STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY¹

In the Matter of

The House of Mary Jane, LLC ERG No. 000421 ENF No. 21-00280

CMP No. 21-000693

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On December 22, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (no. PC-000102) of The House of Mary Jane, LLC ("Respondent") under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 et seq. The formal complaint alleged Respondent violated Mich Admin Code, R 420.111(4)(b); R 420.209(6)(vii), (11), (12), and (14)(a) to (c); R 420.210(1) and (2); R 420.211(4) and (8); and R 420.505(2).

The acting executive director or designee reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the complaint. Therefore, the acting executive director or designee finds that the allegations contained in the complaint are true and that Respondent violated Mich Admin Code, R 420.111(4)(b); R 420.209(6)(vii), (11), (12), and (14)(a) to (c); R 420.210(1) and (2); R 420.211(4) and (8); and R 420.505(2).

¹ The Marijuana Regulatory Agency was renamed the Cannabis Regulatory Agency under Executive Reorganization Order No. 2022-1, effective April 13, 2022. MCL 333.27002(1)(a).

Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the CRA's authority to impose sanctions against Respondent.

Accordingly, for these violations, IT IS ORDERED:

- 1. Respondent must pay a fine in the amount of Seventy-Five Thousand and 00/100 dollars (\$75,000.00). 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 "ENF No. 21-00280" clearly displayed on the check or money order. Respondent shall mail the fine payment to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O. Box 30205, Lansing, Michigan 48909.
- 2. If Respondent fails to timely pay the fine, Respondent's license shall be suspended until payment is received.
- 3. Respondent's license is suspended for 30 days commencing on the effective date of this order.
- 3. Respondent must provide the CRA its standard operating procedures regarding compliant tagging and waste disposal processes within 10 days after the effective date of this order.
- 4. Respondent's license shall automatically be reinstated after the above-described standard operating procedures are received and after the 30-day suspension period has elapsed.
- 5. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA regarding the terms of this order to <u>CRA-LegalHearings@michigan.gov</u>.
- 6. If Respondent violates any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.

This order shall be effective 10 days from the date signed by the CRA's acting executive director or designee, as set forth below.

CANNABIS REGULATORY AGENCY

Signed on: ___10/10/2022

By:

Acting Executive Director or Designee

Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

- Respondent does not contest the allegations of fact and law in the 1. formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations but agrees that the CRA's acting executive director or designee may enter an order treating the allegations as true for purposes of resolving the complaint.
- Respondent understands and intends that by signing this stipulation, 2. 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 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.
 - The parties considered the following in reaching this agreement: 3.
 - Respondent advised that after the issuance of the formal complaint, Respondent hired a compliance manager to assist with METRC compliance.
 - 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 designee must approve this proposed agreement before it is forwarded to the CRA's acting executive director or 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, acting executive director, or 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: 2022.09.28 06:31:05 -04'00'	0000
Desmond Mitchell	Antonio McBride
Operations Director	Authorized Officer
Cannabis Regulatory Agency	The House of Mary Jane, LLC Dated: 9/23/22
Dated: 9/28/2022	Dated:
/s/ Risa Hunt-Scully	myen
Risa Hunt-Scully (P58239)	Meles Baker (P82178)
Sarah E. Huyser (P70500)	Attorney for Respondent
Assistant Attorneys General	

Dated: 9/26/22

 $LF:\ 2022-0347983-A \land House\ of\ Mary\ Jane,\ LLC,\ The,\ 000693 \land Pleading \cdot COS=2022-09-23$

Attorneys for Cannabis Regulatory Agency

Dated: September 27, 2022