

STATE OF MICHIGAN  
DEPARTMENT OF REGULATORY AFFAIRS<sup>1</sup>  
MARIJUANA REGULATORY AGENCY

In the Matter of

Detroit Herbal Center, LLC  
ERG No.: 000225  
License No.: PC-000155  
ENF No.: 20-00029

CMP No.: 20-000058

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

CONSENT ORDER

On April 29, 2020, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000155) of Detroit Herbal Center, LLC (“Respondent”) under the Medical Marijuana 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 333.235(10), R 333.236(1), R 333.236(2), R 333.273(g), and (k)(i),(ii), and (iii), R 333.274(1)(a), R 333.274(2)(a), R 333.274(3), R 333.275(1)(a), R 333.275(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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 333.235(10), R 333.236(1), R 333.236(2), R 333.273(g), and (k)(i),(ii), and (iii), R 333.274(1)(a), R 333.274(2)(a), R 333.274(3), R 333.275(1)(a), R 333.275(2)..

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of twelve thousand five hundred 00/100 dollars (\$12,500.00). This fine shall be paid within 30 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number “20-00029” clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

<sup>1</sup> 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. 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](mailto: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.
6. Upon timely payment of the fine 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 on the date signed by the MRA's executive director or his designee, as set forth below.

MARIJUANA REGULATORY AGENCY

Signed on: 9/28/20

By: Andrew Brisbo  
Andrew Brisbo, Executive Director  
Marijuana Regulatory Agency

Digitally signed by: Andrew Brisbo  
DN: CN = Andrew Brisbo email =  
brisboa@michigan.gov C = US O =  
MRA  
Date: 2020.09.28 08:36:06 -0400

## 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 MRA 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 replaced the receptionists at the facility that did patient intake and implemented a new written patient, intake policy to ensure verification of patient status and patient identifying information prior to sales.
  - b. Respondent performed an inventory audit to ensure that all alleged issues with product labeling were corrected and product is in compliance.
  - c. Respondent had its video surveillance system upgraded to hold 30 days of footage; and the vendor makes scheduled trips to ensure the system is functioning properly.
  - d. 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.

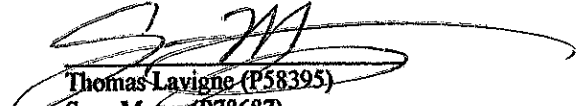
**AGREED TO BY:**

Julie Kluytman Digitally signed by Julie Kluytman  
DN: CN = Julie Kluytman email =  
Kluytman@Michigan.gov C = AD OU =  
Marijuana Regulatory Agency  
Date: 2020.09.28 09:21:05 -0400

**Julie Kluytman, Director**  
**Enforcement Division**  
**Marijuana Regulatory Agency**  
Dated: 9/28/20

**AGREED TO BY:**

  
**Rana Gogue, Authorized Officer**  
**On behalf of Respondent**  
**Detroit Herbal Center, LLC**  
Dated: 9.23.20

  
**Thomas Lavigne (P58395)**  
**Sean Myers (P78687)**  
**Attorneys for Respondent**  
Dated: 9/25/2020

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

In the Matter of

Detroit Herbal Center, LLC  
ERG No.: 000225  
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ENF No.: 20-00029

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FORMAL COMPLAINT

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

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marijuana 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 marijuana facility operations.
4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marijuana facility operations.

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 in the state of Michigan.

6. Respondent operated at 14325 Wyoming Ave., Detroit, Michigan, 48238 at all times relevant to this complaint.

7. Following an investigation completed on January 27, 2020, the MRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

- a. Respondent was unable to produce a requested recording of operations at its marijuana facility on January 5, 2020, therefore, Respondent failed to keep surveillance recordings for a minimum of 30 days as required, in violation of Mich Admin Code R 333.235 (10).
- b. Respondent was found to have a large bag of marijuana shake, a clear bag of kief (spelled as “keefe” in investigation report) and a jar of flower was not identified or recorded in the statewide monitoring system (METRC) its facility in violation of Mich Admin Code R 333.236 (1).
- c. The large bag of marijuana shake, clear bag of kief and jar of flower did not have a batch number, identification tag, or label attached in violation of Mich Admin Code R 333.236 (2).
- d. Respondent had different strains of marijuana vape cartridges (DHC Darts) stored at its facility identified and tracked with the same METRC identification tag (METRC tag number 1A4050100004DBD000000052). Respondent did not identify and track consistently in METRC its inventory in violation of Mich Admin Code R 333.238 (1).
- e. Respondent had marijuana products in its facility that failed to have a label containing the required information. The label was missing the concentration of THC and cannabidiol (CBD) in violation of Mich Admin Code R 333.273 (g) and other required

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

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warnings as listed as in violation of Mich Admin Code R 333.273 (k)(i),(ii), and (iii) as follows:

- “For use by registered qualifying patients only. Keep out of the reach of children.”
  - “It is illegal to drive a motor vehicle while under the influence of marihuana.”
  - “National Poison Center 1-800-222-1222.”
- f. Respondent made sales of marijuana product to an individual using “DM600330” “518418667” and “G735900” as patient numbers. These are not valid patient numbers. Without entering valid patient numbers into METRC, Respondent could not and did not verify in METRC that the purported registered qualifying patient held a valid, current, unexpired, and unrevoked registry identification card in violation of Mich Admin Code R 333.274 (1)(a).
- g. Respondent made sales of marijuana product to individuals using “DM60033,” “5184186647” and “G735900” as patient numbers. Upon review of the identification submitted by the individuals associated with those sales, it was discovered that “518418664” was associated with an individual from California who only provided a physician’s certification and did not possess the equivalent of a medical marihuana registry card. “DM600330” was associated with an individual from Ohio, who only provide a doctor’s medical marihuana identification and did not possess the equivalent of a medical marihuana registry card. Respondent sold marijuana product to individuals who failed to possess a valid, unexpired medical marijuana registry card, or its equivalent issued in another state, district, territory, commonwealth, or insular possession of the United States that allows the medical use of marijuana. Respondent failed to verify this information in violation of Mich Admin Code R 333.274 (2)(a).
- h. Respondent possessed marijuana products that were not entered into METRC. Additionally, upon review of the Respondent’s METRC inventory for a product called Afternoon Delight, the METRC inventory did not match the physical inventory on sight. Respondent failed to enter transactions, current inventory, and other required information in METRC in violation of Mich Admin Code R 333.274(3).

- i. Respondent made sales or transfers of marijuana product to individuals using “DM600330” “5184186647” and “G735900” as patient numbers. These are not valid patient numbers. Without entering valid patient numbers, Respondent could not and did not verify in METRC that the total transaction amount did not exceed the daily purchasing limit of 2.5 ounces per day in violation of Mich Admin Code R 333.275 (1)(a).
- j. Respondent made sales or transfers of marijuana product to individuals using “DM600330” “5184186647” and “G735900” as patient numbers. These are not valid patient numbers. Without entering valid patient numbers into METRC, Respondent could not and did not verify in METRC that the sale or transfer did not exceed the monthly purchasing limit of 10 ounces per month to the qualifying patient, either directly or through the qualifying patient’s registered primary caregiver, in violation of Mich Admin Code R 333.275 (2).

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 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:

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



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

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. The MRA reserves the right to review the formal complaint and amend it should this matter proceed to a contested case hearing.

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: April 29, 2020

**MARIJUANA REGULATORY AGENCY**

By:   
Kavita Kale, Enforcement Division Director

In the Matter of

Detroit Herbal Center, LLC  
ERG No.: 000225  
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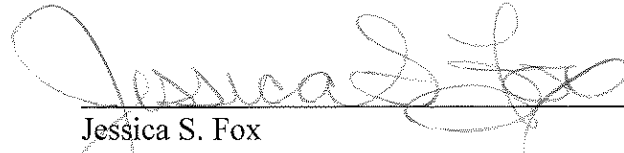
CMP No.: 20-000058

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**PROOF OF SERVICE**

I hereby certify that on April 29, 2020 I mailed a copy of the Formal Complaint dated April 29, 2020, in the above captioned case by certified mail (return receipt requested) to:

Detroit Herbal Center, LLC  
14325 Wyoming Ave.  
Detroit, MI 48238



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Jessica S. Fox  
Departmental Analyst  
Marijuana Regulatory Agency  
Department of Licensing & Regulatory  
Affairs