

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

In the Matter of

Rehbel Industries, LLC  
AU-ER No. 000233  
License No. AU-G-C-000198  
CMP No. 22-000234

ENF No. 22-00215

\_\_\_\_\_/ CONSENT ORDER AND STIPULATION

**CONSENT ORDER**

On April 4, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the grower license (no. AU-G-C-000198) of Rehbel Industries, LLC (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and administrative rules promulgated thereunder. The complaint alleged Respondent violated Mich Admin Code, R 420.20.

The executive director or designee reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the complaint. Therefore, the executive director or designee finds that the allegations contained in the complaint are true and that Respondent violated Mich Admin Code, R 420.20.

Accordingly, for this violation, IT IS ORDERED:

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<sup>1</sup> The Marijuana Regulatory Agency was renamed the Cannabis Regulatory Agency under Executive Reorganization Order No. 2022-1, effective April 13, 2022. MCL 333.27002(1)(a).

1. Respondent must pay a fine in the amount of ten thousand and 00/100 dollars (\$10,000.00). This fine shall be paid within 30 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). CRA guidance on how to make compliance payments online is available under “Tips for Licensees” at [www.michigan.gov/cra/bulletins](http://www.michigan.gov/cra/bulletins). Checks or money orders shall be made payable to the State of Michigan with “ENF No. 22-00215” and “License No. AU-G-C-000198” clearly displayed on the check or money order and mailed to: Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O. Box 30205, Lansing, Michigan 48909.

2. Respondent intends to close any active license and this will be done within 30 days of the effective date of this order.

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

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 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 designee, as set forth below.

CANNABIS REGULATORY AGENCY

Signed on: 06/27/2024

**Brian Hanna**  
By: \_\_\_\_\_  
Executive Director Brian Hanna  
or Designee  
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
hannab@michigan.gov C = US O = CRA OU =  
CRA  
Date: 2024.06.27 14:20:36 -04'00'

## 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 CRA to prove the charges set forth in the 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 is subject to a receivership and some financial documents could not be obtained by the receiver.
  - b. Respondent intends on closing the license and will no longer be in operation.
  - c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's operations director or designee must approve this proposed agreement before it is forwarded to the CRA's executive director or 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 operations director, executive director, or 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: 2024.06.26 13:59:19 -04'00'

Desmond Mitchell  
Operations Director  
or Designee  
Cannabis Regulatory Agency  
Dated: 06/26/2024

AGREED TO BY:



John Polderman (P65720)  
Authorized Representative  
On behalf of Respondent  
Rehbel Industries, LLC  
Dated: 6.17.2024



Sarah E. Huyser (P70500)  
Assistant Attorney General  
Attorney for Cannabis Regulatory Agency  
Dated: June 24, 2024

LF: 2022-0353112-A/CRA / Receiver / Rehbel Industries/Rehbel Industries, LLC – ENF 22-00215 – Consent Order and  
Stipulation 2024-06-14

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

In the Matter of

Rehbel Industries, LLC  
AU-ER No.: 000233  
License No.: AU-G-C-000198  
CMP No.: 22-000234  
ENF No.: 22-00215

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against Rehbel Industries, 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), 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 MRA a financial statement of the licensee’s total operations by 30 days after the end of each state fiscal year.
3. Respondent’s annual financial statement for fiscal year 2021 was due on or before December 31, 2021.

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

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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 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.

A licensee 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. See Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must be submitted to the MRA 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 MRA 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 MRA 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  
Marijuana Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

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

By Email: 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. Mich Admin Code, R 420.808(3).

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

Dated: 4/4/2022

**MARIJUANA REGULATORY AGENCY**

By: Julie Kluytman  
Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
Kluytmanj@michigan.gov C = US O = Marijuana  
Regulation Agency OU = Enforcement Division  
Date: 2022.04.04 15:47:04 -0400

Julie Kluytman  
Director  
Enforcement Division

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