



State of Arkansas
Department of Finance
And Administration

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RESPONSIVE SUMMARY PROPOSED ARKANSAS TOBACCO CONTROL RULE AMENDMENTS

I. INTRODUCTION

Public Notice. Public Notice was published statewide on Sunday, March 13, 2022 through Tuesday, March 15, 2022 in the Arkansas Democrat-Gazette. Publication of that notice began the public comment period. Arkansas Tobacco Control also posted the public notice with the Arkansas Secretary of State and on the Arkansas Tobacco Control website. A public comment period hearing was held on April 14, 2022. The public comment period closed April 14, 2022.

At the Arkansas Tobacco Control Board's regularly scheduled meeting on April 14, 2022, Arkansas Tobacco Control staff requested the Board to pull the language contained in the proposed rule amendments pertaining to online cigar sales, Sections 4.3 through 4.9, in response to verbal comments made during the public notice period (those comments discussed further below). At that same April 14, 2022 regularly scheduled meeting, the Arkansas Tobacco Control Board unanimously passed a motion to approve the proposed Arkansas Tobacco Control Board Rule amendments, with Section 4.3 through 4.9 removed for further review and later promulgation, in response to the verbal comments made during the public notice period. The proposed rule amendments include the following:

- a. Update rule language regarding rebating to be in harmony with the language of Act 942 of 2021;
- b. Add rule language regarding the 30-day grace period provided under Act 386 of 2021;
- c. Update ATC permit fees to mirror the permit fees contained in A.C.A. § 26-57-219 (Act 1071 of 2019);
and
- d. Update and modify language and formatting for overall grammar, clarity, and harmonization with applicable ATC statutes.

These proposed rule amendments are in the public interest.

II. RESPONSES TO WRITTEN AND/OR VERBAL COMMENTS

A. One (1) comment made at the April 14, 2022 Public Comment Period Hearing. The following people or organizations made comments at the public comment period hearing held by the Arkansas Tobacco Control Board on April 14, 2022:

- Mr. Steve Ferren, Executive Vice President, Arkansas Oil Marketers Association spoke in favor of the proposed Arkansas Tobacco Control Board Rule amendments.

Response: Arkansas Tobacco Control acknowledges Mr. Ferren’s comments made in favor of the proposed Arkansas Tobacco Control Board Rules.

No one else spoke for or against the Arkansas Tobacco Control Board Rules at the April 14, 2022 Public Comment Period Hearing.

B. Zero (0) written comments sent to Arkansas Tobacco Control. Arkansas Tobacco Control does not have record of having received any written comments from persons or organizations the public comment period.

C. Two (2) Verbal Comments made to Arkansas Tobacco Control over the telephone, prior to the April 14, 2022 Public Comment Period Hearing. The following two (2) people made comments over the phone to Arkansas Tobacco Control in opposition to the portion of the proposed rule amendments pertaining to online cigar sales and delivery:

- i. **Phone Commenter:** Mr. Brian Waters

Comments: Mr. Waters expressed concern with the online cigar sales portion of the proposed rule amendments, as drafted. In particular, Mr. Waters was concerned that Section 4.5, “Requirements for accepting order for delivery sale,” and Section 4.6, “Requirements for shipping a delivery sale,” placed a burden on Arkansas retailers that may not be equally placed upon non-Arkansas businesses or even other industries. Mr. Waters requested additional time to work with Arkansas Tobacco Control in addressing his concerns.

Response: Arkansas Tobacco Control pulled the sections of the proposed rules pertaining to online cigar sales, Sections 4.3 through 4.9, for further review and later promulgation. Upon motion and a second, on April 14, 2022, the Arkansas Tobacco Control Board approved the proposed rules without Sections 4.3 through 4.9.

ii. Phone Commenter: Arkansas State Representative

Comment: An Arkansas State Representative expressed concern with the online cigar sales portion of the proposed rule amendments, as drafted. In particular, the Arkansas State Representative was concerned that Section 4.5, “Requirements for accepting order for delivery sale,” and Section 4.6, “Requirements for shipping a delivery sale,” placed a burden on Arkansas retailers that may not be equally placed upon non-Arkansas businesses or even other industries and wanted to ensure the privacy of Arkansas consumers was adequately protected during the age verification process. The Arkansas State Representative requested additional time to work with Arkansas Tobacco Control in addressing their concerns, including the concerns of any constituent.

Response: Arkansas Tobacco Control pulled the sections of the proposed rules pertaining to online cigar sales, Sections 4.3 through 4.9, for further review and later promulgation. Upon motion and a second, on April 14, 2022, the Arkansas Tobacco Control Board approved the proposed rules without Sections 4.3 through 4.9.

Respectfully Submitted,



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