



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
ACTING DIRECTOR

In the Matter of

Lake Effects Logistics, LLC  
License No: AU-ST-000123  
ENF No.: 22-00345

Docket No.: 23-027104

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FINAL ORDER

The Cannabis Regulatory Agency (CRA), by its authorized representative, Executive Director Brian Hanna, issues this final order in the above-referenced matter finding that:

1. On May 18, 2022, the CRA issued a formal complaint against the adult use marijuana secure transporter (license no. AU-ST-000123) of Lake Effects Logistics, LLC under the Michigan Regulation and Taxation of Marihuana Act (Act), MCL 333.27951, et seq., and administrative rules promulgated thereunder.
2. On October 16, 2023, a contested case hearing was held before an administrative law judge (ALJ) within the Michigan Office of Administrative Hearings and Rules (MOAHR).
3. On November 2, 2023, the ALJ issued an amended proposal for decision (Docket No. 23-027104) that the CRA issue a final order finding that Respondent violated Mich Admin Code R 420.20 and take action on the formal complaint as the CRA deems appropriate.
4. The ALJ's proposal for decision is attached and is incorporated consistent with the findings and conclusions of this order.

CANNABIS REGULATORY AGENCY  
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[www.michigan.gov/cra](http://www.michigan.gov/cra)

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5. Having reviewed the whole record before it, the CRA makes the following findings of fact and conclusions of law:

a. Findings of Fact:

1. The CRA accepts the ALJ's findings of fact as set forth in the proposal for decision.

b. Conclusions of Law:

1. The CRA accepts the ALJ's conclusions of law as set forth in the proposal for decision.

6. Based on the above, the CRA finds that Respondent violated Mich Admin Code 420.20.

7. Pursuant to MCL 333.27957, Executive Reorganization Order No. 2019-2, MCL 333.27001, and Mich Admin Code, R 420.806, the Executive Director has the authority to impose sanctions.

8. THEREFORE, IT IS ORDERED THAT:

a. Respondent must pay a fine in the amount of ten thousand and 00/100 (\$10,000.00) dollars. The 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 "22-00345" and license number "AU-ST-000123" clearly displayed on the check or money order. Respondent shall mail the fine to: Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O Box 30205, Lansing, Michigan 48909.

b. 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).

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c. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.

8. If Respondent violates any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.

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

Dated: 1/3/24

**Brian Hanna**  
Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA  
Date: 2024.01.03 08:32:42 -05'00'

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Brian Hanna, Executive Director  
or his designee  
Cannabis Regulatory Agency

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

In the Matter of

Lake Effects Logistics LLC  
License No.: AU-ST-000123

ENF No. 22-00345

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FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against Lake Effects Logistics 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. Respondent, under Mich Admin Code, R 420.20, is required to transmit to the CRA a financial statement of the licensee’s total operations by 30 days after the due date provided by the CRA.
3. Respondent’s annual financial statement for fiscal year 2021 was due on or before March 31, 2022.

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The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.  
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[www.michigan.gov/CRA](http://www.michigan.gov/CRA)

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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. The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.

4. As of the date of this formal complaint, Respondent has failed to file its annual financial statement for FY 2021.

5. Respondent's failure to timely file the required Annual Financial Statement is in violation of Mich Admin Code, R 420.20.

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.

A licensee 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. See Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.704(2) and R 420.808(3). Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent may also be given an opportunity to meet with the CRA to negotiate a settlement or demonstrate compliance with the MRTMA and administrative rules prior to a contested case hearing. Mich Admin Code, R 420.704(1) and R 420.808(2)(a). A request for a compliance conference request must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.808(3).

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

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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

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. Mich Admin Code, R 420.808(3).

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

Dated: 

5/17/2022
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**CANNABIS REGULATORY AGENCY**

By: 

Alyssa A. Grissom	Digitally signed by Alyssa A. Grissom Date: 2022.05.17 22:17:05 -04'00'
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Alyssa A. Grissom  
Legal Section Manager  
Enforcement Division  
Cannabis Regulatory Agency

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