



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

CANNABIS REGULATORY AGENCY

In the Matter of

NH Ventures, LLC
License No: PC-000413
ENF No.: 22-00175

Docket No.: 25-001952

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 April 4, 2022, the CRA issued a formal complaint against the medical marihuana provisioning center license (PC-000413) of NH Ventures, LLC (Respondent) under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.* and administrative rules promulgated thereunder.
2. The complaint alleged Respondent violated Mich Admin Codes, R 420.111(1), R 420.111(4)(c), R 420.505(1)(b), R 420.505(1)(e) and R 420.804(1).
3. A contested case hearing was held on April 1, 2025, before an administrative law judge (ALJ) within the Michigan Office of Administrative Hearings and Rules (MOAHR).
4. On April 16, 2025, the ALJ issued a proposal for decision recommending that the Executive Director of the CRA issue a final order finding that Respondent violated Mich Admin Codes, R 420.111(1), R 420.111(4)(c), R 420.505(1)(b), R 420.505(1)(e) and R 420.804(1).

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5. A copy of the ALJ's proposal for decision is attached and is incorporated consistent with the findings and conclusions of this order.

6. 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.

7. Based on the above, the CRA finds that Respondent violated Mich Admin Codes, R 420.111(1), R 420.111(4)(c), R 420.505(1)(b), R 420.505(1)(e) and R 420.804(1).

8. Pursuant to MCL 333.27407, 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.

9. THEREFORE, IT IS ORDERED THAT:

a. Respondent must pay a fine in the amount of twelve thousand and 00/100 (\$12,000.00) dollars. The 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 order payments online is available under "Tips for Licensees" at www.michigan.gov/cra/bulletins. Check or money orders shall be made payable to the State of Michigan with "ENF No. 22-00175" and "License No. PC-000413" 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.

- b. Respondent's license, PC-000413, is currently closed. If any of the Respondent's supplemental applicants apply for future licensing for a marijuana facility and/or establishment, this alleged non-compliance will be reviewed and taken into consideration with making the license determination.
- c. 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.
- d. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- e. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this order.

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

This final order is a public record that will be published on the CRA's website and is subject to disclosure under the Freedom of Information Act, MCL 15.231 *et seq*.

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

Dated: 6/9/25

Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O =
CRA OU = CRA
Date: 2025.06.09 13:31:46 -04'00'

Brian Hanna, Executive Director
Or his designee
Cannabis Regulatory Agency

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

In the Matter of

NH Ventures, LLC
ERG No.: 001965
License No.: PC-000413
ENF No.: 22-00175

CMP No.: 22-000275

FORMAL COMPLAINT

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

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA 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 MMFLA or administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the MRA’s authority to impose sanctions on the license.

3. Section 206(c) of the MMFLA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marihuana facility operations.

4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana facility operations.

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marijuana provisioning center in the state of Michigan.

6. Respondent operated at 6031 Ann Arbor Rd., Jackson, Michigan 49201, at all times relevant to this complaint.

7. Following an investigation, the MRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

- a. On February 4, 2022, a deputy on behalf of the complainant (also an ex-employee) reported to the MRA that a current employee at Respondent's facility used the complainant's medical marijuana card multiple times to purchase marijuana product without her permission.
- b. On February 14, 2022, the complainant explained to the MRA that on December 2, 2021, she entered Respondent's facility to make a purchase only to find the POS system had her listed as already being on the sales floor. While there, the complainant spoke to a current employee who admitted to purchasing marijuana product using the complainant's medical marijuana card.
- c. The complainant stated she reported the fraudulent use of her medical card to a manager, but the manager failed to report the incident to the MRA. Instead, the manager provided the complainant with a free gram of marijuana product.
- d. The complainant also stated when she worked at the facility, a manager used his medical card for employees to make purchases.
- e. The complainant stated managers are required to sign all employee purchases at the end of each shift, so the manager should have known the employee was using the complainant's medical marijuana card.
- f. On February 15, 2022, the MRA spoke to the current employee.

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- g. The current employee admitted to using the complainant's medical marijuana card without her permission and that the managers were aware of this.
- h. She stated that she was spoken to by both managers, and they only told her to stop using the complainant's card.
- i. On February 24, 2022, a manager told the MRA that the managers sign off on all employee purchases and that he should have known about the unauthorized purchases.
- j. That same day, another manager confirmed that after the complainant put them on notice regarding the unauthorized purchases, he designated another manager to investigate the matter, but neither of them reported the incidents to the MRA.
- k. Respondent had knowledge that a current employee used the complainant's medical marijuana card without her permission and failed to report it to the MRA in violation of Mich Admin Code, R 420.804(1), which states licensees shall notify the agency and local law enforcement authorities within 24 hours of becoming aware of, or within 24 hours of when the licensee should have been aware of, the theft or loss of any marihuana product or criminal activity at the marihuana business.
- l. Respondent sold marijuana product to a current employee who was neither a medical marijuana patient or primary caregiver in violation of Mich Admin Code, R 420.111(1), which states a provisioning center license authorizes the purchase or transfer of marihuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver.
- m. Because the current employee was sold marijuana product without having a medical marijuana card, Respondent is in violation of Mich Admin Code, R 420.111(4), which states a provisioning center shall comply with all of the following: (c) Before selling or transferring marihuana to a registered qualifying patient or to a registered primary caregiver on behalf of a registered qualifying patient, inquire of the statewide monitoring system to

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determine whether the patient and, if applicable, the caregiver, hold a valid, current, unexpired, and unrevoked registry identification card and that the sale or transfer will not exceed the daily and monthly purchasing limit established by the agency under the MMFLA.

- n. Respondent is also in violation Mich Admin Code, R 420.505(1), which states a marihuana sales location may sell or transfer marihuana or marihuana product to a marihuana customer if all of the following are met:
 - (e) A licensee selling marihuana product pursuant to the medical marihuana facilities licensing act verifies within the statewide monitoring system that the registered qualifying patient or registered primary caregiver holds a valid, current, unexpired, and unrevoked registry identification card.
- o. Additionally, because the current employee used the complainant's medical marijuana card to purchase product, Respondent was unable to confirm if the employee presented his or her valid driver's license or government-issued identification card, which is a violation of Mich Admin Code, R 420.505(1), which states a marihuana sales location may sell or transfer marihuana or marihuana product to a marihuana customer if all of the following are met:
 - (b) The licensee confirms that the marihuana customer presented his or her valid driver's license or government-issued identification card that bears a photographic image of the qualifying patient or primary caregiver, under the medical marihuana facilities licensing act; or bears a photographic image and proof that the individual is 21 years of age or older, under the Michigan regulation and taxation of marihuana act.

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 333.27407(4) 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

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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 MMFLA and/or the administrative rules. A compliance conference request must be submitted to the MRA 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
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

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 at (517) 284-8599 or MRA-LegalHearings@michigan.gov.

Dated: 4/4/22

By: Julie Kluytman
Julie Kluytman, Director
Enforcement Division
Marijuana Regulatory Agency

Digitally signed by: Julie Kluytman
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Kluytmanj@michigan.gov C = US O = Marijuana
Regulation Agency OU = Enforcement Division
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