

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

In the Matter of

Hempnotize LLC
dba NAR Monroe
License No.: AU-R-000581

ENF No.: 25-00342

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On March 21, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana retailer establishment license (AU-R-000581) of Hempnotize LLC dba NAR Monroe (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 420.104(3)(b), R 420.505(2), and R 420.506(3).

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 420.104(3)(b).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of seven hundred fifty and 00/100 dollars (\$750.00). 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). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement number "25-00342" and license number "AU-R-000581" clearly displayed on the check or

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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 violations of Mich Admin Code R 420.505(2) and R 420.506(3) are 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.
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.

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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: 6/26/2025

By: Brian Hanna
Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
bhanna@michigan.gov C = US O = CRA OU = CRA
Date: 2025.06.26 15:43:09 -04'00'

Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

1. Respondent does not contest the allegations of fact and law in the formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations but agrees that the CRA's executive director or designee may enter an order treating the allegations as true for purposes of resolving the formal complaint.
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. CRA investigation stated no oversale of product took place; inaccurate weights in Respondent's state-wide monitoring system (Metrc) led to the appearance of oversales occurring.
 - b. Respondent stated it updated product weights in its point-of-sale system (POS) twice, but the updates did not synchronize with the data in Metrc.

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- c. CRA Investigation stated that reviewed video surveillance showed small bags of product consistent with compliant sales.
 - d. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's legal division 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 legal 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:

Alyssa A. Grissom

Digitally signed by Alyssa A. Grissom
Date: 2025.06.25 00:36:59 -04'00'

Alyssa Grissom, Director
Legal Division
or her designee
Cannabis Regulatory Agency

Dated: 6/25/2025

AGREED TO BY:



Waseem Younis, Authorized Officer
on behalf of Respondent
Hemplotize LLC.

Dated: 6/19/2025



Myles J. Baker, P82178
Attorney for Respondent

Dated: 6/24/2025

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

In the Matter of

Hempnotize LLC
dba NAR Monroe
License No: AU-R-000581

ENF No: 25-00342

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Hempnotize LLC dba NAR Monroe (Respondent) alleging upon information and belief as follows:

1. The 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 retailer establishment in the state of Michigan.
4. Respondent operated at 14733 South Telegraph Road, Monroe Township,

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Michigan 48161, 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:

- a. From November 11, 2024, through December 30, 2024, Respondent completed a total of 38 transactions of statewide monitoring system (Metrc) tag package 1A4050300035C8D000006551 (tag number ending -6551).
- b. On December 1, 2024, the CRA Operations Support Section (OSS) conducted a Metrc audit of Respondent's transactions and found that Respondent exceeded the 2.5-ounce (oz) transaction limit on 11 out of the 38 transactions between November 26, 2024 and November 30, 2024.
- c. On January 6, 2025, the CRA OSS conducted a second Metrc audit and found an additional 27 transactions that exceeded the 2.5 oz transaction limit from December 2, 2024, through December 30, 2024
- d. A CRA Regulation Agent (RA) conducted an investigation and spoke to Respondent's owner, E.M., who admitted to inaccurately entering package -6551 sales transactions into Metrc.
- e. Respondent also entered the incorrect weight for Metrc tag package 1A4050300035C8D000006555 into Metrc.
- f. Respondent recorded the weight as 28 grams, however, the parent package of -6555 actually weighed 3.5 grams.
- g. The CRA RA found the package showed a different package size as to what was compared into Metrc.
- h. Respondent stated that the inaccurate tracking in Metrc and incorrect product labels were due to human error. Both deficiencies have since been corrected.

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Count I

Respondent's actions as described above in paragraphs a, e, f, g, and h, demonstrate a violation of Mich Admin Code, R 420.104(3)(b), which states a marihuana retailer shall comply with all of the following: (b) accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in these rules.

Count II

Respondent's actions as described above in paragraphs a, e, f, g, and h, demonstrate a violation of Mich Admin Code, R 420.505(2), which states a marihuana sales location shall enter all transactions, current inventory, and other information required by these rules in the statewide monitoring system as required in these rules.

Count III

Respondent's actions as described above in paragraphs b, c, d, e, f, g, and h, demonstrate a violation of Mich Admin Code, R 420.506(3), which states a marihuana retailer, under the MRTMA, is prohibited from making a sale or transferring marihuana to an adult 21 years of age or older in a single transaction that exceeds 2.5 ounces., not more than 15 grams of marihuana may be in the form of marihuana concentrate.

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

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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

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

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

Dated: 3/21/25

By: Alyssa A. Grissom  Digitally signed by Alyssa A. Grissom
Date: 2025.03.21 11:51:24 -04'00'

Alyssa A. Grissom
Legal Division Director
Cannabis Regulatory Agency

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