



STATE OF ARKANSAS
**Department of Finance
and Administration**

ALCOHOLIC BEVERAGE CONTROL
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MINUTES OF THE ALCOHOLIC BEVERAGE CONTROL BOARD
March 13, 2019

On the 13th day of March 2019, the ABC Board did convene at Little Rock, Arkansas for its regular monthly meeting and in attendance were Freddie Black, Chairman, Mickey Powell, Steve Smith, Pam Depriest and Jamie Anderson.

The Board accepted the Director's Decisions, Private Club Resume, Violation Resume and Director's recommendations for extension on Inactive Status Letters. Steve Smith made a motion to approve, Pam Depriest seconded the motion, the motion passed with a 5-0 vote.

ABC Director Doralee Chandler, started off with the Medical Marijuana Transporter Rules, these are the Rules and Regulations that will govern the Licensed Transporters and Distributors. Section three of the Rules and Regulations has an added Definition "Authorized Personnel" due to the term being used in the rules but not being defined. Also, "Enforcement" has been added to clarify to difference between "Enforcement" and "Division". Section four is essentially the exact same recordkeeping requirements that are set forth for Cultivators and Dispensaries, with the elimination of any rules or regulations dealing with directly growing the Medical Marijuana because they will not be applicable. Section five is the Personnel Requirements which will be the same as Cultivators and Dispensaries. In section six, Oversight and Inspection Requirements, we are going to mandate that ABC Enforcement will have to inspect the Transporter Facilities because they have the option to "Store" Medical Marijuana at their facility. Transporters must have the same security measurements that Cultivators and Dispensaries have with cameras, locked doors, locked vehicles, certain storage boxes to carry the marijuana in. Section seven, is the construction specifications they will need to operate a secure premise. Chairman Black asked about the different facilities and who would be creating the product as in pill form, etc. ABC Director Doralee, stated that some of the cultivators will have their own laboratory and some with outsource to a different laboratory. Chairman Black requested that sometime in the summer the ABC Board be given a tour at one of the grow facilities, Director Doralee Chandler stated she would try to set something up for them. Individuals transporting product must always have a valid driver's license as well as the employee card with them. Transporters can only store product for 24 hours if they are unable to deliver in the time frame set for them. Any visitors other than contractors will not be allowed anywhere where marijuana is grown. Hours of Operation would be the same as dispensaries and Cultivators, between the hours of 7:00 am to 9:00 pm. If they can not deliver during that time they need to go back to their facility immediately. They must always maintain inventory manifest with them, so we know what inventory they have on them or at their facility. We will be able to track all inventory with the system ABC Enforcement is currently using to track inventory. Distributors and Transporters are not allowed to grow/ prepare marijuana,

manufacture/ process marijuana, supply or dispense marijuana to qualified patient or designated caregiver, store marijuana for more than 24 hours without prior written approval from the Division or purchase marijuana for resale to other licenses facilities. Advertising can not indicate what they are transporting or advertise to the public what they are transporting. Upon separation of employment, a notice of separation of employment must be filed with ABC within 7 days. ABC Director can emergently suspend a permit if is it in the best interest of public health, safety or welfare.

Mickey Powell asked who Doralee see's being a "transporter", she replied with anyone who wants to start a business or currently owns a transport business that can meet all the requirements set forth can apply for a transporter permit. Jamie Anderson made a motion to approve the Medical Marijuana Transporter Rules, Steve Smith seconded the motion, the motion passed with 5-0 vote.

Director Chandler stated the next step will be for the Rules and Regulations to go to the Governor's office, if suggested changes it will come back to the Board and they will again have to vote on it. Once that is done it will go to legislative counsel for them to vote on it.

Director Chandler requested they approve a new permit for Alvin Hodge for Restaurant Mixed Drink in Pulaski County that was left off the Director's decision. Pam Depriest made a motion to approve, Jamie Anderson seconded the motion, motion passed 5-0 vote.

Heather Starnes, Attorney for Conoco Express and Speedway Grocery, is requesting De Novo hearing and Prohac Vice. Mickey Powell made a motion to allow the Permittee and ABC to present their finding of facts and arguments in a brief limited to 10 pages, anything more than 10 pages will not be considered by the board. There will be no responsive briefings filed and those briefs be provided by April 9, 2019. The Board will have from April 10, 2019 to May 8, 2019 to review. Vote passed with 5-0 vote. The second request is to allow Penny Speak to appear as council of record by Prohac Vice. Jamie Anderson made a motion to deny the request for Penny Speak to appear as council of record. Pam Depriest seconded the motion. The vote passed with a 5-0 vote.

Next order of Business is for Jamie Reynolds, Jamie's, 6115 East 9th, Texarkana, Retail Beer on Premises, transfer of location application that was denied by the Director due to Opposition from area residents. ABC Staff Attorney presented the facts and letters of opposition to the Board. Agent Seletia Powell of ABC Enforcement testified she met with Jamie Reynolds at the new location. Agent Powell left notices with nearby residence. One of the residents stated that location has been a bar previously. Agent Powell spoke with the Chief of Police and he stated that if there were any problems they would deal with them when they came about. The Texarkana Police Department received a noise complaint on January 28, 2019 at 6:30 pm, When Officers arrived they found out that they were testing out the sound system. Jamie Reynolds received a warning and she said she was going to have someone come and adjust the bass. Agent Powell suggested that Jamie Reynolds respect her neighbors. Mr. Little reported a noise complaint to local police on March 9th

coming from the Outlaw bar. Officer Harris, with Texarkana Police, reported hearing and feeling bass from a distance of over 150 feet.

Agent Powell reported no complaints regarding Ms. Reynolds previous bar located in Garland City. She also stated there are no similar clubs in the area of the new location.

Attorney Joshua Porter objected that the letter of opposition seems to be written by the same person, they are very similar – one of whom did not live in Texarkana. Attorney J. Porter stated that the letters do not say anything about what Ms. Reynolds has done. Instead, they are a blanket objection to alcohol businesses. He noted Ms. Reynolds has operated alcohol businesses without any issues from enforcement agencies or law enforcement. He submitted a petition of over 200 persons in support of Ms. Reynolds opening the club at the Texarkana premises. Additionally, an invoice for sound-proofing the business. Jamie Reynolds testified that she wants to open in the new location to give people on that side of town somewhere to come and hang out. The old location in Garland City has approximately 250 people in the town. Ms. Reynolds has also filed for a Private Club Permit.

Mr. Bill Little testified he had made two or three reports to police regarding noise, but there were other incidents that he did not make a report. He testified that he spoke with Ms. Reynolds and received assurances that she would respect his residence. The property line of his residence is about 125 feet from the business, although his home is about 5-600 feet from the business.

Mr. Little acknowledged the property was zoned commercial. He testified concern about the type of patrons who would frequent a business serving alcohol. On questioning, Mr. Little stated he would object to the business even if the business was a mile down the road or even the other side of the county due to the alcohol served.

Jamie Anderson made a motion to overturn the Director's Decision, if Ms. Reynolds can guarantee the ABC Board in the next 30 days to make strides towards a Privacy fence and Sound Proofing the building before coming back on April 10, 2019 for the Private Club Hearing. Jamie Anderson stated that he believes there is a convince and advantage to the population, there is no one currently near that location with a beer permit or private club. Mickey Powell seconded the motion, the vote passed 5-0.

There being no further business the meeting was adjourned.

The next meeting of the Alcoholic Beverage Control Board is scheduled for April 10, 2019.