

# Illegal Tobacco Task Force Minutes

---

**Meeting Date:** May 5, 2016

**Meeting Time:** 2:30pm

**Meeting Location:** 100 Cambridge Street, 2<sup>nd</sup> Floor, Conference Room A

**Board Members Present:** Kajal Chattopadhyay (Co-Chair), Steve Fennessy (Co-Chair), David Solet, Michael Sweeney, Lea Susan Ojamaa, Thomas Bocian, Amber Villa.

**Others:** Evan Garcia, Brenda McConville, Molly Parks, Kevin Brown, Tom Nowicki, Molly Slingerland, Scott Delaney, Casey Harvell, Jenn Robertson, Patricia Henley, Victor Solorzano, Josh Brabazon, Peter French, Bensen Solivan, Lisa Dell'Anno.

## **Call to Order:**

- Kajal Chattopadhyay called the meeting to order at 2:35pm.
- Members of the Task Force were asked to read the previous meeting minutes and approve them. Michael Sweeney made a motion to approve; it was seconded by Steve Fennessy. The minutes were approved by a unanimous vote.

## **Task Force ISA signings:**

- Mr. Chattopadhyay called attention to the ISA document in each Task Force member's folder.
- The ISA, signed by each member agency, is now finalized and governs the workings of the Task Force.
- Most of the individual financial ISA's between EOPSS and the respective member agencies are signed. The financial ISAs will give the member agencies access to their allotted funds for the Task Force.
- Ms. Ojamaa with the Dept. of Public Health gave an update on their financial ISA progress. According to her, they are working with ANF to move it through the system, as an incorrect funding code was used and needs to be corrected.

## **Legislative Changes:**

- Mr. Chattopadhyay stated that the presentation to the Governor about the proposed legislative changes went well and the Governor authorized the distribution of the proposed changes to the Task Force for discussion and review.
- Mr. Chattopadhyay gave the floor to Kevin Brown, DOR's General Counsel for an overview of the proposed legislative changes.
- According to Mr. Brown, the pending legislative changes are the DOR's take on the recommendations of the Illegal Tobacco Commission, including prohibiting use of cash in all buyer/supplier sales, which will help with enforcement and recordkeeping.

- Mr. Brown said there will also be changes to tobacco license applications to gather additional information from licensees.
- Molly Parks from DOR then discussed some of the specific sections, referring to several summary documents provided to each Task Force member. She highlighted the new proposed sections and the updated criminal and civil penalties.
- Mr. Solet also added to Ms. Parks' presentation, supplementing the discussion of the revised criminal penalties, implementing license suspension as a penalty and adding tougher state sanctions. He stated that the revised penalties are in line with those in NY and NJ.

#### **Discussion of Draft Task Force Report:**

- Mr. Chattopadhyay opened the discussion on the proposed draft of the Task Force Report to legislators. He stressed the importance of the report to show legislators the accomplishments of the Task Force to date. This is particularly critical as FY17 budget season is underway and continued funding for the Task Force is far from assured.
- Prior to the meeting a draft report was sent to the Task Force members for review. It was brought to the attention of the Task Force that Ms. Ojamaa's agency, the Dept. of Public Health, had concerns with the proposed report. She was given the opportunity to share those concerns with the Task Force.
- According to Ms. Ojamaa, the conclusion DPH reached after reading the proposed report raised several red flags. In turn, DPH proposed a re-write of the report and offered comments and revisions.
- Citing inadequate levels of citation and a concern that the report could invite the reduction of tobacco tax rates, Ms. Ojamaa said DPH could not support the report as written.
- Mr. Solet offered his conclusion of the report, stating that he read it as identifying the threat the illegal tobacco trade has on revenues. Mr. Sweeney agreed, saying he did not see where the report focused on pricing or taxation more than other issues.
- Ms. Villa identified some of the concerns outlined by Ms. Ojamaa, especially with the citing of a certain study conducted by an organization whose reputation and impartiality has been called into question. She supported the idea of adding additional citations.
- Mr. Chattopadhyay stressed that this is not an academic report and the intent is not to excessively use citations. He indicated that certain ideas could not be cited as they were based on conversations with knowledgeable parties and citations in some areas could jeopardize ongoing investigations.
- For the sake of time, two options were mentioned by Mr. Chattopadhyay, to either submit a more "bare-bones" merely giving an update on Task Force activities or the meet again to review the proposed changes submitted by DPH.
- Several Task Force members felt a scaled down report would not be well received by legislators and would not be reflective of all of the Task Force's work to date.
- Ms. Villa made the motion to meet the following week to discuss the submitted changes. Mr. Sweeney seconded the motion. The vote was unanimously approved to meet again next week.
- Meeting was adjourned at 4:00pm by Mr. Chattopadhyay.