

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

In the Matter of

SJSII LLC dba Insano Pharms  
License No.: AU-G-C-000140

ENF No.: 22-00078

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

CONSENT ORDER

On February 14, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana grow establishment license AU-G-C-000140 of SJSII LLC dba Insano Pharms (“Respondent”) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.602(2)(j).

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 420.602(2)(j).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of five thousand and 00/100 dollars (\$5,000). 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 number “22-00078” and license number “AU-G-C-000140” clearly displayed on the check or money order. Respondent shall mail the fine to Department of

CANNABIS REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/CRA](http://www.michigan.gov/CRA)

LARA is an equal opportunity employer/program

Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. Within 60 days of the effective date on the consent order Respondent must complete all of the following:
  - a. Provide a new standard operating procedure (SOP) detailing all relevant procedures for vetting new employees before hire to ensure they are at least 21, and prohibiting underage employees from working at the adult use grow establishment.
  - b. Train all managers and employees with hiring duties on the new SOP.
  - c. Provide a document, signed by a manger, with names and positions of all relevant employees trained, and dates of completion for each.
  - d. Provide a written training agenda, and copies of all training materials.
3. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
4. 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).
5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
6. If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, R 420.808.
7. 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.

CANNABIS REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/CRA](http://www.michigan.gov/CRA)

LARA is an equal opportunity employer/program

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: 05/08/2023

By: Brian Hanna  
Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
hannab@michigan.gov C = US O =  
CRA OU = CRA  
Date: 2023.05.08 11:41:39 -04'00'

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

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 MRTMA.
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 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 said it thought it could hire an employee under the age of 21 to work for its co-located medical grow license if the employee did not handle the adult use product.
  - b. Respondent later learned that was not compliant because its medical operations were not fully partitioned from its adult use operations.
  - c. Respondent has since terminated the underage employee.
  - d. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.

CANNABIS REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/CRA](http://www.michigan.gov/CRA)

LARA is an equal opportunity employer/program

- e. Respondent has been licensed as an adult use grow establishment since 2020 and has no prior discipline against its license.
4. The CRA's enforcement division director or 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:

Desmond  
Mitchell

Digitally signed by  
Desmond Mitchell  
Date: 2023.05.05  
16:55:51 -04'00'

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

Dated: 05/05/2023

AGREED TO BY:



Samuel Sanfilippo, Managing Member  
on behalf of Respondent  
SJSII LLC

Dated: 5-01-23



Jeffrey M. Schroder (P63172)  
Attorney for Respondent

Dated: 5-01-2023

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

In the Matter of

SJSII LLC dba Insano Pharms  
AU-ER No.: 000297  
License No.: AU-G-C-000140  
ENF No.: 22-00078

CMP No.: 21-001640

---

FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against SJSII LLC dba Insano Pharms (“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.

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

LARA is an equal opportunity employer/program

## FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

4. Respondent holds an active state license under the MRTMA to operate an adult use class C grower establishment in the state of Michigan.

5. Respondent operated at 2300 Spikes Lane, Lansing, Michigan 48906, 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 December 1, 2021, the MRA received an anonymous complaint that Respondent employed an individual under the age of 21 at the adult use grower establishment.
- b. On January 20, 2022, Respondent submitted an email response and acknowledged the owner's teenage daughter was working at the adult use grower, as it was having difficulty hiring employees.
- c. Respondent is in violation of Mich Admin Code, R 420.602(2)(j), which states a licensee shall comply with all of the following: (j) If a licensee under the Michigan regulation and taxation of marijuana act, not allow a person under 21 years of age to volunteer or work for the marijuana establishment pursuant to section 11 of the MRTMA, MCL 333.27961.

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

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

LARA is an equal opportunity employer/program

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

In Person: Department of Licensing & Regulatory Affairs  
Marijuana Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

By Email: [MRA-LegalHearings@michigan.gov](mailto: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).

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

LARA is an equal opportunity employer/program

Dated: 2/14/2022

By: Julie Kluytman  
Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
kluytmanj@michigan.gov C = US O =  
Marijuana Regulatory Agency  
Date: 2022.02.14 21:41:48 -05'00'

---

Julie Kluytman, Director  
Enforcement Division  
Marijuana Regulatory Agency

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

LARA is an equal opportunity employer/program