STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS¹ MARIJUANA REGULATORY AGENCY

In the Matter of

Green Skies - Healing Tree, LLC License No. PC-000100 ENF No. 19-00052 and 19-00061 (CMP No. 19-000718² and 19-000830)

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On January 17, 2020, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the medical marijuana provisioning center facility license (no. PC-000100) of Green Skies – Healing Tree, LLC ("Respondent") under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 et seq., and administrative rules promulgated thereunder. The complaint alleged Respondent violated Mich Admin Code, R 333.245(10)(a).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the complaint.

Therefore, the executive director finds that the allegations contained in the complaint are true and that Respondent violated Mich Admin Code, R 333.245(10)(a).

Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a), (d). The MRA exercises its statutory powers, duties, and functions independent of LARA's direction. MCL 16.103.

 $^{^2}$ The formal complaint contains a typographical error incorrectly referencing CMP No. 19-0000718, rather than CMP No. 19-000718.

Accordingly, for these violations, IT IS ORDERED:

- 1. Respondent must pay a fine in the amount of eight thousand and 00/100 dollars (\$8,000.00). This fine shall be paid within 60 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number "19-00052 and 19-00061" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, P.O. Box. 30205, Lansing, Michigan 48909, or Respondent may pay online through the Accela Citizen Access Portal (https://aca3.accela.com/MIMM).
- 2. If Respondent fails to timely pay the fine, Respondent's license shall be suspended until payment is received.
- 3. Unless otherwise specified in this order, Respondent shall direct any communications to the MRA that are required by the terms of this order to MRA-LegalHearings@michigan.gov.
- 4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- 5. If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, R 333.219.

This order shall be effective on the date signed by the MRA's executive director or his designee, as set forth below.

MARIJUANA REGULATORY AGENCY

Signed on: 6/15/2020

By:

Andrew Brisbo

Digitally signed by: Andrew Brisbo

Official in Andrew Brisbo email = brisboa@michigan gov C = US O

July Mark
Diate: 2020.06.15 09:44:50-04007

Andrew Brisbo, Executive Director Marijuana Regulatory Agency

STIPULATION

The parties stipulate to the following:

- 1. The facts alleged in the complaint are true and constitute a violation of the rules promulgated under the MMFLA.
- 2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 et seq., to require the MRA 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) Regarding the allegations in paragraph 3(a) of the complaint, Respondent represents that the packages at issue were created from caregiver products that were not required to be tested at the time and that the inventory was incorrectly identified in METRC due to a clerical error. Respondent acknowledges its explanation is relevant only for purposes of resolving the formal complaint and has no bearing on any administrative hold that may be in place on any products referenced in the complaint.
 - b) Regarding the allegations in paragraph 3(b) of the complaint, Respondent represents that it moved the product from the sales floor to the back room of the facility immediately upon receiving notification of the administrative hold. Respondent represents that the product later was mistakenly returned to the sales floor, at which time the seven sales occurred. Respondent states that it has initiated controls to prevent future recurrences.
 - c) Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.

4. The MRA's enforcement division director or her designee must approve this proposed agreement before it is forwarded to the MRA'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 MRA's enforcement 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:	AGREED TO BY:
Kavita Kale Digitally signed by: Kavita Kale DN: CN = Kavita Kale email = DN: CN = Kavita Kale email = Alexanick@michigan.gov C = US Date: 2020.06.15 08:53.48 -04'00'	Abertar butto
Kavita Kale	Victor Kattoula, Authorized Officer
Enforcement Division Director	On behalf of Respondent
Marijuana Regulatory Agency	Green Skies - Healing Tree, LLC
Dated: 06/15/2020	Dated: 6/11/20
/s/ Erika N. Marzorati	Michael W Mcles
Erika N. Marzorati (P78100)	Michael W. Maher (P66878)
Risa Hunt-Scully (P58239)	Attorney for Respondent
Assistant Attorneys General	3 7
Attorneys for Complainant	11.12020
Dated:6/11/2020	Dated: b 11 2020
	1

LF: 2020-0278654-A / Green Skies - Healing Tree, LLC, 000438 / Consent Order and Stip - 2020-06-11

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

In the Matter of

Green Skies – Healing Tree, LLC ERG No. 000438 License No. PC-000100

CMP No. 19-0000718 and 19-000830 ENF No. 19-00052 and 19-00061

FORMAL COMPLAINT

The Marijuana Regulatory Agency (Complainant) files this formal complaint against Green Skies – Healing Tree, LLC ("Respondent") alleging upon information and belief as follows:

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 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 rules.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

- 1. Respondent holds a state operating license under the MMFLA to operate a medical marihuana provisioning center in the state of Michigan.
- 2. At the time of the allegations contained in this complaint, Respondent operated a medical marihuana provisioning center at 15308 East 8 Mile in Detroit, Michigan, license number PC-000100.
 - 3. Following an investigation, the MRA determined Respondent violated the MMFLA and/or

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

www.michigan.gov/MRA

LARA is an equal opportunity employer/program

Formal Complaint ENF No. 19-00052 and 19-00061 administrative rules promulgated thereunder as set forth below:

a. ENF 19-00052

- i. On October 2, 2019, MRA intelligence analyst reviewed Respondent's inventory in the statewide monitoring system (METRC).
- ii. Source package tag number 1A40401000001F5000001567 House Shake (source tag #1567), was listed in METRC as not submitted for testing.
- iii. Source tag #1567 was created by combining 58 smaller packages. Fifty-seven (57) of the 58 smaller packages of marijuana product were listed in METRC as not submitted for testing.
- iv. Two-hundred three grams (203) of source tag #1567 was used to created package number 1A40401000001F5000001583 (package tag #1583). Package tag #1583 entirely sold out during the month of July 2019.
- v. Eight hundred grams (800) of package tag #1567 was used to create package number 1A40401000001F5000001613 (package tag #1613). Package tag #1613 entirely sold out during the months of July and August 2019.
- vi. Over 200 sale transactions for package tags #1583 and #1613 were documented.
- vii. Based on the above, Respondent sold marijuana product that could not be confirmed to have passing test results in METRC before the sale, in violation of R 333.245(10)(a).

b. ENF 19-00061

- i. On August 30, 2019, the MRA placed source package tag number 1A40501000090000010327 (source tag #10327) on administrative hold and the product was recalled.
- ii. Package tag number 1A405010000090000016183 (package tag #6183) was created from source tag #10327 before the administrative hold and recall.
- iii. A sample of source tag #10327 was sent to a medical marihuana safety compliance facility for testing; the sample package tag number was 1A405010000090000010338 (sample package tag #10338).

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

www.michigan.gov/MRA

LARA is an equal opportunity employer/program

iv. On October 29, 2019, sample package tag #10338 tests results were reported in METRC as "Failed overall laboratory testing" for receiving failing test results for the heavy metal, arsenic.

v. On November 5, 2019, source package tag #10327 was updated in METRC to "Test Failed."

vi. On October 29, November 23, 23, 26, and December 3, 2019, Respondent made seven sales of marijuana product from package tag #6183.

vii. Based on the above, Respondent sold marijuana product that did not have passing test results in METRC before the sale, in violation of R 333.245(10)(a).

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 333.29494(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 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 333.294(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 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, with a copy to the undersigned assistant attorney general.

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

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

www.michigan.gov/MRA

LARA is an equal opportunity employer/program

Lansing, Michigan 48906

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

Any questions about this Complaint should be directed to the Marijuana Regulatory Agency's legal section at (517) 284-8599 or MRA-LegalHearings@michigan.gov.

Dated: 17 Jan 2020

MARIJUANA REGULATORY AGENCY

By: Kavita Kale, Enforcement Division Director

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 www.michigan.gov/MRA LARA is an equal opportunity employer/program

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

In the Matter of

Green Skies – Healing Tree, LLC ERG No. 000438 License No. PC-000100 CMP No. 19-0000718 and 19-000830 ENF No. 19-00052 and 19-00061

PROOF OF SERVICE

I hereby certify that on the date below, I mailed a copy of the Compliance Action – Formal Complaint dated January 17, 2020, in the above captioned case by certified mail, return receipt requested to:

Green Skies – Healing Tree, LLC 20700 Harper Avenue Harper Woods, Michigan 48219

With a copy to:

Seth Tompkins Pollicella Tompkins PLLC 4312 East Grand River Avenue Howell, Michigan 48843

Mail date: January 17, 2020

Abby Rae Brooks Departmental Technician Marijuana Regulatory Agency

Department of Licensing & Regulatory Affairs