



**State of Arkansas
Department of Finance
And Administration**

DFA – ARKANSAS TOBACCO CONTROL
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**BOARD MEETING MINUTES
September 14, 2023**

The Arkansas Tobacco Control Board met on Thursday, September 14, 2023, for its monthly meeting in the Main Street Mall Building, located at 101 E. Capitol Avenue, Little Rock, Arkansas, beginning at 10:00 a.m. in Suite 119. There were seven (7) Board members present.

- **Board Members Present:** Chairman Gary Proffitt, Mr. Kerry Lott, Mr. Sam Stathakis, Mr. David Hendrix, Jr., Dr. Patricia Knott, Brent Summerhill, and Dr. Shabbir Dharamsey.

CALL TO ORDER.

- Chairman Gary Proffitt called the ATC Board meeting to order and opened the meeting welcoming the guests and staff.
- There were two hearings set for today's Board Meeting. As a result, a hearing officer, Mr. Daniel Faulkner, and court reporter, Ms. Melody Haley, were present.

BOARD MEETING MINUTES

Chairman Gary Proffitt requested a motion to approve the board meeting minutes from July 13, 2023. A motion was made by Dr. Shabbir Dharamsey and seconded by Mr. Sam Stathakis to approve the July 13, 2023, minutes. It passed with seven (7) yes votes and zero (0) opposing votes.

WHOLESALE PERMIT APPLICATIONS

Chairman Proffitt presented six (6) new Wholesale Tobacco and Vapor product Permit applications to the Board for approval.

- ❖ **Badat Brothers, Inc. - Mulberry, AR**
- ❖ **BNC Industries - Little Rock, AR**
- ❖ **Vercellis Vapor, LLC. - Fort Smith, AR**
- ❖ **Southern Wholesale, LLC. - Baton Rouge, LA**
- ❖ **J.K. Phansawala, LLC. - Dallas, TX**
- ❖ **Empire Wholesale, LLC. - Little Rock, AR**

- A motion was made by Mr Kerry Lott to approve the wholesale application and seconded by Dr Shabbir Dharamsey The motion passed with seven (7) yes votes and zero (0) opposing votes

NEW RETAIL PERMITS ISSUED

- Director Greg Sled requested the Board members to review and approve the list of eighty-one (81) new permits (those permits other than wholesale permits) issued from July 1, 2023 through August 31, 2023
- A motion was made to accept and approve the list of eighty-one (81) new permits issued by Mr Brent Summerhill and seconded by Mr Sam Stathakis The motion passed with seven (7) yes votes and zero (0) opposing votes

DEFAULT JUDGMENTS

- Director Greg Sled presented the July and August 2023 default judgements list to the Board to review and approve
 - A motion was made to approve the Default Judgments by Mr Sam Stathakis and was seconded by Dr Shabbir Dharamsey to approve The motion passed with seven (7) yes votes and zero (0) opposing votes

ACCEPTED OFFERS OF SETTLEMENT

- Director Greg Sled requested the Board members to review and approve the list of Accepted Offers of Settlement for July and August 2023 A motion was made to accept the Accepted Offers of Settlement by Dr Shabbir Dharamsey and seconded by Mr Sam Stathakis The motion passed with seven (7) yes votes and zero (0) opposing votes
 - Director Sled requested the Board members to review and approve the Accepted Addendum for McCrory Quick Stop The motion was made by Mr Brent Summerhill and was seconded by Dr Patricia Knott Due to Chairman Gary Proffitt recusing himself the motion passes with six (6) yes votes and zero (0) opposing votes

ENFORCEMENT ACTIVITY

- Director Sled reported for following results for compliance checks

June FY 23 - 35 / 333 = 10.51 %

July FY 24 - 40 / 566 = 7.07 %

August FY 24 - 27 / 456 = 5.92 %

FY 2024 - 67 / 1,022 = 6.56 %

Results for Inspections for the month of July 2023, with 11 out of 26 inspections totaled 22 violations = 42.31 % Results for Inspections for the month of August 2023, with 11 out of 38 inspections totaled 22 violations = 28.95 %

FDA ACTIVITY

Deputy Director Ray Owens was absent from this board meeting

LEGAL UPDATE

- Deputy Attorney General, Doralee Chandler, gave the board an update on the latest Hemp Ban information

FULL HEARINGS

- ❖ Case No 2023-01568
VAPELAND, LLC
Raed Saleh
723 East Parker Road
Jonesboro, Arkansas 72404

Violations (1) Failure to Maintain Invoices for a 3-Year Period A C A § 26-57-213
(2) Possession of Untaxed Tobacco Products A C A § 26-57-245
(3) Purchasing Tobacco, Vapor, or Alternative Nicotine from an unlicensed dealer
A C A § 26-57-213

In light of the evidence and testimony submitted before the Board, a motion was made by Dr Shabbir Dharamsey and seconded by Mr David Hendrix, Jr to approve the \$26,291.80 civil penalty and the twenty-five (25) days permit suspension for the violations presented above Motion passed with seven (7) yes votes and zero (0) opposing votes

- ❖ Case No 2022-11694
HARRIS Q-STOP GROCERY & DELI, LLC dba HARRIS Q-STOP GROCERY & DELI
Telesia Swanigan
106 South 16th Street
West Memphis, Arkansas 72301

Violations (1) Possession of Untaxed Tobacco Products A C A § 26-57-245
(2) Purchasing Tobacco, Vapor, or Alternative Nicotine from an unlicensed dealer
A C A § 26-57-213

In light of the evidence and testimony submitted before the Board, a motion was made by Mr Sam Stathakis and seconded by Dr Shabbir Dharamsey to approve the \$9,092.30 civil penalty and hold the twenty (20) days permit suspension for the violations presented above Motion passed with seven (7) yes votes and zero (0) opposing votes

OPEN FORUM

- Chairman Gary Proffitt asked if there were any questions or comments from the Board members There were no questions or comments made at that time

ADJOURNMENT

In closing, Chairman Gary Proffitt stated that the next ATC Board meeting is scheduled for October 05, 2023 A motion was made by Mr Sam Stathakis and seconded by Dr Shabbir Dharamsey to adjourn It was approved with seven (7) yes votes and zero (0) opposing votes The meeting was adjourned

Minutes prepared by

Dated September 20, 2023

Sharee Devore

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