

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS<sup>1</sup>  
MARIJUANA REGULATORY AGENCY

In the Matter of

CCG Holdings Group, LLC  
AU-ER No.: 000649  
License No.: AU-G-B-000119  
ENF No.: 21-00343

CMP No.: 21-001057

/      CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 18, 2021, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the adult-use marijuana class B grower establishment license (AU-G-B-000119) of CCG Holdings Group, LLC (“Respondent”) under the Michigan Regulation and Taxation of Marihuana Act (MRMTA), 2018 IL 1, *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated the Mich Admin Code, R 420.504(1)(a)(b)(c)(d)(e)(f)(g)(h)(i)(j)(k)(i-iv).

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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.504(1)(a)(b)(c)(d)(e)(f)(g)(h)(i)(j)(k)(i-iv).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of two thousand and 00/100 dollars (\$2,000.00). This fine shall be paid within 30 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement

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<sup>1</sup> Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a)(d). The MRA exercises its statutory powers, duties, and functions independent of LARA’s direction. MCL 16.103.

number "21-00343" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. If Respondent fails to timely pay the fine, Respondent's license shall be suspended until payment is received.
3. Unless otherwise specified in this order, Respondent shall direct any communications to the MRA that are required by the terms of this order to [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).
4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
5. If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, R 420.806.
6. Upon timely payment of the fine by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

This order shall be effective on the date signed by the MRA's executive director or his designee, as set forth below.

Signed on: 3/21/22

By: Andrew Brisbo  
Andrew Brisbo, Executive Director  
Marijuana Regulatory Agency

Digitally signed by: Andrew Brisbo  
DN: CN = Andrew Brisbo email =  
brisboa@michigan.gov C = US O =  
Marijuana Regulatory Agency OU =  
Executive Director  
Date: 2022.03.21 14:11:03 -0400

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## STIPULATION

The parties stipulate to the following:

1. 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 MRA to prove the charges set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the charges.
3. The parties considered the following in reaching this agreement:
  - a. Respondent averred that it misunderstood what was required to be on the packaging when it sent bulk flower to a sales location that would be repackaged into sales units by the sales location.
  - b. Respondent has updated its labelling procedures and provided evidence from a random photographic audit showing that bulk flower at its location is in compliance with the administrative rules.
  - c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
  - d. Respondent has been licensed as a class B marijuana grower since December 2020 and has no prior discipline against its license.
4. The MRA's enforcement division director or her designee must approve this proposed agreement before it is forwarded to the MRA'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 MRA's enforcement division 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:

Julie Kluytman

Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
kluytmanj@michigan.gov C = US O =  
Marijuana Regulatory Agency  
Date: 2022.03.21 10:34:51 -0400

Julie Kluytman, Director  
Enforcement Division  
Marijuana Regulatory Agency


Dated: 3/21/22

AGREED TO BY:



Dan Reynolds, Authorized Officer  
On behalf of Respondent  
CCG Holdings Group, LLC

Dated: 3-18-2022

  
Travis Copenhaver (P77902)  
Attorney for Respondent

Dated: 3/18/22

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DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MARIJUANA REGULATORY AGENCY

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against CCG Holdings Group, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), 2018 IL1, *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the Administrative Rule 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 marihuana establishment operations.
3. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana establishment operations.

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

4. Respondent holds an active state license under the MRTMA to operate an adult use class B marihuana grower establishment in the state of Michigan.

5. Respondent operated at 3049 S Dog Track Rd., Baldwin, Michigan 49304, at all times relevant to this complaint.

6. Following an investigation, the MRA determined that Respondent violated the MRTMA and/or Administrative Rules promulgated thereunder as set forth below:

- a. On July 18, 2021, the MRA received a complaint from a licensed adult-use marijuana retail establishment stating Respondent transferred marijuana product to its marihuana sales location without the required labeling.
- b. The complaining marijuana establishment provided the MRA with a photo of the marijuana product. The MRA observed the product label in the photo was missing the following information in violation of Mich Admin Code, R 420.504(1)(a)(b)(c)(d)(e)(f)(g)(h)(i)(j)(k)(i-iv):
  - i. The name and the state license number of the producer, including business or trade name, and tag and source number as assigned by the statewide monitoring system.
  - ii. The name and the marihuana license number of the licensee that packaged the product, including business or trade name, if different from the producer of the marihuana product.
  - iii. The unique identification number for the package or the harvest, if applicable.
  - iv. Date of harvest, if applicable
  - v. Name of strain, if applicable
  - vi. Net weight in United States customary and metric units.
  - vii. Concentration of Tetrahydrocannabinol (THC) and cannabidiol (CBD) as reported by the laboratory after potency testing along with a statement that the actual value may vary from the reported

- value by 10%.
- viii. Activation time expressed in words or through a pictogram.
  - ix. Name of the laboratory that performed any test, and any test analysis date.
  - x. The universal symbol for marijuana product published on the agency's website.
  - xi. A warning that states all the following:
    - 1. "It is illegal to drive a motor vehicle while under the influence of marijuana."
    - 2. "National Poison Control Center 1-800-222-1222."
    - 3. For products being sold by a licensee under the medical marijuana facilities licensing act that exceed the maximum THC levels allowed for products sold under MRTMA, "For use by registered qualifying patients only. Keep out of reach of children."
    - 4. For all other products being sold by a licensee "For use by individuals 21 years of age or older or registered qualifying patients only. Keep out of reach of children."

THEREFORE, based on the above, the MRA 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.

Under MCL 333.27957 (1)(c) and Mich Admin Code, R 420.704(2), any party aggrieved by an action of the MRA 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 MRA 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 Emergency Rules. A compliance conference request must be submitted to the MRA in writing.

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

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

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

By Email: [MRA-LegalHearings@michigan.gov](mailto:MRA-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 Marijuana Regulatory Agency's legal section at (517) 284-8599 or [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

Dated: 8/18/21

**MARIJUANA REGULATORY AGENCY**

By: Claire Patterson Digitally signed by Claire Patterson  
Date: 2021.08.12 14:20:44 -04'00'  
Claire Patterson, Scientific and Legal Section Manager

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