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

In the Matter of

Hayat Provisioning Center Hazel Park, LLC License No.: PC-000599		ENF No.: 21-00426
	CONSENT ORI	DER AND STIPULATION

CONSENT ORDER

On September 30, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000599) of Hayat Provisioning Center Hazel Park, LLC ("Respondent") under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.111(4)(a), (b), & (c); R 420.212(1), R 420.505(1)(b), R 420.505(2).

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 all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.111(4)(a), (b), & (c); R 420.212(1), R 420.505(1)(b), R 420.505(2).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of nine thousand and 00/100 dollars (\$9,000.00). This fine shall be paid within 60 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 "21-

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000426" and license number "PC-000599" 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. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-</u> <u>LegalHearings@michigan.gov</u>.
- Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- 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 420.808.
- 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: _______ Adam Sandoval Digitally signed by Adam Sandoval Date: 2023.12.12 07:41:03 -05'00' By: ______

Brian Hanna, Executive Director or his designee Cannabis Regulatory Agency

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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 MMFLA.
- 2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, 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 updated standard operating procedures for checking patient ID's and the statewide monitoring system (Metrc) at the point-of-sale.
 - Respondent has changed its point-of-sale service provider in response to the noncompliance.
 - c. Respondent indicated that it replaced its manager in response to this noncompliance.
 - d. As of May 23, 2023, this license is now closed.
 - e. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
- 4. The CRA's operations director or his 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 operations director, executive director, or their designees reject the proposed consent order.

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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:
Sara E. Digitally signed by: Sara E. Hernandez DN: CN = Sara E. Hernandez email = Hernandez 1@michigan.gov C = AD O = LARA OU = MRA Date: 2023.11.08 10:12:23 -05'00'	Ama Pill
Desmond Mitchell, Operations Director or his designee Cannabis Regulatory Agency	Darin Mickel, Authorized Officer on behalf of Respondent Hayat Provisioning Center Hazel Park, LLC
11/8/2023 Dated:	Dated:
	Craig Aronoff, P57997 Attorney for Respondent

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

In the Matter of

Hayat Provisioning Center Hazel Park LLC

ERG No.: 002988

License No.: PC-000599 ENF No.: 21-00426

FORMAL COMPLAINT

The Marijuana Regulatory Agency ("Complainant") files this formal complaint against Hayat Provisioning Center Hazel Park 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.

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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CMP No.: 21-000982

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate

a medical marihuana provisioning center facility in the state of Michigan.

6. Respondent operated at 634 W. Nine Mile Rd., Hazel Park, Michigan 48030, 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 July 19, 2021, the MRA received a complaint from Respondent's former

employee that purchases were being made to other individuals using the

medical marijuana card number of the former employee.

b. On August 4, 2021, the MRA visited the provisioning center and interviewed

representatives of Respondent. The individuals interviewed each confirmed

having knowledge of the allegations in the complaint and acknowledged

having multiple issues with Respondents point-of-sale (POS) system.

c. The MRA also observed sales in the POS system that were not in the

statewide monitoring system (Metrc). Issues between the POS system and

METRC created numerous inventory discrepancies.

d. Respondent is in violation of Mich Admin Codes, R 420.111(4)(a) & R

420.111(4)(c), which state a provisioning center shall comply with all of the

following: (a) Sell or transfer marihuana to a registered qualifying patient or

registered primary caregiver only after it has been tested and bears the label

required for retail sale. (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 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

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 established by the agency under the medical marihuana facilities licensing

act.

e. Respondent is also in violation of Mich Adim Code, R 420.505(1)(b), which

states a marihuana sales location may sell or transfer marihuana or a

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.

f. Finally, Respondent is in violation of Mich Admin Codes, R 420.111(4)(b),

R 420.212(1) & R 420.505(2), which state a provisioning center shall enter

all transactions, current inventory, and other information into the statewide

monitoring system as required in the medical marihuana facilities licensing

act, these rules, and the marihuana tracking act. And all marihuana

products must be stored at a marihuana business in a secured limited

access area or restricted access area and must be identified and tracked

consistently in the statewide monitoring system under these rules.

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

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.

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 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: September 30, 2021

Claire Patterson Digitally signed by Claire Patterson Date: 2021.09.30 10:13:46 -04'00'

Claire Patterson, Manager Scientific and Legal Section Manager Enforcement Division Marijuana Regulatory Agency

Formal Complaint ENF No.: 21-00426 MRA 5039