

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
OF THE STATE OF CALIFORNIA**

INTRODUCTION

19 Respondents California Harvest Fund, LLC (“CHF”) and Jason Turchin (“Turchin”) as
20 owner (collectively “Respondents”), are the subjects of the California Department of Cannabis
21 Control’s default decision of October 29, 2025, which revoked Respondents’ California
22 cannabis licenses, numbered C11-0001995-LIC (Distribution) and DCC-10005051
23 (Manufacturing). (Default Decision and Order, p. 4.) Turchin “moves to vacate the Default
24 Decision and Order *against him.*” (Motion to Vacate, p. 1.) The motion does not purport to
25 be brought on behalf of the respondent licensee, CHF.

26 || For the reasons explained below, the motion is denied.

27 | //

28 | //

FACTUAL BACKGROUND

On July 15, 2025, Department inspectors conducted an inspection of CHR's premises related to its distribution license (C11-0001995-LIC) and manufacturing license (DCC-10005051) in response to a compliant received the previous week. (Investigation Report, Default Package, p. 145.) According to Turchin, he cooperated with the investigation (but was not physically present), and at some point during the inspection process he provided an email address to a Department representative. (Turchin Decl., ¶ 5.)

On or about September 29, 2025, Respondents were served by Certified and First-Class Mail with copies of Accusation No. DCC25-0001410-INV, and the accompanying Statement to Respondent, Notice of Defense, and Request for Discovery and Discovery Statutes at Respondents' address of record which is required to be reported and maintained with the Department. (Gov. Code, §§ 11507.5, 11507.6, and 11507.7.) Respondents' address of record was and is: 15023 Ramona Blvd., Baldwin Park, CA 91706. (Default Decision and Order, p. 2; Declaration of Jason Turchin ("Turchin Decl."), ¶ 4.) The Notice to Respondent advised Respondents of their hearing rights as follows:

Unless a written request for a hearing signed by you or on your behalf is delivered or mailed to the Department, represented by Deputy Attorney General Matthew S. Beasley, within fifteen (15) days after a copy of the Accusation was personally served on you or mailed to you, you will be deemed to have waived your right to a hearing in this matter and the Department may proceed upon the Accusation without a hearing and may take action thereon as provided by law.

(Notice to Respondent, p. 1.) Respondents did not return a Notice of Defense or otherwise request a hearing to challenge the Accusation. (Default Decision and Order, p. 2.)

During the relevant period, Turchin’s residence address was in the State of Florida at 3225 S MacDill Ave., Apt 163, Tampa, FL 33629, and from June 2025 through November 5, 2025, Turchin never returned to California. (Turchin Decl. ¶ 3.) Turchin states that *he* did not receive the Accusation or any notice of hearing from the Department because, according to Turchin, the Respondents’ address of record was “occupied by a subtenant hostile to my company,” and “[a]ny mail sent to that address did not reach me.” (Turchin Decl., ¶ 4.) Turchin’s motion further discloses that the address of record was “a location where Mr.

1 Turchin no longer exercised control and where an antagonistic occupant had every motive to
2 withhold it.” (Motion for Relief, p. 5.) Nowhere does Turchin contend that the Accusation
3 was not received at CHF’s record address, at 15023 Ramona Blvd., Baldwin Park, CA 91706,
4 or by CHF.

5 The Notice of Default and related documents in the Default Package were sent to
6 Respondents by certified mail to the address of record, and by email. (Proof of Service,
7 Default Package, p. 67; Turchin Decl., ¶ 6.) Turchin received the Default Decision by email
8 on October 29, 2025. (Turchin Decl. ¶ 6.) Turchin filed a timely motion to vacate the default
9 with the Department by email on November 5, 2025, pursuant to Government Code section
10 11520, subdivision (c).

11 LEGAL ANALYSIS

12 Turchin contends that the Department’s service of the Accusation was inadequate
13 because *he* never actually received it, and for this reason *he* was denied the constitutional right
14 of due process. (Motion to Vacate, p. 4 [describing the Department’s default decision as
15 “void” because effective service of the Accusation was never made].) This contention is not
16 merited and is belied by the facts conceded in Turchin’s motion and declaration and is not
17 supported by binding appellate authority. It is well established that due process requires only
18 that notice must be “reasonably calculated to apprise the licensee of impending action.” (GC
19 *Brothers Entertainment LLC v. Department of Alcoholic Beverage Control* (“GC Brothers”)
20 (2nd Dist. 2022) 84 Cal.App.5th 1019, 1030 [citing *Evans v. Department of Motor Vehicles*
21 (1994) 21 Cal.App.4th 958, 970].) The Department’s service of the Accusation satisfied this
22 standard.

23 Having provided proper notice of the Accusation, and lawfully issued a Default
24 Decision following the failure to request a hearing, the Department must now decide whether
25 good cause exists to vacate the default and whether the Department should grant or deny the
26 motion to vacate. The Department concludes that Turchin has failed to establish good cause,
27 and declines to vacate the Default Decision.

28 ///

1 **A. The Department's Default Decision was Proper**

2 The Department followed all statutory and regulatory requirements for the service of
3 the Accusation and for issuing a Default Decision following Respondents' failure to request a
4 hearing.

5 California cannabis licensees are required by Department regulation to maintain
6 current contact information with the Department and to notify the Department of any change
7 to contact information "within 14 calendar days of the change." (4 Cal. Code Regs. §
8 15023(e).) Under such a regulatory scheme, the Administrative Procedures Act provides for
9 the service of notice as follows:

10 The accusation . . . and all accompanying information . . . adversely affecting the rights
11 of the respondent shall be . . . served personally or by registered mail . . . Service by
12 registered mail shall be effective if a statute or agency rule requires the respondent to
file the respondent's address with the agency and to notify the agency of any change,
and if a registered letter containing the accusation . . . and accompanying material is
mailed, addressed to the respondent at the latest address on file with the agency.

14 (Gov. Code, § 11505, subd. (c).) The Department delivered the Accusation by certified mail
15 to Respondents' record address (Certificate of Service, Default Package, p. 42) as authorized
16 by Business and Professions Code, section 26013.5 and Government Code, section 11505.

17 In *GC Brothers*, the Second District Court of Appeal addressed the revocation of a
18 night club's alcoholic beverage license during the covid pandemic, when ABC allegedly knew
19 the night club was shuttered, and notice of the accusation was not received because the postal
20 service had stopped deliveries. (*GC Brothers*, 84 Cal.App.5th at pp. 1024-1025.) The court of
21 appeal nevertheless ruled that "service by mail satisfied due process even if the accusation was
22 never received, and supported the Department's decision to find Petitioner in default, and
23 thereupon to revoke its license." (*GC Brothers*, 84 Cal.App.5th at p. 1030.) The *GC Brothers*
24 decision follows a long line of other appellate cases that reach the same conclusion, on similar
25 facts, and hold that due process is satisfied when notice is "reasonably calculated" to apprise a
26 licensee of impending action. (*Ibid.* See *Hansen v. Board of Registered Nursing* (4th Dist.
27 2012) 208 Cal.App.4th 664 [default upheld following service by certified mail], *Miller Family*
28 *Home, Inc. v. Department of Social Services* ("Miller Family Home") (3rd Dist. 1997) 57

1 Cal.App.4th 488 [default upheld following service by certified mail pursuant to DSS
2 regulation requiring notice of address change]; *Baughman v. Medical Board* (2nd Dist. 1995)
3 40 Cal.App.4th 398 [default upheld following service by certified mail and Medical Board
4 regulation required notice of address change]; *Evans v. Department of Motor Vehicles*
5 (“*Evans*”) (1994) 21 Cal.App.4th 958 [upholding APA’s default procedures as constitutional].
6 See also 7 Witkin, *Summary 11th Const Law* § 726 (2025).)

7 Under *GC Brothers*, and the precedents it rests upon, the Department’s Default
8 Decision complied with the Administrative Procedures Act and the Business and Professions
9 Code, and did not deprive Respondents of due process.

10 **B. Respondent Turchin has Not Established Good Cause to Vacate the Default
11 Decision**

12 The Administrative Procedures Act provides that an agency *may* grant relief from a
13 default based on “good cause.” Turchin has not established good cause to grant the motion to
14 vacate the Default Decision. The Administrative Procedures Act provides for relief from
15 default as follows:

16 Within seven days after service on the respondent of a decision based on the
17 respondent’s default, the respondent may serve a written motion requesting that the
18 decision be vacated and stating the grounds relied on. The agency in its discretion *may*
19 vacate the decision and grant a hearing on a showing of good cause. As used in this
subdivision, good cause includes, but is not limited to, any of the following:

20 (1) *Failure of the person to receive notice served pursuant to Section 11505.*

21 (2) Mistake, inadvertence, surprise, or excusable neglect. The Department does not find
good cause as defined by the statute.

23 (Gov. Code § 11520, subd. (c), emphasis added.) Turchin’s motion to vacate rests upon the
24 first good cause prong in subdivision (c)(1), that Turchin “was never given actual notice of the
25 underlying proceeding.” (Motion to Vacate, p. 1.) Significantly, the statute does not require
26 “actual” notice, and Turchin does not include a contention that CHF failed to receive the
27 Accusation. Nor does he contend that the Respondents’ record address failed to receive the
28 Accusation. These gaps in Turchin’s contentions are fatal to Turchin’s claim of good cause

1 based on lack of receipt. Delivery of the Accusation by certified mail, to the record address,
2 must be understood to constitute receipt and to complete the Department's service obligation.

3 In the *GC Brothers* case, after finding that ABC's undelivered certified mail satisfied
4 due process, the court of appeal nevertheless ruled that it was an abuse of discretion for the
5 ALJ to deny the respondent a hearing. Relying on public policy considerations favoring
6 decisions on the merits, the court of appeal construed section 11520, subdivision (c), so that
7 the "the only requirement for relief from default is that there be a 'showing' of good cause,"
8 which was satisfied by the licensee's mere "contention" that the notice was not received—
9 regardless of whether the contention was supported by evidence. (*GC Brothers*, 84
10 Cal.App.5th at pp. 1032-1033; but see *Evans*, 21 Cal.App.4th at 974 ["bald assertions of no
11 notice" not sufficient], *Miller Family Home*, 57 Cal.App.4th 488, 494 [indicating that a mere
12 contention that notice was not received is inadequate in the absence of evidence of an
13 explanation].)¹ The court of appeal's construction is difficult to square with the plain
14 language of the statute which indicates that even in the presence of good cause, an agency
15 maintains discretion regarding whether to vacate a default. And the exercise of such discretion
16 would presumably require evidence describing the circumstances that led to a lack of notice.

17 Regardless, *GC Brothers* is distinguishable both legally and factually from Turchin's
18 motion here. First, under ABC regulations notices are sent to a licensee's premises, unless the
19 licensee elects a different contact address.² Apparently the *GC Brothers* licensee had not
20 made such an election because the notice was addressed to the licensee's premises. (*GC
21 Brothers*, 84 Cal.App.5th at p. 1025.) In contrast, cannabis licensees *always* have an
22 affirmative duty under Department regulations to maintain current contact information in the

23 ¹ The *Evans* and *Miller Family Home* decisions are based on facts that arose before the effective date of the 1995
24 amendments to Government Code section 11520 that added the current versions of subdivisions (b) and (c). (See
Senate Bill No. 523 (1995-1996 Reg. Sess.), § 46.)

25 ² "For the purpose of subdivision (c) of Section 11505 of the Government Code, notices which are required to be
26 served by registered mail may be served by certified mail pursuant to Section 8311 of the Government Code, and
27 shall be mailed to the licensee at the premises for which his license is issued. Any licensee who desires to have
such notices mailed to him at an address other than his licensed premises shall file with the department a specific
28 request for that purpose, and in such case notices shall be sent to the licensee at such address. Such licensee shall
notify the department of a change in address, and specifically request the department to mail notices to the
changed address." (4 Cal. Code Regs. 145.)

1 Department's records. (4 Cal. Code Regs. § 15023(e).)

2 Second, the *GC Brothers* motion was brought on behalf of both the individual owner
3 and the entity licensee and specifically contended that neither the individual owner nor the
4 licensed entity received "any Accusation or any other document regarding revocation" because
5 the premises was closed during the pandemic and mail service was halted. (*GC Brothers*, 84
6 Cal.App.5th at p. 1026, n. 1.) In contrast, here it is only Turchin that moves to vacate the
7 default, not the licensed entity, CHF. It is unclear how vacating the default could provide
8 meaningful relief to the owner but not the licensed entity.

9 Third, in *GC Brothers* the licensee could contend that the accusation was not received
10 because mail service to the premises was halted during the pandemic. In contrast, there is no
11 indication, and neither Turchin nor CHF contend, that the Accusation failed to reach the
12 Respondents' record address—which likely explains why the motion is brought by Turchin
13 alone based on his Florida residence.

14 Fourth, the core explanation for Turchin's contention that he failed to "actually"
15 receive the notice is that the premises was "occupied by a subtenant hostile to my company"
16 (Turchin Decl. p.7, ¶ 4), was "a location where Mr. Turchin no longer exercised control[,] and
17 where an antagonistic occupant had every motive to withhold it" (Motion for Relief, p. 5).
18 These revelations do not establish good cause. Under the Department's regulations licensees
19 are responsible for their premises and the acts of their agents:

20 In construing and enforcing the provisions of the Act and the regulations in this
21 division, the act, omission, or failure of an agent, officer, representative, or other person
22 acting for or employed by a licensee, within the scope of their employment or office,
shall in every case be deemed the act, omission, or failure of the licensee.

23 (4 Cal. Code Regs §15000.5; see also §§ 15000.1 through 15000.4.) Therefore, receipt of the
24 Accusation at the record address by the subtenant is attributable to the Respondents.

25 CONCLUSION

26 The Department's service of the Accusation and Default Decision followed applicable
27 law and were reasonably calculated to apprise Respondents of impending license action.
28 Accordingly, they did not violate Respondents' due process rights.

1 Turchin has not established good cause to vacate the Default Decision on grounds of
2 non-receipt of the Accusation. The motion to vacate and the Turchin Declaration “contends”
3 that Turchin did not “actually” receive the Accusation, but makes no such contention on behalf
4 of CHF. Turchin’s contention is that the Accusation did not reach him in Florida, where the
5 Department had no obligation to direct the Application. Notably, Turchin does not contend
6 that the Accusation failed to reach the Respondents’ record address—which should be
7 understood to constitute actual receipt by both Respondents under Department Regulations.
8 Accordingly, even under the liberal approach to section 11520, subdivision (c)(1), taken by the
9 Court of Appeal in *GC Brothers*, Turchin’s “contention” of non-receipt does not stand up.

10 The Department cannot ignore that the motion papers unequivocally indicate that the
11 reasons Turchin did not receive the Accusation are all attributable to Turchin himself: he
12 resided in Florida, did not visit California from June through September 2025, he left the
13 licensed premises in the control of a hostile subtenant (whose acts are attributable to
14 Respondents) and lost control of the premises, did not inform the Department of an updated
15 mailing address, and did not make any alternative arrangements to obtain mail delivered to the
16 record address—despite knowing that Respondents were under investigation and
17 acknowledging that mail delivery was a concern: “Any mail sent to that address did not reach
18 me.” (Turchin Decl., ¶ 4.) Granting the motion under these circumstances would render a
19 nullity the Department’s regulatory requirements that contact information is maintained by
20 licensees, and that licensees are responsible for their agents and employees and for what
21 occurs on their premises. Finally, it is not clear how, even if the default is vacated as to
22 Turchin alone, meaningful relief could be granted while CHF’s license remains revoked.

23 For all the foregoing reasons, the motion to vacate the default is denied.

24
25
26
27
28



Marc LeForestier
General Counsel
FOR THE DEPARTMENT OF CANNABIS CONTROL

PROOF OF SERVICE

Case Name: In the Matter of the Accusation Against: California Harvest Fund LLC

DCC Case No. DCC25-0001410-INV

License Number: C11-0001995-LIC, Distributor; DCC-10005051, Manufacturer - Type 7

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is Department of Cannabis Control, 2920 Kilgore Road, Rancho Cordova, CA 95670. On November 26, 2025, I served the within documents:

FINAL DECISION RE MOTION TO SET ASIDE DEFAULT DECISION

- VIA ELECTRONIC TRANSMISSION. Pursuant to CCP § 1010.6, I caused the document(s) to be sent to the person(s) at the Email address(es) listed below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.
- VIA CERTIFIED MAIL by placing the envelope for collection and mailing following our ordinary business practices for collecting and transmitting mail through the United States Postal Service to the individual(s) or entity(ies) listed below.
 - Service via certified mail to be completed upon the following business day.

California Harvest Fund LLC
Jason Turchin, Owner
15023 Ramona Blvd.
Baldwin Park, CA 91706
Certified Mail No. 7022 1670 0001 3411 3851
jturch@trexdistribution.com

Alejandro H. Herrera, Esq.
Herrera Law Partners
100 Wilshire Blvd., Suite 700
Santa Monica, CA 90401
Certified Mail No. 7022 1670 0001 3411 3875
alex@hlplawyer.com

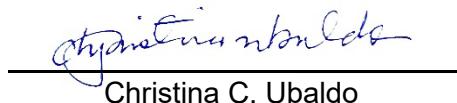
Evelyn Schaeffer (email only)
Deputy Director
Compliance Division
Department of Cannabis Control
Evelyn.Schaeffer@cannabis.ca.gov

Matthew S. Beasley (email only)
Deputy Attorney General
Cannabis Control Section
Office of the Attorney General
Matthew.Beasley@doj.ca.gov

I am familiar with the Department's business practices for collecting and transmitting mail through the United States Postal Service. In accordance with those practices, correspondence placed in the Department's internal mail collection system is, in the ordinary course of business, deposited in the United States Postal Service, with postage paid, on the same day.

I declare under penalty of perjury under the laws of the State of California, and the United States of America, that the above is true and correct.

Executed on November 26, 2025, at Rancho Cordova, California.



Christina C. Ubaldo