

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

In the Matter of

MPM-P Hazel Park, LLC dba Common Citizen
License No.: PR-000162

ENF No.: 22-00339

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On June 29, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana processor facility license (PR-000162) of MPM-P Hazel Park, 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 420.209(6)(a)(iv), R 420.403(8)(a), R 420.403(8)(d), and R 420.602(2)(b).

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 all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.209(6)(a)(iv), R 420.403(8)(a), R 420.403(8)(d), and R 420.602(2)(b).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of Fourteen Thousand and 00/100 dollars (\$14,000.00.00). This fine shall be paid within 90 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. Check or money orders shall be made payable to the State of Michigan with enforcement number

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“22-00339” and license number “PR-000162” clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. If Respondent fails to timely comply with the terms of this order, Respondent’s license shall be suspended until compliance is demonstrated.
3. 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.
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, 420.808.
6. 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.

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

Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
bhanna@michigan.gov C = US O = CRA
OU = CRA
Date: 2023.11.14 13:54:23 -05'00'

Signed on: 11/14/2023

By: _____

Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

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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 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 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 his 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 operations 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.

CONTINUED ONTO NEXT PAGE

AGREED TO BY:

Sara E.
Hernandez

Digitally signed by: Sara E. Hernandez
DN: CN = Sara E. Hernandez email =
hernandezs1@michigan.gov C = AD O =
LARA OU = MRA
Date: 2023.11.08 10:20:13 -05'00'

Desmond Mitchell, Operations Director
or his designee
Cannabis Regulatory Agency

Dated: 11/8/2023

AGREED TO BY:



Joseph Jarvis, Authorized Officer
on behalf of Respondent
MPM-P Hazel Park, LLC

Dated: 10-03-2023



Myles J. Baker, P 82178
Attorney for Respondent

Dated: 10-3-2023

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

In the Matter of

MPM-P Hazel Park LLC dba Common Citizen
License No.: PR-000162

ENF No: 22-00339

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against MPM-P Hazel Park LLC dba Common Citizen (“Respondent”) alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) is authorized under the Medical Marihuana 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 CRA’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 marihuana facility operations.

4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana facility operations.

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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. The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marijuana processor facility in the state of Michigan.

6. Respondent operated at 871 E. 8 Mile Road, Hazel Park, Michigan 48030, at all times relevant to this complaint.

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

- a. On March 2, 2022, the CRA conducted a Semi-Annual Inspection on Respondent's medical marijuana processor facility, and the Department of Agriculture & Rural Development (MDARD) conducted a food safety inspection on Respondent's medical marijuana processor facility.
- b. The CRA noted several deficiencies and opened an investigation for possible administrative rule violations.
- c. The CRA observed the video surveillance system did not record the front entrance or roll down door from the interior.
- d. The CRA also observed an employee was not listed in the statewide monitoring system (Metrc) and two employees did not have annual training on safe food handling, as required by administrative rules.
- e. The MDARD inspector observed that there is no handwashing sink inside the kitchen. A handwashing sink is required for employee use in the processing kitchen (21 CFR 117.37(e)).
- f. The MDARD inspector also observed that proper quality control operations were not in place. The inspector observed more than five

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cases of outdated gummies (best by date of 11/2021) being used in production in violation of 21 CFR 117.80(a)(2).

- g. Additionally, Respondent used a batch of infused gummies processed and packaged for retail sale, labeled with a best by date of 11/01/2021, to prepare a new batch of gummies.
- h. Respondent not having a handwashing sink in the processing kitchen and using outdated edible products in the production of marijuana infused edibles is a violation of Mich Admin Code, R 420.403(8)(a), which states a producer of edible marihuana product shall comply with all the following to ensure safe preparation: (a) Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventative Controls for Human Food, 21 CFR part 117.37(e).
- i. Respondent's failure to record video surveillance footage of the front entrance and roll down door is a violation of Mich Admin Code, R 420.209(6)(a)(iv), which states a licensee shall ensure the video surveillance system does all the following: (a) Records, at a minimum, the following areas: (iv) The entrances and exits to the building, which must be recorded from both indoor and outdoor vantage points.
- j. Respondent's failure to have an active employee listed in Metrc is a violation of Mich Admin Code, R 420.602(2)(b), which states a licensee shall comply with all of the following: (b) enter in the statewide monitoring system an employee's information and level of statewide monitoring system access within 7 business days of hiring for the system to assign an employee identification number.
- k. Respondent's failure to train employees regarding annual safe food handling and failure to maintain proof of completion is a violation of Mich Admin Code, R 420.403(8)(d), which states a producer of edible marihuana product shall comply with all the following to ensure safe

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preparation: (d) Provide annual employee training for all employees on safe food handling and demonstrate an employee's completion of this training by providing proof of food handler certification that includes documentation of employee food handler training, including, but not limited to, allergens and proper sanitation and safe food handling techniques. Any course taken pursuant to this rule must be conducted for not less than 2 hours.

THEREFORE, based on the above, the CRA 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 420.704(2), any party aggrieved by an action of the CRA 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 CRA 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 MMFLA and/or the administrative rules. A compliance conference request must be submitted to the CRA 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
Cannabis Regulatory Agency

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P.O. Box 30205
Lansing, Michigan 48909

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

By Email: CRA-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 Cannabis Regulatory Agency at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated:

6/29/2022

By:

Alyssa A. Grissom	Digitally signed by Alyssa A. Grissom Date: 2022.06.29 10:15:40 -04'00'
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Alyssa A. Grissom
Legal Section Manager
Enforcement Division
Cannabis Regulatory Agency

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