

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

In the Matter of

PG Manufacturing, LLC
dba ProGroCo
License No.: AU-G-C-000145

ENF No.: 25-00130

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 7, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana class C grower establishment license (AU-G-C-000145) of PG Manufacturing, LLC dba ProGroCo (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 420.602(1), R 420.602(2)(b), R 420.602(2)(d), R 420.602(4), and R 420.602(6).

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 420.602(1) and R 420.602(2)(b).

Accordingly, for these violations, **IT IS ORDERED:**

1. Respondent must pay a fine in the amount of five-hundred and 00/100 dollars (\$500.00). 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-

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00130” and license number “AU-G-C-000145” 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. Respondent will provide a standard operating procedure (SOP) related to entering employees, persons performing work or service for compensation who are normally engaged in the operation of a marijuana business, into the statewide monitoring system (Metrc) within 30 days of the effective date of the consent 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. The alleged violations of Mich Admin Code R 420.602(2)(d), R 420.602(4), and R 420.602(6) are DISMISSED.
5. 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.
6. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
7. 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, 420.808.
8. 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.

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: 6/6/2025

By: Brian Hanna
Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
bhanna@miichigan.gov C = US O = CRA OU = CRA
Date: 2025.06.06 11:44:15 -04'00'

Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

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 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 all requested employee background checks to the CRA on November 14, 2024, the day following the onsite visit.
 - i. All background checks indicated that the individuals were 21 years of age or older.
 - ii. All background checks were ordered prior to the onsite visit.

- b. Respondent provided requested training documentation and standard operating procedures to the CRA on November 14, 2024, the day following the onsite visit.
 - 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 C grower since 2020 and has no prior discipline against its license.
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.

CONTINUED ONTO NEXT PAGE

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

AGREED TO BY:

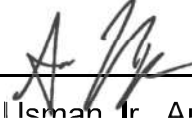
Alyssa A. Grissom

Digitally signed by Alyssa A. Grissom
Date: 2025.06.05 12:44:33 -04'00'

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

Dated: 6/5/2025

AGREED TO BY:



Sam Usman Jr., Authorized Officer
on behalf of Respondent
PG Manufacturing, LLC
dba ProGroCo

Dated: 6/3/25



Ryan Jacques, P76155
Attorney for Respondent

Dated: 6/3/25

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

In the Matter of

PG Manufacturing, LLC
dba ProGroCo
License No: AU-G-C-000145

ENF No: 25-00130

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against PG Manufacturing, LLC dba ProGroCo (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 class C grower establishment in the state of Michigan.
4. Respondent operated at 2122 N. Martin Luther King Jr. Boulevard, Lansing,

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Michigan 48906, 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. On November 4, 2024, the CRA received a complaint stating Respondent employed workers who were not documented in the statewide monitoring system (Metrc).
- b. On November 13, 2024, a CRA Regulation Agent (RA) conducted a compliance visit at Respondent's adult use class C grower establishment to investigate the abovementioned complaint.
- c. The CRA RA met with representatives of Respondent and requested the full list of names, dates of birth (D.O.B.), criminal history background checks, training documents for all employees and the visitor logs for all 39 contracted workers onsite.
- d. Respondent was unable to provide the required information and documents mentioned above at the time of the onsite compliance visit. None of the workers present onsite were entered into Metrc, verifying the names and D.O.B. was not possible. Most employees indicated that they had worked at Respondent's establishment for approximately 6 weeks. The visitors log provided for November 13, 2024, only had 28 listed individuals of the 39 workers onsite.
- e. On January 15, 2025, the RA returned to Respondent's adult use class C grower establishment to conduct a follow-up compliance visit. The RA requested the worker photo IDs for all individuals working onsite to confirm their identity and ages. Respondent provided 22 worker IDs, however, 39 individuals were again present and working. The RA was again unable to confirm the identities, ages and necessary background checks on all workers.

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Count I

Respondent's actions as described above in paragraphs d and e demonstrate a violation of Mich Admin Code, R 420.602(1), which states a licensee shall conduct a criminal employee before hiring that individual. A licensee shall keep records of the results of the criminal history background checks for the duration of the employee's employment with the licensee. A licensee shall record confirmation of criminal history background checks and make the confirmation available for inspection upon request by the agency.

Count II

Respondent's actions as described above in paragraphs a, c and d demonstrate a violation of Mich Admin Code, R 420.602(2)(b), which states a licensee shall comply with all of the following: (b) Enter in the statewide monitoring system an employee's information and level of statewide monitoring system access within 7 business days of hiring for the system to assign an employee's identification number. The licensee shall update in the statewide monitoring system employee information and changes in status or access within 7 business days.

Count III

Respondent's actions as described above in paragraphs c and d demonstrate a violation of Mich Admin Code, R 420.602(2)(d), which states a licensee shall comply with all of the following: (d) Train employees in accordance with an employee training manual.

Count IV

Respondent's actions as described above in paragraphs c, d and e demonstrate a violation of Mich Admin Code, R 420.602(2)(j), which states a licensee shall comply with all of the following: (j) A licensee under the MRMTA shall not allow a person under 21 years of age to volunteer or work for the marihuana establishment pursuant to section 11 of the MRTMA, MCL 333.27961.

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Count V

Respondent's actions as described above in paragraphs c, d and e demonstrate a violation of Mich Admin Code, R 420.602(4), which states employee records are subject to inspection or examination by the agency to determine compliance with the acts and these rules.

Count VI

Respondent's actions as described above in paragraph d demonstrate a violation of Mich Admin Code, R 420.602(6), which states trade or professional services providers not normally engaged in the operation of a marijuana business, except for those individuals required to have employee credentials under this rule, must be reasonably monitored, logged in as a visitor, and escorted through any limited access areas.

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.

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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
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.

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: 2/7/25

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom
Date: 2025.02.07
16:31:25 -05'00'

Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency

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