

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

In the Matter of

THE RELIEF CENTER OF NILES, LLC  
dba The Relief Center for Compassionate Care  
License No.: AU-R-000152

ENF No.: 21-00524

\_\_\_\_\_/      CONSENT ORDER AND STIPULATION

CONSENT ORDER

On January 20, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana retail establishment license AU-R-000152 of The Relief Center of Niles, LLC dba The Relief Center for Compassionate Care (“Respondent”) under the Michigan Regulation and Taxation of Marijuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code R 420.508(8), R 420.505(2), R 420.104(3)(b), and R 420.212(1).

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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code R 420.508(8), R 420.505(2), R 420.104(3)(b), and R 420.212(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of twenty-six thousand and 00/100 dollars (\$26,000). 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](http://www.michigan.gov/cra). Check or money orders shall be made payable to the State of Michigan with enforcement

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number “21-00524” and license number “AU-R-000152” 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.
3. 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-LegalHearings@michigan.gov](mailto:CRA-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 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code R 420.808.
6. 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: 02/16/2023

By: Brian Hanna  
Brian Hanna, Executive Director  
and/or his designee  
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
hanab@michigan.gov C = US O =  
CRA OU = CRA  
Date: 2023.02.16 14:52:55 -05'00'

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## STIPULATION

The parties stipulate to the following:

1. Respondent does not contest the allegations of fact and law in the formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations but agrees that the CRA's executive director or designee may enter an order treating the allegations as true for purposes of resolving the formal complaint.
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 charges set forth in the formal 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. Respondent provided an existing SOP stating that trade samples cannot be provided to customers. Respondent admitted that owners and staff did not review the SOP and did not know that customers cannot receive trade samples.
  - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's enforcement division director or his/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 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

Desmond  
Mitchell

Digitally signed by  
Desmond Mitchell  
Date: 2023.02.15  
13:15:08 -05'00'

Desmond Mitchell, Operations Director  
and/or his designee  
Cannabis Regulatory Agency



Michael E. Galatka, Managing Member  
on behalf of Respondent  
The Releaf Center of Niles, LLC

Dated: 02/15/2023

Dated: 2-13-2023



Robert A. Hendricks (P37087)  
Attorney for Respondent

Dated: 2/14/2023

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ENF No. 21-00524  
CRA 5062

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

In the Matter of

The Releaf Center of Niles, LLC  
AU-ER No.: 000158  
License No.: AU-R-000152  
ENF No.: 21-00524

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CMP No.: 21-001555

FORMAL COMPLAINT

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

1. The Marijuana Regulatory Agency (MRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), 2018 IL1, *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the Administrative Rule 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 marihuana establishment operations.

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

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## FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

4. Respondent holds an active state license under the MRTMA to operate an adult use marihuana retailer establishment in the state of Michigan.

5. Respondent operated at 1840 Terminal Rd., Ste. A, Niles, Michigan 49120, at all times relevant to this complaint.

6. Following an investigation, the MRA determined that Respondent violated the MRTMA and/or Administrative Rules promulgated thereunder as set forth below:

- a. On October 24, 2021, Respondent held a customer appreciation event at its retailer establishment where customers who made a purchase received a free edible marijuana product trade sample package.
- b. Respondent gave away trade samples to customers during the event in violation of Mich Admin Code, R 420.508(8), which states a licensee who receives a trade sample may distribute the trade sample to its employees to determine whether to purchase the marihuana product.
- c. While reviewing the sales receipts from the event in the statewide monitoring system (METRC), the MRA discovered the free product given to customers was not recorded on the sales receipts in METRC in violation of Mich Admin Code, R 420.505(2), which states a marihuana sales location shall enter all transactions, current inventory, and other information required by these rules in the statewide monitoring system in compliance with the acts and these rules.
- d. Because Respondent failed to record the free product given away to customers in METRC, Respondent is also in violation of Mich Admin Code, R 420.104(3)(b), which states a marihuana retailer shall comply with all of the following: (b) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in these rules.

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- e. Additionally, the MRA discovered in METRC that the free edible marijuana product trade sample packages were finished by 10:37am. The event started at 12pm so no sales would have been made and recorded in METRC by 10:37am. Because the packages were recorded as finished in METRC before any sales were made, Respondent failed to track its inventory consistently in METRC in violation of Mich Admin Code, R 420.212(1), which states, in part, all marijuana products must be 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 333.27957 (1)(c) 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.

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 Emergency 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

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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's legal section at (517) 284-8599 or [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

Dated: 1/20/22

By: Claire Patterson  
Digitally signed by Claire Patterson  
Date: 2022.01.20 11:39:23 -05'00'  
Claire Patterson, Manager  
Scientific and Legal Section Manager  
Enforcement Division  
Marijuana Regulatory Agency

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