & 5-day suspension of permit.

§26-57-213 Failure to maintain invoices, 2nd Offense, \$1,000.00 fine & 15-day suspension of permit.

The business was represented by Mr. Jeff Priebe, Attorney.

After hearing all the testimony in the case, a motion was made to find Chad's Market in violation of §26-57-257 and §26-57-213 Failure to maintain invoices, levy a \$500.00 fine and 3-day suspension of permit, and not find them guilty of §26-57-228 Purchasing from an unlicensed dealer with no penalty assessed. The motion was approved with 5 – Yes votes, 2 – Members absent and 1 – Open position.

Case 2006-0278 Tobacco Town dba Discount Tobacco Russellville

VIOLATION: §5-27-227(a)(1) Sale to Minor, 2nd Offense and \$200 fine

A motion was made and approved to find Tobacco Town dba Discount Tobacco in violation of §5-27-227(a)(1), issue a Warning with no fine or suspension with 5 – Yes votes, 1 – Abstention, 1 – Member absent and 1 – Open position.

Case 2006-0299

E-Z Mart #413

Cave Springs

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

The store location was represented by Mr. George DeLoach of the Loss Prevention Department for E-Z Mart.

After all evidence was presented and discussion by the Board, a motion was made to find E-Z Mart #413 guilty of §5-27-227(a)(1) Sale to a Minor, levy a \$400 fine and 2-day suspension of permit. The motion failed as there was not a second to the motion.

A second motion was made to find E-Z Mart #413 in violation of §5-27-227(a)(1) Sale to a Minor, levy a \$200 fine and 1-day suspension of permit with 3 – Yes votes, 3 – No votes, 1 – Member absent and 1 – Open position. The motion failed as there has to be 5 votes in agreement in order for a motion to pass.

A third motion was made and approved to find E-Z Mart #413 in violation of §5-27-227(a)(1) Sale to a Minor, levy a \$400 fine and 1-day suspension of permit with 6 – Yes votes, 1 – Member absent and 1 – Open position.

Case 2006-0248

Jericho Liquor Store Jericho, AR

VIOLATION:	§26-57-248(a)	Possession of untaxed tobacco, 1st Offense, \$2,875.00 and Destruction of Product
	§26-57-228	Purchasing from an 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.

No one was present to represent the business.

Upon the completion of testimony and discussion, a motion was made and approved to find Jericho Liquor Store in violation of §26-57-248(a), issue a \$2,875.00 fine and destruction of product, in violation of §26-57-228 Purchasing from an unlicensed dealer, levy a \$500 fine and 5-day suspension of permit, in violation of §26-57-213 Failure to maintain invoices and §26-57-257, levy a \$500 fine and 5-day suspension of permit thereby accepting the Director's recommendation with 5 – Yes votes, 1 – Abstention, 1 – Member absent and 1 – Open position.

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 May 4, 2006. A motion was made and approved to that effect with 6 – Yes votes, 1 – Member absent and 1 – Open position.

Next the Chairman called on Mr. Chad Gallagher, the Director, to continue with "New Retail Permit Applications". After reviewing the report, the Director asked for approval of "New Retail Permit Applications

issued from May 4, 2006, through May 31, 2006, as listed.” A motion was made and approved to that effect with 6 – Yes votes, 1 – Member absent and 1 – Open position..

Mr. Gallagher continued with his “Address to the Board” and started with a review of the Complaints Report dated May 4, 2006 through June 1, 2006.

He reported the agency has received the Biennial Budget packet for FY2008 and 2009 and are preparing it now.

The agency office would be closed on Tuesday, July 4th for the Independence Day Holiday.

He called on Greg Sled, the Sales to Minors Supervisor, to give his report on the activity of the field agents.

Next on the agenda was the “Notice of Hearing and Offers of Settlement accepted by the permittee”. The Board reviewed the report dated June 1, 2006, a motion was made and approved to accept the “Notice of Hearing and Offers of Settlement List accepted by the permittee as shown on the report dated June 1, 2006” with 6 – Yes votes, 1 – Member absent and 1 – Open position.

Mr. Rivers continued with “Open Forum for Board Member Discussion”. He shared with the Board that Mr. Kevin Dedner would be serving on the Legislative Committee filling the last “Open Position.

That leaves one “Open Position” on the Rules and Regulations Committee, which will be filled when a replacement for Brian Bree is appointed.

Each board member was given an updated list of each committee and who is serving on those committees.

He discussed the need to fill the Vice-Chairman and Secretary positions on the Board. Mr. Vince Macy has served on the Board since July 2, 2002 and was asked to serve as the Vice-Chairman and he accepted. The Secretary position will be filled by Mr. Mark Carter, who accepted this position and has served on the Board since September 2, 2003.

Page 6

Next was “Open Forum for Comments from the Audience”.

Announcements included the next meeting date of the Board on Thursday, July 6, 2006.

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

Minutes prepared by

Janis L. Campbell
Janis L. Campbell

June 7, 2006