

Arkansas Attorney General Quarterly Report Pursuant to Ark. Code Ann. § 25-16-718(c)  
Period 01/01/2026 to 03/31/2026

Q.2

CASE NAME AND BRIEF DESCRIPTION OF COURT ORDERS OR SETTLEMENT AGREEMENTS

● **Cedric X. Bunn and Xavier Raino d/b/a Best Ride Auto Sales**

A lawsuit was filed in 2021 against Cedric Bunn and Xavier Raino, the owners and operators of Best Ride Auto Sales in Sherwood. The complaint alleges the used car dealership failed to deliver vehicle titles to consumers at the time of the sale, as required by law. The company violated the Arkansas Deceptive Trade Practices Act, the Used Motor Vehicle Protection Act, and the Motor Vehicle Administration, Certificate of Title, and Anti-Theft Act. A Consent Judgment of Defendants Cedric X. Bunn and Xavier C. Raino was entered for \$58,000.00 (\$40,000.00 civil penalties suspended), with the \$18,000.00 judgment consisting of \$15,123.00 restitution and \$2,877.00 costs.

● **Hartsville Health & Rehab (Eastern Ozarks Health System)**

The suit alleges that the former Cherokee Village hospital violated the Personal Information Protection Act (PIPA) and the Arkansas Deceptive Trade Practices Act (ADTPA) when the hospital abruptly closed its doors, locking out employees and abandoning patient and employee files. Eastern Ozarks Regional Health System failed to provide proper disposal or proper security for the documents prior to the properties being conveyed to the State of Arkansas. The Defendants were ordered to reimburse the Arkansas Attorney General's Office the sum of \$42,085.06 for the total costs incurred to remove and store the files and documents.

● **Entrophy Systems Inc.**

On August 5, 2019, the State sued Defendant to redress and restrain alleged violations of the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 et seq. ("ADTPA"). The Parties entered into a Consent Judgment. The Consent Judgment enjoined Defendant from certain conduct, including, but not limited to, leasing properties with known code violations and retaliating against consumers who choose to file a complaint with the Office of the Arkansas Attorney General. The Consent Judgment also prescribed specific processes Defendant must follow, including, but not limited to, the process for remedying known code violations and the process for handling consumer complaints. The State filed its Second Petition to Enforce the Consent Judgment against Defendant. As a result, a Settlement Agreement was entered into requiring the Defendant to pay \$1,300.00 in restitution, \$8,000.00 to the State in civil penalties, \$1,500.00 in attorney's fees, and costs.

● **Grand River Enterprises**

State of Arkansas v. Grand River Enterprises - The Attorney General worked with Grand River to obtain a Settlement Agreement and assurance of voluntary compliance for its failure to comply with Arkansas's tobacco statutes.

● **Jay & Dora Edmonson dba The Resort Place Travel**

The Attorney General filed a lawsuit on February 2, 2017 against the defendants for advertising travel and vacation vouchers, receiving money from consumers for the purchase of travel and vacation vouchers, and failing to secure lodgings for consumers' vacations, causing consumers to pay out-of-pocket for lodgings at their destination. The parties entered into a Payment Plan Agreement where Defendants agreed to pay \$400.00 per month until the judgment has been satisfied.

● **Josepha Schwartz**

On April 30, 2025, Joseph Schwartz of New York pleaded guilty to one count of Medicaid Fraud, a Class B Felony and one count of Attempt to Evade or Defeat Tax, a Class C Felony. He was sentenced to twelve months in the Arkansas Department of Corrections with an additional forty-eight months suspended imposition of sentence; ordered to pay a \$2000 fine, court costs, and restitution totaling \$1,801,620.53. This defendant was the principal owner and president of Skyline Healthcare, LLC. He owned and managed multiple nursing homes in the State of Arkansas that received payments for Medicaid recipients in their care. Schwartz made omissions and materially false statements to the Arkansas Medicaid Program that affected the determination of the per diem rates that were paid to those facilities. Tax withholdings were taken from the salaries of employees of these facilities and Schwartz failed to file withholding documents and failed to remit the withholding to the Arkansas Department of Finance & Administration.

● **Joshuah Walker dba Sun Valley Renewables, LLC**

The Arkansas Attorney General brought an enforcement action against Sun Valley Renewables, LLC; SVR, LLC; and their owner, Joshua Walker, alleging that they engaged in misleading and deceptive practices in the marketing and sale of residential solar panel systems. According to the State, the defendants violated the Arkansas Deceptive Trade Practices Act (ADTPA) and the Home Solicitation Sales Act (HSSA) by making false or misleading claims to consumers, failing to deliver promised services, and engaging in sales practices that harmed Arkansas homeowners. A Settlement and Release Agreement was entered under which the Defendant agreed to pay the State the total sum of \$250,000.00. This amount consists of restitution, civil penalties, costs, and fees.

● **Mercedes-Benz Group**

A multistate coalition of attorneys general investigated Daimler AG and Mercedes-Benz USA for allegedly selling diesel vehicles equipped with undisclosed emissions defeat devices that caused up to 40x legal NOx emissions while being marketed as environmentally compliant. The investigation led to a settlement including payments to states, individual consumer compensation, vehicle repairs, and injunctive relief. The settlement resolved environmental and consumer protection violations affecting more than 200,000 vehicles sold between 2008 and 2017. Arkansas received \$250,000 as part of the settlement.

● **MyLan Inc.**

The OAG investigated allegations that Mylan engaged in conduct in violation of the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101 et seq., Arkansas Medicaid Fraud False Claims Act § 20-77-901 et seq., the Arkansas Unfair Business Practices Act, Ark. Code Ann. § 4-75-201, et seq., common-law deceit, and common-law unjust enrichment, concerning the EpiPen Auto-Injector. Mylan expressly disclaims and denies any wrongdoing or liability related to the allegations, denies any improper conduct or violation of law, and contends that the State's allegations of wrongdoing and claims of liability, individually or collectively, are without merit. The State and Mylan desire to settle their dispute to avoid the delay, inconvenience, and expense of protracted litigation, without any admission of liability or wrongdoing on the part of Mylan or any admission on the part of the State of any lack of merit in the claims asserted. In exchange for the Settlement Agreement and Release, Mylan paid a settlement amount of \$3,000,000 and agrees to provide an EpiPen AG Co-Pay Coupon Increase from \$25 to \$40 to the State. This agreement resolves the potential litigation against Mylan Inc. claims that were being inquired into by the Office of the Arkansas Attorney General.

● **Pamela Townsend-Bell**

This case involved Defendant, Pamela Townsend-Bell, a Licensed Clinical Social Worker, billing for services provided by two Social Work Interns who were not properly credentialed. The case resulted in the defendant entering a guilty plea for two Class 'C' felonies, being sentenced to 60 months' probation, and ordered to pay restitution of \$11,765.62, a fine of \$23,531.24, and court costs.

- **Rising Eagle**

A Texas-based robocalling operation made millions of calls to Arkansas residents in violation of the Telephone Consumer Protection Act, the Telephone Sales Rule, and the Arkansas Deceptive Trade Practices Act. The Arkansas Attorney General participated in multistate litigation against the callers for these unlawful practices. Caller, Michael Smith dba RSquared Telecom LLC et al/Rising Eagle was ordered to pay \$35,714.28 in civil penalties.

- **Robert Stevens dba Pro-Pave Asphalt**

Pro-Pave claims to be an asphalt surfacing company. According to consumer complaints, the company travels door-to-door offering to lay asphalt surfaces with leftover products from other jobs. Once the job is completed, the company quotes the consumer a much higher price than agreed upon initially. If the consumer does not produce payment, the company employees engage in aggressive tactics to obtain the payment. An Order Granting State's Motion For Relief, the Defendant was ordered to pay \$40,480 in restitution, \$200,000 in civil penalties, and \$282.50 in fees.

- **Robert Walley dba The Iron Shop**

The Iron Shop of Arkansas claimed to be a small contracting business that installed and conducted maintenance on gates and fencing. Consumers filed complaints alleging the business performed poor work or did not complete projects. When the consumers contacted the business for repair or refunds, their calls were ignored, or they were given dates and times in which no one showed to make the repairs or complete the work. An Assurance of Voluntary Compliance was entered for \$160,000.00 in civil penalties, restitution of \$42,460.00 and \$614.25 in costs.

- **Scott Stewart dba Slabtown Customs**

A "tiny house" contractor in Mountain View faced complaints by eight customers totaling more than \$115,000 in unfinished homes and unreturned funds. The Attorney General identified multiple Arkansas Deceptive Trade Practice Act violations by Scott Stewart and his company, Slabtown Customs. Consumers claim Stewart demanded large deposits for custom-built homes and then failed to complete the work or refund the payments. From 2012 to present, clients in Arkansas, California, Colorado, Georgia, New Mexico, and Pennsylvania claimed Stewart required large down payments and progress payments of up to two-thirds of the full purchase price. When the completion date passed, Stewart would often offer a refund that was never fulfilled. Some customers have been waiting for their money or house for more than 5 years. Defendant was ordered to pay \$110,000 in civil penalties, \$131,584.42 in restitution, and \$515.30 in fees and costs.

<b>REPORT OF ALL CASH FUND BALANCES (as of March 31, 2026)</b>
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**Cash Fund**

Account is funded by monies deposited at the Attorney General's discretion. Funds are used for purchases that are not related to state funding. \$ 20,366.72

**Clearing Account**

Inflows of cash through court ordered judgments against companies or assurances of voluntary compliance are initially deposited into this account. \$ 2,468,557.34

**Consumer Education and Enforcement Account**

Account is funded through court ordered judgments against companies or assurances of voluntary compliance. Outflows of cash are made in accordance with Ark. Code Ann. § 4-88-105(e)(3). \$ 407,063.11

**Restricted Account**

Account is funded through court ordered judgments or settlements, where the use of funds is restricted by the judgment or settlement. Outflows of cash are made in compliance with the terms of the judgment or settlement. \$ 5,830,048.34

**Opioid Settlement Account-Restricted**

Funds from the opioid settlement agreements are deposited into this account. Outflows of cash are made in compliance with the terms of the opioid settlements. \$ 471.83

**Opioid Restricted Discretionary Account**

Restricted discretionary funds from the opioid settlement agreements are deposited into this account. \$ 69,589.66

**MFC Settlement Account**

Account is funded through restitution payments to recover expenses incurred during investigation and prosecution of Medicaid Fraud (Act 916 of 2019). \$ 166,751.78

*All cash fund balances above do not take into account any outstanding checks. Actual balance may be less.*

**CASH FUNDS RECEIPTS**

CASE	AMOUNT	USE	DATE
Cedric Bunn dba Best Ride Auto Sales	\$ 200.00	Restricted Use	02/06/2026
Eastern Ozarks Health System	\$ 19,999.02	Unrestricted Use	02/10/2026
Entrophy Systems Inc.	\$ 9,500.00	Unrestricted Use	01/08/2026
Grand River Enterprises	\$ 40,010.00	Restricted Use	01/09/2026
Grand River Enterprises	\$ 40,010.00	Restricted Use	02/10/2026
Grand River Enterprises	\$ 40,010.00	Restricted Use	03/10/2026
Jay & Dora Edmonson dba The Resort Place Travel	\$ 400.00	Restricted Use	01/08/2026
Jay & Dora Edmonson dba The Resort Place Travel	\$ 400.00	Restricted Use	02/06/2026
Jay & Dora Edmonson dba The Resort Place Travel	\$ 400.00	Restricted Use	03/05/2026
Joseph Schwartz	\$ 42,416.95	Restricted Use	02/24/2026
Joshuah Walker dba Sun Valley Renewables	\$ 250,000.00	Restricted Use	03/30/2026
Mercedes-Benz Group	\$ 250,000.00	Unrestricted Use	03/27/2026
MyLan Inc.	\$ 2,000,000.00	Unrestricted Use	01/30/2026
Pamela Townsend-Bell	\$ 25.00	Restricted Use	02/13/2026
Pamela Townsend-Bell	\$ 25.00	Restricted Use	03/13/2026
Rising Eagle, Michael Smith	\$ 3,571.42	Restricted Use	01/20/2026
Robert Stevens dba Pro-Pave Asphalt	\$ 2,000.00	Restricted Use	01/21/2026
Robert Stevens dba Pro-Pave Asphalt	\$ 2,000.00	Restricted Use	02/19/2026
Robert Stevens dba Pro-Pave Asphalt	\$ 2,000.00	Restricted Use	03/17/2026
Robert Walley dba The Iron Shop	\$ 100.00	Restricted Use	02/24/2026
Scott Stewart dba Slabtown Customs	\$ 500.00	Restricted Use	03/16/2026
Total:	\$ 2,703,567.39		

**CASH FUNDS - MISC. RECEIPTS**

COST CATEGORY	PAYOR/PAYEE	REASON FOR TRANSACTION	AMOUNT
1120001000 - Invest CD	Bank OZK	CD Matured	\$4,850,000.00
1120001200 - Invest <= 90 days CD	Simmons Bank	CD Matured	\$2,000,000.00
4042007000 - Dmg Settle > 1,000	Grand River Enterprises	Settlement Funds	\$120,030.00
	Scott Stewart dba Slabtown Customs	Settlement Funds	\$500.00
	Robert Walley dba The Iron Shop	Settlement Funds	\$100.00
	Robert Stevens dba Pro-Pave Asphalt	Settlement Funds	\$6,000.00
	Jay & Dora Edmonson dba The Resort Place Travel	Settlement Funds	\$1,200.00
	Pamela Townsend-Bell	Settlement Funds	\$50.00
	Eastern Ozarks Health System	Settlement Funds	\$19,999.02
	Joseph Schwartz	Settlement Funds	\$42,416.95
	Entrophy Systems Inc.	Settlement Funds	\$9,500.00
	MyLan Inc.	Settlement Funds	\$2,000,000.00
	Cedric Bunn dba Best Ride Auto Sales	Settlement Funds	\$200.00
	Mercedes-Benz Group	Settlement Funds	\$250,000.00
	Joshuah Walker dba Sun Valley Renewables	Settlement Funds	\$250,000.00
	Rising Eagle	Settlement Funds	\$3,571.42
4046001000 - Other Non-Revenue	The Cincinnati Insurance Companies	Insurance Claim	\$9,812.16
4047041000 - Volume Rebates	Simmons First National Bank	Rebate	\$276.14
4049006000 - INT INC CKING ACCT	Simmons Bank	Interest January 2026	\$3,436.29
		Interest February 2026	\$3,926.58
		Interest March 2026	\$4,027.83
4049007000 - Interest Certificate of Deposit	Simmons Bank	CD Interest	\$19,042.39
	Bank OZK	CD Interest	\$42,517.70
4050003000 - Oth Refunds/Reimb	National Opioid Settlement Fund	Accumulated Interest	\$31,151.03
	Office of the Prosecuting Attorney	Refund to Expenditure	\$142.45
6060002000 - Intra-Agy Xfers In	Simmons - CE&E	Transfer from CE&E to Restricted	\$80,020.00
	Simmons - Restricted Settlement Funds	Transfer from Restricted to Clearing	\$37,227.55
6990002500 - Prior Yr Voided Ck	Simmons Bank	Uncashed Checks	\$473.55
		Uncashed Restitution Checks	\$1,805.71
6990003000 - Prior Yr Ref to Exp	University of Arkansas Fayetteville	Refund of Unused Donation	\$422,007.69

**CASH FUNDS - DISBURSEMENTS**

COST CATEGORY	PAYOR/PAYEE	REASON FOR TRANSACTION	AMOUNT
- 11 Assets Under Construction (Modified)	Boyle Development LLC	Construction Project	-\$67,632.48
1120001200 - Invest <= 90 days CD	Bank OZK	Funding CD	-\$2,240,000.00
1990150000 - Equipment (Modified)	DFA-Revenue Service Division	Vehicle - Medicaid	-\$2,648.71
	Crain Chevrolet	Vehicle - Medicaid	-\$19,966.00
5020003000 - Telecomm Wireless	Verizon Wireless	Telecommunications	-\$2,332.55
5020004200 - 02 Internet Services Technical	Arkansas Information Consortium LLC	Website Maintenance	-\$3,602.00
5020005100 - 02 Delivery Fee	Printing Papers Inc.	Shipping	-\$108.63
	Catering Arkansas	Catering - Organized Retail Crime Alliance Meeting	-\$38.61
		Catering - STOP Meeting	-\$30.10
5030005000 - 02 Bldg & Grds Mai	Debco Wallpaper & Paint	Building Maintenance	-\$750.00
5030012000 - 02 Vehicle Maint	Wright Express FSC	Maintenance	-\$3,725.54
5030013000 - Auto Collision Rep	LL Collision & Glass One LLC	Collision Repair	-\$10,808.02
5040011000 - Other Rent/Lease	Benton Event Center	Venue - Missing Persons Event	-\$617.00
	Marriott Little Rock	Venue - Social Media Summit	-\$15,438.85
	Hot Springs Convention Center	Venue - Stop Overdose Summit	-\$679.85
5050002000 - 09 Mileage	Michael C Zangari	Travel	-\$221.20
5050004100 - 09 Meals	Rustin Jackson	Travel	-\$217.29
	Michael C Zangari	Travel	-\$71.58
5050004200 - 09 Lodging	Simmons First National Bank	Travel Card	-\$907.16
	Wyndham Hotels & Resorts	Travel	-\$113.36
5050006000 - 09 Common Carrier	Simmons First National Bank	Travel Card	-\$1,250.85
5050010000 - 09 Ground Transportation	Rustin Jackson	Travel	-\$48.93
5050018000 - 09 Conf/Sem Fees	Bank of America	Conference Registration	-\$315.00
	Simmons First National Bank	Travel Card	-\$895.00
	National Institute for Trial Advocacy	Conference Registration	-\$3,245.00
	International Association of Computer Investigative Specialists	Conference Registration	-\$3,995.00
5050021000 - 02 NonStateEmp Tr	Michael A. Moné	Travel	-\$470.19
5060001000 - 10 Professional & Administrative Fees	Brubaker & Associates, Inc.	Professional Services Contract	-\$64,465.05
	Norwood Energy Consulting, L.L.C	Professional Services Contract	-\$23,920.00
	Mark David Hall	Professional Services Contract	-\$1,800.00
5060003000 - 10 Legal Fees	Hamlin Dispute Resolution, LLC	Mediation	-\$5,312.75

CASH FUNDS - DISBURSEMENTS

COST CATEGORY	PAYOR/PAYEE	REASON FOR TRANSACTION	AMOUNT
5060003000 - 10 Legal Fees	Treasurer of Virginia	Cost Share - Live Nation Litigation	-\$28,304.12
5060020000 - 10-Witness Fees			-\$161.68
5080011000 - 02 Contractual Food Services	Marriott Little Rock	Catering - Social Media Summit	-\$157,737.10
5080013000 - 02 Security Services	Allied Universal Security Services	Security	-\$22,662.80
5080019000 - 02 Vehicle License	DFA-Revenue Service Division	Vehicle - Medicaid	-\$40.50
5080020000 - 02 Enforcement Investigation Expense			-\$6,806.41
5080033000 - 02 Educational Costs	University of AR for Medical Sciences	Stop Overdose Summit - Recording Fee	-\$1,203.99
5080034000 - Audio/Visual Prod	Marriott Little Rock	Social Media Summit	-\$2,787.91
	Hot Springs Convention Center	Stop Overdose Summit	-\$9,142.57
5080039000 - 02 Misc Tech Svc Court Reporter	Debra Westmoreland, CCR, CVR	Transcript	-\$168.10
5090003000 - 02 Special Purpose Supplies	Mass Enthusiasm Inc	One Pill Can Kill Campaign T-shirts	-\$2,580.00
5090004000 - Tires	Wright Express FSC	Maintenance	-\$184.00
5090005000 - 02 Gasoline Purch	Wright Express FSC	Fuel	-\$3,585.82
5090006000 - 02 Office Supplies	Printing Papers Inc.	Supplies	-\$4,638.01
5090013000 - 02 Firearms, Public Safety & Military Supplies	Teeco Safety, Inc.	Equipment	-\$483.39
5090018000 - 02 Subscriptions & Publications	PACER Service Center	Subscription	-\$5,420.90
	TVEyes Inc.	Subscription	-\$4,715.00
5090019000 - 02 Food Purchases	Catering Arkansas	Catering - Organized Retail Crime Alliance Meeting	-\$529.39
		Catering - STOP Meeting	-\$413.36
	Aramark Food Services	Catering - One Pill Can Kill event at SAU	-\$2,126.72
	Hendrix Dining Services	Catering - One Pill Can Kill event at Hendrix College	-\$1,418.63
5090020100 - Officer Uniforms	Teeco Safety, Inc.	Uniform	-\$843.99
5090022000 - 02-Kit,Jan,House Supplies	Catering Arkansas	Catering - Organized Retail Crime Alliance Meeting	-\$22.13
		Catering - STOP Meeting	-\$16.59
	Hendrix Dining Services	Catering - One Pill Can Kill event at Hendrix College	-\$125.49
5090027000 - 02 Software/Licenses	FastSpring	Software	-\$1,922.90
5090027300 - 02 Software Subscription	West Publishing Corporation	Software	-\$9,192.60
	Cellebrite USA, Inc.	Software	-\$534.25
5100005100 - 02 Sponsorships	Arkansas Association of Chiefs of Police	Donation	-\$5,000.00
	Benton Event Center	Donation	-\$1,536.25
	Downtown Little Rock Partnership	Donation	-\$1,800.00
	Arkansas State Police Foundation	Donation	-\$900,000.00
	Frank and Barbara Broyles Foundation	Donation	-\$240,791.00
	Freshly Renewed Faith Based Transitional	Donation	-\$1,200.00
	H.E.A.R.D. Inc	Donation	-\$182.50
	EagleCrest Recovery	Donation	-\$1,800.00
	Lotus House of Sober Recovery	Donation	-\$775.00
	PEARL	Donation	-\$500.00
	Grace House	Donation	-\$350.00
	Modern Recovery	Donation	-\$750.00
	Peak Wellness Medical	Donation	-\$746.50
	AR Kids Read	Donation	-\$1,500.00
	Preserve Arkansas	Donation	-\$1,500.00
	Arkansas Drug Task Force Association	Donation	-\$15,000.00
	Sam M. Walton College of Business	Donation	-\$4,000.00
	Blood Cancer United	Donation	-\$5,000.00
	Arkansas Learning Network, Inc	Donation	-\$7,552.00
	Recovery, LLC	Donation	-\$1,290.00
	Next Step Recovery Housing	Donation	-\$700.00
	Arkansas Agriculture Hall of Fame	Donation	-\$800.00
5110002000 - 02 Other Refund	Arkansas Department of Human Services	Federal share of investigation cost	-\$30,922.35
5110012100 - Consumer Restitution			-\$53,102.95
5130030700 - 02 IntraXfer Out W	Office of the Attorney General	Refund to Expenditure	-\$142.45
6061002000 - IntraAgy Xfers Out	Simmons - Restricted Settlement Funds	Transfer from CE&E to Restricted	-\$80,020.00
	Simmons - Clearing	Transfer from Restricted to Clearing	-\$37,227.55
6061003000 - Inter-Agy Xfers Out	Treasurer State of Arkansas	Transfer Civil Penalties per A.C.A. § 4-88-113	-\$80,020.00
		Transfer Civil Penalties per A.C.A. § 26-57-261	-\$737.45