

Attorney General Quarterly Report Pursuant to Act 763 of 2013
Period 1/1/2020 to 3/31/2020

J.2

COURT ORDER/SETTLEMENT AGREEMENT/CASH FUNDS RECEIVED DURING QUARTER

- **Grand River Enterprises**

State of Arkansas v. Grand River Enterprises - Counsel for the Attorney General worked with Grand River to obtain a Settlement Agreement for Arkansas Assurance of Voluntary Compliance for their not complying with Arkansas's tobacco statutes.

- **Locomotors Auto Sales, Inc.**

State of Arkansas v. Locomotors Auto Sales, Inc. - Counsel for the Attorney General worked with Locomotor Auto Sales, Inc., to obtain a Settlement Agreement for Arkansas Assurance of Voluntary Compliance for their failing to post a Buyer's Guide.

- **Tobacco Superstore**

State of Arkansas v. Tobacco Superstore, Inc. - Counsel for the Attorney General worked with Tobacco Superstore, Inc., to obtain a Settlement Agreement for Arkansas Assurance of Voluntary Compliance for not complying with Arkansas's tobacco statutes.

- **Gary Eubanks and Edgemont Marine**

State of Arkansas v. Gary Eubanks and Edgemont Marine - Counsel for the Attorney General worked with Mr. Eubanks to obtain a Settlement Agreement for violations of the Arkansas Deceptive Trade Practices Act.

- **Hot Springs Biofeedback, LLC & Phillip Burbutes**

State of Arkansas v. Hot Springs Biofeedback, LLC, and Phillip Burbutes - Counsel for the Attorney General worked with Phillip Burbutes to obtain a Settlement Agreement for engaging in the practice of medicine without complying with the provisions of the Arkansas Medical Practices Act.

REPORT OF CURRENT BALANCES OF ALL UNAPPROPRIATED CASH FUNDS

General Cash	\$	26,976
Clearing Account	\$	7,168,976
Consumer Education and Enforcement	\$	539,513
Consumer Protection	\$	507
Petty Cash	\$	1,377

OFFICE OF THE ATTORNEY GENERAL
Cash Account Information
January 1, 2020 to March 31, 2020

Clearing - CASH RECEIPTS

CASE	AMOUNT	USES	DATE
Grand River Enterprises	\$ 120,000.00	Restricted	1/10/20 - \$40,000 2/10/20 - \$40,000 3/10/20 - \$40,000
Locomotors Auto Sales	\$ 1,500.00	Consumer Education and Enforcement	1/07/20 - \$500 2/06/20 - \$500 3/04/20 - \$500
Automatic Auto Finance	\$ 29,824.12	Consumer Education and Enforcement	3/11/20 - \$29,824.12
Gary Eubanks and Edgemont Marine	\$ 100.00	Restricted	2/03/20 - \$50.00 3/10/20 - \$50.00
Hot Springs Biofeedback, LLC & Phillip Burbutes	\$ 20,000.00	Consumer Education and Enforcement	1/07/20 - \$20,000
Tobacco Superstore	\$ 5,500.00	Consumer Education and Enforcement	2/05/20 - \$5,500
TOTAL RECEIPTS	\$ 176,924.12		

Consumer Education & Enforcement - DISBURSEMENTS & RECEIPTS

COST CATEGORY	AMOUNT	REASON FOR EXPENSE	CASE FUNDS
4042007000 - Dmg Settle > 1,000	\$ 29,824.12		
Automatic Auto Finance, Inc.	\$ 29,824.12	Settlement Award	
4049003000 - Interest Earned	\$ 20.94		
Regions Bank	\$ 20.94	Interest Earned_January-March	
4050003000 - Oth Refunds/Reimb	\$ 705.54		
University of AR Division of Agriculture	\$ 705.54	Refund	
5020002000 Telecom Wired	\$ (1,186.41)		Johnson & Johnson (Hip)
Department of Information Systems	\$ (1,186.41)	Northwest Office - Utilities	
5020004000 Network Services	\$ (1,400.00)		
GWL Digital, LLC	\$ (1,400.00)	Web Site Updates/Forms	
5020005000 - 02 Freight	\$ (8.58)		
Federal Express	\$ (8.58)	Miscellaneous Shipping	
5030001000 - Printing	\$ (14,998.16)		
Arkansas State University	\$ (8,834.90)	Printing for Consumer Education Activities	
B&B Solutions	\$ (2,697.76)	Printing for Consumer Education Activities	
UALR Printing Services	\$ (62.00)	Printing for Consumer Education Activities	
Uof A Cooperative Extension Service	\$ (3,403.50)	Printing for Consumer Education Activities	
5030003000 - Advertise Clip Svc	\$ (44,919.18)		
Arkansas Newspaper Clipping Service	\$ (1,060.65)	Advertising/Clipping Service	
Arkansas Press Association	\$ (34,058.53)	LE Officer of the Year/Rutledge Resource Days	
Rural Arkansas Radio Network	\$ (9,800.00)	Consumer Protection Education Radio Spots	
5030004000 - Film Processing	\$ (16.57)		
Tim Johnson	\$ (16.57)	VA Project Film Development	
5030017000 - Software Mtn	\$ (97.46)		
Arkansas Security	\$ (97.46)	Software Maintenance	
5040001000 - Electricity	\$ (221.81)		
Southwestern Electric Power Company	\$ (221.81)	Northwest Office - Utilities	
5040003000 - Water & Sewage	\$ (93.37)		
Springdale Water Utilities	\$ (93.37)	Northwest Office - Utilities	
5040011000 - Other Rent/Lease	\$ (8,570.00)		
ACIC - DPS Fiscal	\$ (600.00)	Booth Rental	
AR Assn of Educational Administrators	\$ (250.00)	Booth Rental	
AR Economic Development Commission	\$ (500.00)	Booth Rental	
Arkansas Prevention Network	\$ (250.00)	Booth Rental	
Arkansas Sheriff's Association	\$ (750.00)	Booth Rental	
Arkansas Women in Agriculture	\$ (225.00)	Booth Rental	
Benton Event Center	\$ (390.00)	Booth Rental	
Hendrix College	\$ (50.00)	Booth Rental	
Little Rock NUSA	\$ (200.00)	Booth Rental	
NGAA	\$ (500.00)	Booth Rental	
Puppy Creek Place	\$ (4,155.00)	Booth Rental	
Rogers Adult Wellness Center	\$ (100.00)	Booth Rental	
SALT Washington County AR	\$ (25.00)	Booth Rental	
State Financial Officers Foundation	\$ (500.00)	Booth Rental	
U.S. Bank Corporate Payment Systems	\$ (75.00)	Booth Rental	
5040013000 - Satellite/Cable Se	\$ (137.08)		
Sirius XM Radio Inc.	\$ (137.08)	Radio Service	
5050001000 - 02 Mileage	\$ (1,586.28)		
Dianne Bufford	\$ (88.07)	Official Business Travel	
Drake Moudy	\$ (301.14)	Official Business Travel	
Drew Evans	\$ (170.52)	Official Business Travel	
Joshua Robinson	\$ (164.64)	Official Business Travel	
Kendra Weifenbach	\$ (75.67)	Official Business Travel	
Marcus Hatley	\$ (491.40)	Official Business Travel	
Robin Mizell	\$ (294.84)	Official Business Travel	
5050003100 - 02 Meals	\$ (25.00)		
Rachel Ellis	\$ (25.00)	Official Business Travel	

OFFICE OF THE ATTORNEY GENERAL
Cash Account Information
January 1, 2020 to March 31, 2020

Consumer Education & Enforcement - DISBURSEMENTS & RECEIPTS

COST CATEGORY	AMOUNT	REASON FOR EXPENSE	CASE FUNDS
5050004200 - 09 Lodging	\$ (102.36)		
U.S. Bank Corporate Payment Systems	\$ (102.36)	RX Summit	
5050017000 - 02 Conf/Sem Fees	\$ (70.00)		
Knights of Columbus	\$ (70.00)	Registration Fee	
5060001000 - Prof Adm Fees	\$ (128,997.25)		
Acadian Consulting Group	\$ (24,404.25)	Professional Services Contract	
Baker & Hostetler, LLP	\$ (518.75)	Professional Services Contract	
Brubaker & Associates	\$ (4,990.50)	Professional Services Contract	
Exeter Associates, Inc.	\$ (4,965.00)	Professional Services Contract	
Henning Schultzrinne	\$ (5,200.00)	Professional Services Contract	
Mark David Hall	\$ (10,725.00)	Professional Services Contract	
MCPM Economics	\$ (1,068.75)	Professional Services Contract	
Norwood Energy Consulting	\$ (46,945.00)	Professional Services Contract	
Rod Walker & Associates Consultancy, Inc.	\$ (7,680.00)	Professional Services Contract	
Woodruff Expert Services	\$ (22,500.00)	Professional Services Contract	
5060003200 - Pending Litigation	\$ (13,135.43)		
Bushman Court Reporting	\$ (2,175.85)	Legal Fees - Depositions	
Charles A. Kelley	\$ (60.00)	Service Summons	
Clerk, USDC, District of South Carolina	\$ (500.00)	Pro Hac Vice Admission	
Commonwealth of PA, Office of AG	\$ (10,000.00)	Purdue Debtors_Cost Share Agreement	
First National Bank of Izard County	\$ (207.80)	Subpoena	
Myers Attorney's Service	\$ (52.28)	Service Summons	
Searchers Investigations, LLC	\$ (120.00)	Service Summons	
USDC, Eastern District of Arkansas	\$ (19.50)	Certified Copy of Judgment	
5080019000 - 02 Vehicle License	\$ (7,132.83)		
DFA-Revenue Service Division	\$ (7,132.83)	Sales Tax on Vehicles	
5080034000 - Audio & Visual Pro	\$ (40,832.50)		
Conference Technologies, Inc.	\$ (832.50)	Vape Summit	
The Communications Group, Inc.	\$ (40,000.00)	Consumer Protection Education Media	
5090003000 - Special Purpose Su	\$ (5,098.46)		
GALLS, LLC	\$ (1,452.79)	Training Equipment	
KWA Performance Industries, Inc.	\$ (3,557.15)	Training Room Supplies	
Luke Smith	\$ (88.52)	Training Room Supplies	
5090006000 - Office Supplies	\$ (242.59)		
Intuit Supplies Group	\$ (151.49)	Reordered Checks	
Jerry Keefer	\$ (14.17)	Office Supplies	
U.S. Bank Corporate Payment Systems	\$ (76.93)	Northwest Office - Supplies	
5090006100 - 02 Furnishing/Acc	\$ (46,817.07)		
La Harpe's	\$ (46,817.07)	Training Room Furnishings	
5090007000 - Educ Supplies/Mat	\$ (765.00)		
Project Right Choice of NWA	\$ (765.00)	Northwest Office - Supplies	
5090018000 - Subscriptions/Pub	\$ (6,100.00)		
TVEyes Inc.	\$ (6,100.00)	Media Monitoring Service	
5090019000 - Food Purchases	\$ (1,053.40)		
BCD Investments	\$ (665.82)	Northwest LE Training	
The Oasis Coffee Shop	\$ (237.58)	Northwest LE Training	
U.S. Bank Corporate Payment Systems	\$ (150.00)	Northwest LE Training	
5090027000 - Software/Licenses	\$ (56,054.00)		
SHI International Corp.	\$ (44,444.00)	Software/Licenses	
Southern Software, Inc.	\$ (11,610.00)	Records Management Software	
509003000 - Other Comm Mat Supp	\$ (44,374.56)		
Dell Marketing L.P.	\$ (38,118.56)	Computer Replacements	
Silicon Forensics	\$ (6,256.00)	Training Room Equipment	
5130014000 - 11 Capital Outlay	\$ (24,150.00)		
The Tower Building	\$ (24,150.00)	Training Room Renovation	
5130015000 - 11 Capital Outlay	\$ (161,391.63)		
Dell Marketing L.P.	\$ (56,519.76)	Training Room Equipment	
Red River Dodge Chrysler Jeep	\$ (104,871.87)	Vehicles for SID	
6060002000 - IntraAgency In	\$ 6,120,000.00		
Office of the Attorney General-Clearing	\$ 6,120,000.00	Deposit_Replenish CE&E Fund	
6061003000 - InterAgency Out	\$ (4,000,000.00)		
AR Dept of Finance & Administration	\$ (1,000,000.00)	Purchase of Personal Protective Equipment for UAMS	
AR Economic Development Commission	\$ (3,000,000.00)	Quick Action Loan Program	
-SPLIT-	\$ (1,142,278.99)		
B&B Solutions	\$ (10,665.05)	Printing for Consumer Education Activities	
Chuck Harder	\$ (777.58)	Conference/Training	
David A.F. McCoy	\$ (348.22)	Conference/Training	
Exeter Associates, Inc.	\$ (9,081.80)	Professional Services Contract	
Shamikah Johnson	\$ (182.10)	Conference/Training	
Shannon Halijan	\$ (280.80)	Conference/Training	
The Communications Group, Inc.	\$ (1,120,943.44)	Consumer Protection Education Media	

2015 Cash Accounts
Custom Transaction Detail Report
 January through March 2020

Type	Date	Num	Name	Memo	Account	Split	Amount	Balance
Check	01/27/2020	3456	The Communications Group, Inc.	Inv. #s31267-31269	Consumer Education Enforcement	-SPLIT-	-3,742.50	162,227.23
Check	01/27/2020	3457	The Communications Group, Inc.	Inv. #s 31334-31335	Consumer Education Enforcement	-SPLIT-	-3,032.50	159,194.73
Check	03/27/2020	3552	The Communications Group, Inc.	VOID: Invoice Number: 31457 - PSA - Price Gouging	Consumer Education Enforcement	-SPLIT-	0.00	2,559,213.07
Check	03/27/2020	3553	The Communications Group, Inc.	VOID: Invoice Number: 31458 - PSA - Price Gouging	Consumer Education Enforcement	5080034000 - Audio & Visual Pro	0.00	2,559,213.07
Check	03/27/2020	3555	The Communications Group, Inc.	VOID: Invoice: 31457- PSA - Price Gouging	Consumer Education Enforcement	-SPLIT-	0.00	2,559,213.07
Check	03/27/2020	3556	The Communications Group, Inc.	VOID: Invoice: 31458 - PSA - Price Gouging GJE, RGJE created on 03/31/2020	Consumer Education Enforcement	5080034000 - Audio & Visual Pro	0.00	2,559,213.07
Check	03/31/2020	3558	The Communications Group, Inc.	Inv. #s 31457-58 :Price Gouging & Medicaid Fraud	Consumer Education Enforcement	-SPLIT-	-873,539.00	1,679,574.07
Check	03/31/2020	3559	The Communications Group, Inc.	Inv. #s31459-62:Price Goughing	Consumer Education Enforcement	-SPLIT-	-240,629.44	1,438,944.63
Check	03/31/2020	3561	The Communications Group, Inc.	Inv. #31414:PSA Child Abuse	Consumer Education Enforcement	5080034000 - Audio & Visual Pro	-40,000.00	398,944.63

4-88-105. Consumer Protection Division.

(a) There is created within the office of the Attorney General a Consumer Protection Division.

(b) The director of the division shall be known as the "Consumer Counsel of Arkansas" and shall be appointed by the Attorney General who may also appoint such assistants, investigators, and professional and clerical staff as are necessary for the efficient operation of the division.

(c) The division shall represent and protect the state, its subdivisions, the legitimate business community, and the general public as consumers.

(d) The division shall have the following functions, powers, and duties:

(1) To serve as a central coordinating agency and clearinghouse for receiving complaints of illegal, fraudulent, or deceptive practices;

(2) To assist, advise, and cooperate with federal, state, and local agencies and officials to protect and promote the interests of the consumer public;

(3) To conduct investigations, research, studies, and analyses of matters, to issue reports, and take appropriate action affecting the interests of consumers, which may include the referral of complaints to state and local departments or agencies charged with enforcement of consumer laws, or to private organizations and agencies; however, the division may retain jurisdiction over such matters until resolved;

(4) To promote consumer education and to undertake activities to encourage business and industry to maintain high standards of honesty, fair business practices, and public responsibility in the production, advertisement, and sale of consumer goods and services, encouraging and supporting activities directed toward these objectives by the Better Business Bureau, consumer organizations, and other associations of like nature;

(5) To investigate violations of laws enacted and rules promulgated for the purpose of consumer protection, and to study the operation of such laws and rules and to recommend to the General Assembly needed changes in law in the consumer's interest; and

(6) To enforce the provisions of this chapter and to perform such other functions as may be incidental to the powers and duties set forth in this chapter.

(e) The expenses of the division shall be paid from funds provided for that purpose by law, including without limitation:

(1) Funds made available by the state, a state agency, or a state political subdivision;

(2) Funds made available by the United States Government or a federal agency; or

(3)

(A) Funds deposited into a Consumer Education and Enforcement Account, managed by the division, from settlements or judgments in favor of the state related to a lawsuit or assurance of voluntary compliance in which the state was a party.

(B) The account shall not carry a balance greater than one million dollars (\$1,000,000), and the funds in the account shall be used in a manner determined by the office of the Attorney General, including without limitation:

- (i)** Litigation support;
- (ii)** Expert witness fees;
- (iii)** Court filing fees;
- (iv)** Process server fees;
- (v)** Witness fees;
- (vi)** Court costs;
- (vii)** Court reporter fees;
- (viii)** Attorney and staff training;
- (ix)** Travel expenses;
- (x)** Consumer education;
- (xi)** Office expenses and improvements; and
- (xii)** Investigation expenses.

(f)

(1) As used in this section, "state agency" includes without limitation:

- (A)** A state agency, office, or department;
- (B)** A board or commission; and
- (C)** A public college or university.

(2) When a settlement is agreed to or a judgment is entered in a lawsuit in which the state is a party receiving all or part of the settlement or judgment, the Attorney General shall distribute the funds in the following manner:

- (A)** Restitution to Arkansas consumers or state agencies, or for other purposes, as designated by the court order or settlement agreement;
- (B)** Designation of cash funds to a state agency having a nexus to the underlying litigation;
- (C)** Payment of attorney's fees or civil penalties under § 4-88-113(a)(1), § 4-88-113(c), or § 4-88-113(e); or
- (D)** Payment into the account, as authorized by this section.

(3)

(A) Funds to be distributed as described in subdivisions (f)(2)(B)-(D) of this section shall be distributed in the manner prescribed by this section within one hundred twenty (120) days of the receipt of the funds.

(B) Restitution funds shall be distributed to Arkansas consumers as soon as is practicable and in accordance with any applicable court order.

(4)

(A) The office of the Attorney General shall on a quarterly basis provide to the Legislative Council or Joint Budget Committee a report of all cash funds received from court orders or settlement agreements.

(B) The report shall include:

(i) The case name of the court order or settlement agreement;

(ii) The amount of funds received by the office of the Attorney General for each court order or settlement agreement; and

(iii)

(a) A plan for disbursement of the funds.

(b) If cash funds received from a court order or settlement agreement are expended for any purpose, including consumer education and enforcement activities, the report must itemize specific activities subject to the exclusions provided in § 4-88-111 and § 25-1-403(1)(B).

(c) The report shall also itemize the specific consumer education and enforcement activities funded for the office of the Attorney General.

(C) If funds received from a court order or settlement agreement are given to a specific entity by the office of the Attorney General, the report shall include:

(i)

(a) Whether or not the court order or settlement agreement directed funds to be given to a specific entity.

(b) If the court order or settlement agreement directs funds to a specific entity, the office of the Attorney General shall provide a summary of input regarding the drafting of the court order or settlement agreement.

(c) If the office of the Attorney General receives funds from a court order or settlement agreement that does not require disbursement of funds to a specific entity, the office of the Attorney General shall report a rationale for disbursing funds to a specific entity; and

(ii) A report of current balances of all unappropriated cash fund holdings received by court order or settlement agreement by the office of the Attorney General.

(D) The quarterly reports shall be provided no later than the fifteenth day of the month immediately following the end of each quarter.

History

Acts 1971, No. 92, §§ 1, 2, 12; A.S.A. 1947, §§ 70-901, 70-902, 70-912; Acts 1991, No. 1177, § 3; 2013, No. 763, §§ 1, 2; 2015, No. 1160, § 2; 2019, No. 315, § 129.

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