

STATE OF MICHIGAN
DEPARTMENT OF REGULATORY AFFAIRS¹
MARIJUANA REGULATORY AGENCY

In the Matter of

Lelantos Transport, LLC
ERG No: 000280
ENF No.: 20-00194

CMP No.: 20-001241

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On December 7, 2020, the Marijuana Regulatory Agency (MRA) received information on Lelantos Transport (“Respondent”) who holds state operating license(s) under the Medical Marihuana Facilities Licensing Act (MMFLA).

Through the information provided and execution of this agreement, Respondent admits that it violated Section 701 of the MMFLA, MCL 333.27701.

The MRA is authorized under the 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.

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

¹ 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.

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.

Mich Admin Code R 420.805 and Mich Admin Code R 420.806 authorizes the MRA to impose sanctions against the respondent if it has been determined that the respondent violated the MMFLA and/or administrative rules promulgated thereunder.

The parties have stipulated that the MRA may enter this consent order for the purpose of resolving this matter without the filing of an administrative complaint against Respondent.

The MRA reviewed the stipulation contained in this document and agrees that the public interest is best served by resolution of this matter. Therefore, the MRA finds that the factual allegations and violations set forth in the stipulation are true and that Respondent violated Section 701 of the MMFLA, MCL 333.27701.

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of Ten Thousand and 00/100 dollars (\$10,000.00). This fine shall be paid within 14 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number "20-00194" 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.
2. If Respondent fails to timely pay the fine, Respondent's state operating license(s) 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.

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: 4/20/21

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 =
Marijuana Regulatory Agency OU =
Executive Director
Date: 2021.04.20 16:41:20 -0400'

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STIPULATION

The parties stipulate to the following:

1. Respondent understands and agrees to return this signed stipulation within 7 days of the date of receipt to confirm the terms of this agreement.
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 this disciplinary action by presentation of evidence and legal authority, and to present a defense to the charges.
3. Respondent desires to resolve and settle all issues related to this matter, in lieu of disputing the disciplinary action in a contested case hearing.
4. The MRA shall report this resolution as a disciplinary proceeding as required by state or federal law. This consent order shall be subject to disclosure under the Michigan Freedom of Information Act, MCL 15.231, *et seq.*
5. Respondent admits to the following factual allegations and violations:
 - a. Respondent did not file the required Annual Financial Statements by the deadline of October 31, 2020.
 - b. Respondent was required to file 2 Annual Financial Statements by the deadline.
 - c. Respondent filed the required Annual Financial Statements on November 11, 2020, 11 days after the due date.
6. 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

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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 =
kluytmanj@michigan.gov C = AD
Date: 2021.04.14 14:42:54 -04'00'

Julie Kluytman
Enforcement Division Director
Marijuana Regulatory Agency
Dated: 4/14/21

AGREED TO BY:


(Signature)
Wan Gumb
(Printed Name)
Authorized Officer
On behalf of Respondent
Lelantos Transport, LLC
Dated: 3-30-21