

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CANNABIS REGULATORY AGENCY

In the Matter of

MI Secured Transport, LLC  
License No.: AU-ST-000131

ENF No.: 23-00921

/      CONSENT ORDER AND STIPULATION

CONSENT ORDER

On December 6, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana secure transport establishment license AU-ST-000131 of MI Secured Transport, LLC (“Respondent”) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.6(5), R 420.106(3)(b), R 420.206a(2), and R 420.209(12).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint. Therefore, the executive director finds that some of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.106(3)(b), R 420.206a(2), and R 420.209(12).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of five thousand and 00/100 dollars (\$5,000.00). This fine shall be paid within 60 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at [www.michigan.gov/cra](http://www.michigan.gov/cra). Check or money orders shall be made payable to the State of Michigan with enforcement number “23-

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00921” and license number “AU-ST-000131” clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. If Respondent fails to timely comply with the terms of this order, Respondent’s license shall be suspended until compliance is demonstrated.
3. The alleged violation of Mich Admin Code, R 420.6(5) is DISMISSED.
4. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to [CRA-CSS@michigan.gov](mailto:CRA-CSS@michigan.gov).
5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
6. If Respondent violates any term or condition set forth in this order, Respondent shall be subject to fines and/or other sanctions under section 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, R 420.808.
7. Upon timely compliance of the terms of this order by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

**CONTINUED ONTO NEXT PAGE**

This order shall be effective 30 days after the date signed by the CRA's executive director or his designee, as set forth below.

CANNABIS REGULATORY AGENCY

Signed on: 5/1/2024

By: Brian Hanna  
Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
hannab@michigan.gov C = US O =  
CRA OU = CRA  
Date: 2024.05.01 16:34:12 -04'00'

Brian Hanna, Executive Director  
or his designee  
Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

1. Some of the facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MRTMA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA to prove the violations set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the violations.
3. The parties considered the following in reaching this agreement:
  - a. Respondent provided standard operating procedures to the CRA which specifically address the requirements of the administrative rules regarding secure transporters and video surveillance systems.
  - b. Respondent provided the surveillance video footage at issue to the CRA in a timely manner.
  - c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.

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- d. Respondent has been licensed as a secure transporter since 2022 and has no prior discipline against its license.
4. The CRA's centralized services director or her designee must approve this proposed agreement before it is forwarded to the CRA's executive director or his designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should the CRA's centralized services director, executive director, or their designees reject the proposed consent order.

By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

Sara  
Hernandez

Digitally signed by: Sara  
Hernandez  
DN: CN = Sara Hernandez email =  
HernandezS1@michigan.gov C =  
US O = CRA OU = LARA  
Date: 2024.04.30 15:40:18 -04'00'

Sara Hernandez, CSD Director  
or her designee  
Cannabis Regulatory Agency

Dated: 04/30/2024

AGREED TO BY:



Tarek Farah (Apr 24, 2024 16:32 EDT)

Tarek Farah, Authorized Officer  
on behalf of Respondent  
MI Secured Transport, LLC

Dated: 24/04/24



Ian Perrotta (Apr 24, 2024 16:57 EDT)

Ian Perrotta, P84105  
Attorney for Respondent

Dated: 24/04/24

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CANNABIS REGULATORY AGENCY

In the Matter of

MI Secured Transport, LLC  
License No.: AU-ST-000131

ENF No: 23-00921

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against MI Secured Transport, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951, *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or administrative rules.
2. Section 8(1)(d) of the MRTMA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marijuana establishment operations.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

3. Respondent holds an active state license under the MRTMA to operate an adult use secure transporter in the state of Michigan.
4. Respondent operated at 24348 Sherwood Avenue, Center Line, Michigan, 48015, at all times relevant to this complaint.
5. Following an investigation, the CRA determined that Respondent violated the MRTMA and/or administrative rules promulgated thereunder as set forth below:

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- a. On September 22, 2023, the CRA received a complaint regarding pick-ups of marijuana product that occurred on September 13, 2023.
- b. On October 2, 2023, a CRA Regulation Agent (RA) contacted Respondent's owner to request information about the pick-ups. The request included signed manifests, the number of drivers/operators, the names of the drivers/operators and deliveries that took place from the cultivator (RedFox Cannabis), internal documentation relating to the product, vehicle make and license plate number, and the Standard Operating Procedure (SOP) for deliveries.
- c. On October 5, 2023, Respondent provided the signed manifest, the drivers/operators information but did not provide an SOP. The CRA RA made a second request of the SOP and Respondent requested an extension which was granted for October 9, 2023. The SOP was provided on October 16, 2023, after the deadline.
- d. On October 9, 2023, the CRA RA made an onsite visit to review the surveillance video, but the surveillance was not ready. Respondent requested additional time to prepare the video surveillance and was given a deadline for October 16, 2023. Surveillance was provided on October 19, 2023, after the deadline.
- e. The surveillance shows that Respondent's owner departed from Respondent's establishment to RedFox Cannabis by himself. The surveillance confirmed Respondent did not have a two-person crew during the transportation. Respondent's owner admitted that they were not in compliance due to being short an employee that day.

### **Count I**

Respondent's actions as described above in paragraphs c and d demonstrate a violation of Mich Admin Code R 420.6(5) which states an applicant or licensee has a continuing duty to provide information request by the agency and to cooperate in any investigation, inquiry, or hearing conducted by the agency.

### **Count II**

Respondent's actions as described above in paragraph e demonstrates a violation of Mich Admin Code R 420.106(3)(b) which states a marihuana secure transporter shall comply with all of the following: (b) Each vehicle must be operated with a two-person crew, with at least one individual remaining with the vehicle at all times during the transportation of marihuana.

### **Count III**

Respondent's actions as described above in paragraph c demonstrates a violation of Mich Admin Code R 420.206a(2) which states standard operating procedures must be made available to the agency upon request.

### **Count IV**

Respondent's actions as described above in paragraph d demonstrates a violation of Mich Admin Code R 420.209(12) which states surveillance recordings of the licensee are subject to inspection by the agency and must be kept in a manner that allows the agency to view and obtain copies of the recordings at the marihuana business immediately upon request. The licensee shall also send or otherwise provide copies of the recordings to the agency upon request within the time specified by the agency.

THEREFORE, based on the above, the CRA gives notice of its intent to impose fines and/or other sanctions against Respondent's license, which may include the suspension, revocation, restriction, and/or refusal to renew Respondent's license.

Pursuant to Mich Admin Code, R 420.704(2), any party aggrieved by an action of the CRA suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing upon request. A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Mich Admin Code, R 420.704(1). A compliance conference is an informal meeting at which Respondent has the opportunity to discuss the allegations in this complaint and demonstrate compliance under the MRTMA and/or the administrative rules. A compliance conference request must be submitted to the CRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of the following methods:

By Mail: Department of Licensing & Regulatory Affairs  
Cannabis Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs  
Cannabis Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

By Email: [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov)

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

Questions about this complaint should be directed to the Cannabis Regulatory Agency's legal section at (517) 284-8599 or [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).

Dated: 12/6/23

By: Alyssa A. Grissom

Digitally signed by Alyssa  
A. Grissom  
Date: 2023.12.06  
09:32:59 -05'00'

Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency

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