

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

In the Matter of

**Trucenta, LLC
License No. PR-000148**

ENF No.: 24-00692

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) by and through its attorneys, Assistant Attorneys General Adam M. Leyton and Erika N. Marzorati, files this formal complaint against Trucenta, LLC (Respondent), alleging upon information and belief as follows:

1. The CRA is authorized under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, to investigate alleged violations of the MMFLA and 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.

FACTUAL ALLEGATIONS

2. Respondent holds an active state license under the MMFLA to operate a medical marijuana processor business in the State of Michigan.

3. Respondent was licensed to operate at 23506 John R. Rd., Hazel Park, MI 48030, at all times relevant to this complaint.

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

5. On April 11, 2024, CRA staff conducted an unannounced audit at Respondent's business.

6. According to Metrc, Respondent's physical inventory should have included 4,031,344 grams of dry biomass under package tag number 1A405010000C032000023051 [-023051] at the time of the visit.

7. Metrc tag number -023051 was affixed to processing equipment and dozens of containers of distillate throughout the business, including approximately 30 5-gallon buckets, three 55-gallon drums, five large trash barrels with lids, and six 1- and 3-liter glass jars.

8. Respondent did not create a new Metrc tag number to reflect the change in the form of the product from dry biomass to distillate.

9. Of the original 4,031,344 grams of biomass recorded in Metrc, Respondent's physical inventory included only 430,575 grams of biomass under tag number -023051. This biomass was stored in large, mesh-sided, zippered bags.

10. Surveillance recordings showed that the bags were untagged when CRA staff arrived onsite, and that Respondent's staff affixed tag number -023051 to the bags while the CRA staff waited in another area of the building.

11. During the April 11 visit, CRA staff asked to view Respondent's four outdoor storage trailers. One of the trailers contained several garbage bags of spent biomass reported by Respondent's employee, S.O., to be from package -023051.

12. S.O. explained that the bags were off-gassing. CRA staff later confirmed with the Bureau of Fire Services that the storage trailer housing the biomass lacked proper ventilation.

13. CRA staff asked Respondent to provide all camera angles of surveillance recordings from the business, including video covering specified rooms within the business during the CRA's April 11, 2024 audit and video showing full-time coverage of all entrances, exits, loading docks, and shipping/receiving areas of the business during the prior 30 days.

14. The surveillance recordings showed Respondent's employee, T.D., changing Metrc tags on a blue barrel of distillate approximately 10 minutes before CRA staff entered the room during the April 11, 2024 audit. Specifically, the recordings showed T.D. remove yellow medical marijuana Metrc tag number -023051 from the blue barrel and replace it with two adult-use Metrc tag numbers.

15. T.D. never mentioned these actions to CRA staff during the audit, even though he presented the barrel to them soon after placing the adult-use Metrc tag numbers on it.

16. Respondent failed to provide all requested camera angles to CRA staff following the audit. Moreover, CRA staff discovered that there were numerous time gaps in Respondent's submission.

COUNT 1

Respondent's actions as described above demonstrate a violation of Rule 420.109(4), which states that a processor shall enter all transactions, current inventory, and other information into the statewide monitoring system.

COUNT 2

Respondent's actions as described above demonstrate a violation of Rule 420.208(5)(c), which states that a producer must implement appropriate exhaust ventilation systems to mitigate noxious gasses or other fumes used or created as part of any production process or operations.

COUNT 3

Respondent's actions as described above demonstrate a violation of Rule 420.209(12), which relevantly states that surveillance recordings are subject to CRA inspection and must be kept in a manner that allows the agency to view and obtain copies of the recordings at the marijuana business immediately upon request.

COUNT 4

Respondent's actions as described above demonstrate a violation of Rule 420.210(1), which relevantly states that a marijuana business must not have marijuana products that are not identified and recorded in the statewide monitoring system pursuant to the rules.

COUNT 5

Respondent's actions as described above demonstrate a violation of Rule 420.210(2), which relevantly states that a marijuana business must not have any marijuana product without a batch number or identification tag or label pursuant to the rules and shall immediately tag, identify, or record as part of a batch in the statewide monitoring system any marijuana products as provided in the rules.

COUNT 6

Respondent's actions as described above demonstrate a violation of Rule 420.210(3), which relevantly states that a licensee shall not reassign or subsequently assign a tag to another package that has been associated with a package in the statewide monitoring system.

COUNT 7

Respondent's actions as described above demonstrate a violation of Rule 420.303a(1), which states that a producer shall give a marijuana product a new package tag anytime the marijuana product changes form or is incorporated into a different product.

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.

Under MCL 333.27407(4) and Rule 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 Rule 420.704(1) and Rule 420.808(4). 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.

Hearing and compliance conference requests must be submitted in writing by one of the following methods, with a copy provided to the assistant attorneys general named below:

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 undersigned assistant attorneys general.

Respectfully submitted,

/s/ Adam M. Leyton

Adam M. Leyton (P80646)
Erika N. Marzorati (P78100)
Assistant Attorneys General
Attorneys for Cannabis Regulatory
Agency
Licensing and Regulation Division
525 West Ottawa Street
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Dated: October 30, 2024

LF: 2024-0414698-B / Trucenta, PR-000148, ENF 24-00692 / Formal Complaint / 2024-10-30



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

In the Matter of

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ENF No.: 24-00692

PROOF OF SERVICE

I hereby certify that on _____, I provided a copy of the
FORMAL COMPLAINT dated _____ in the above captioned
case by personal service to:

Cannabis Regulatory Agency
Department of Licensing & Regulatory
Affairs

CANNABIS REGULATORY AGENCY
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
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LANSING

MARLON I. BROWN, DPA
DIRECTOR

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ENF No.: 24-00692

PROOF OF SERVICE

I hereby certify that on NOVEMBER 4, 2024, I provided a copy of the
FORMAL COMPLAINT dated OCTOBER 30, 2024 in the above captioned
case by personal service to:

JOHN PALMER
1675 E. MAPLE RD
TROY, MI 48063

RA Ken Ben
Cannabis Regulatory Agency
Department of Licensing & Regulatory
Affairs