

STATE OF MICHIGAN
DEPARTMENT OF REGULATORY AFFAIRS¹
MARIJUANA REGULATORY AGENCY

In the Matter of

Uncle Buds Provisioning Center, LLC
ERG No.: 000189
License No.: PC-000150
ENF No.: 20-00040

CMP No.: 20-000174

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On May 6, 2020, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the medical marijuana provisioning facility license PC-000150 of Uncle Buds Provisioning 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 333.236(2), R 333.238(1), and R 333.273(1) (a)(d)(g)(h)(i)(k).

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 333.236(2), R 333.238(1), and R 333.273(1) (a)(d)(g)(h)(i)(k).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of three thousand and 00/100 dollars (\$3,000.00). 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 "20-00040" 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 license shall be suspended until payment is received.

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.

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.
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.

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: 8/25/20

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: 2020.08.25 10:22:47 -04'00'

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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 provided mitigating information.
 - i. Respondent stated that an acting manager received notice of the initial compliance issues; he did not share notice of the compliance issues with any upper management; he failed to rectify the compliance issues; and was subsequently fired for his actions.
 - ii. Respondent provided documentation that its third-party point of service provider conducted a service call to ensure the system was printing properly.
 - iii. Respondent provided updated standard operating procedures which provide protocols to prevent future noncompliance.
 - b. 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 on 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:

Claire Patterson

Digitally signed by: Claire Patterson
DN: CN = Claire Patterson email =
PattersonC8@michigan.gov C = US O = MRA OU =
LARA
Date: 2020.08.25 07:49:21 -0400

Claire T. Patterson
Manager, Scientific & Legal Section
Marijuana Regulatory Agency
Dated: 8/25/20

AGREED TO BY:

Ashley Super

Ashley Super, Authorized Officer
On behalf of Respondent
Uncle Buds Provisioning Center, LLC
Dated: August 20, 2020

Nicholas Castro

Nicholas Castro (P82858)
Attorney for Respondent
Dated: August 19, 2020

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

In the Matter of

Uncle Buds Provisioning Center, LLC
ERG No.: 000189
License No.: PC-000150
ENF No.: 20-00040

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against Uncle Buds Provisioning 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.

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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 11 S. Huron Rd., Linwood, MI, 48634 at all times relevant to this complaint.

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

- a. On January 24, 2020, Respondent had the MRA at its facility and the following violations were discovered.
 - i. Respondent had Deli style flower jars and a package of Blueberry lozenges at its facility that did not have statewide monitoring system (METRC) tags in violation of Mich Admin Code R 333.236(2).
 - ii. Respondent's METRC data indicated it had one package of Nicely Toasted Loops, METRC tag number 1A40501000048A9000000076 (METRC tag #0076) in inventory; however, its facility had three packages on the shelves. Respondent failed to track marihuana products consistently in METRC in violation of Mich Admin Code R 333.238(1).
 - iii. Respondent's three packages of Nicely Toasted Loops did not have the required information on its labels prior to sale or transfer in violation of Mich Admin Code R 333.273(1)(a)(d)(g)(h)(k), the following information was missing:
 1. Licensee's name and license number;
 2. Date of harvest; concentration of THC;
 3. Activation time;
 4. For use by registered qualifying patients only;
 5. Keep out of reach of children; and

6. It is illegal to drive a motor vehicle while under the influence of marihuana.
- b. On February 6, 2020, Respondent had the MRA at its facility for a follow up visit and the following issues and violations were discovered.
 - i. Respondent had affixed METRC tags onto the Deli style flower jars however, the METRC tag affixed to the package of Blueberry lozenges was too small and cut off the METRC number. Respondent was informed of the latter and indicated an adjustment would be made.
 - ii. Respondent's METRC data indicated it had zero packages of Nicely Toasted Loops, (METRC tag #0076) in inventory; but its facility still had three packages on the shelves. Respondent failed to track marihuana products consistently in METRC in violation of Mich Admin Code R 333.238(1).
 - iii. Respondent had bulk marihuana flower, Khalifa Kush, METRC tag number 1A40501000048AA000000023 (METRC tag #0023) at its facility. This marihuana product was sourced from a grower and brought into its inventory as bulk flower. Respondent was selling it "deli style." Respondent's marihuana product did not have the required information on its label prior to sale or transfer in violation of Mich Admin Code R 333.273(1)(d)(h)(i):
 1. THC percentage,
 2. Harvest date, or
 3. Test date.

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:

By Mail: Department of Licensing & Regulatory Affairs
Marijuana Regulatory Agency
P.O. Box 30205
Lansing, Michigan 48909

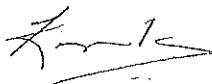
In Person: Department of Licensing & Regulatory Affairs
Marijuana Regulatory Agency
2407 North Grand River
Lansing, Michigan 48906

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.

Dated: May 6, 2020

MARIJUANA REGULATORY AGENCY

By: 

Kavita Kale, Enforcement Division Director

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PROOF OF SERVICE

I hereby certify that on May 6, 2020, I mailed a copy of the Formal Complaint dated May 6, 2020, in the above captioned case by certified mail (return receipt requested) to:

Uncle Buds Provisioning Center, LLC
11 S. Huron Rd.
Linwood, MI, 48634

With a copy to:

Denise Pollicella
Pollicella Tompkins, PLLC
4312 E Grand River
Howell, MI 48843



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