



**Department of  
Cannabis Control**  
CALIFORNIA

**Gavin Newsom**

Governor

**Nicole Elliott**

Director

December 10, 2025

**VIA EMAIL AND CERTIFIED MAIL**

Xin Wu  
9237 Surlingham Court  
Sacramento, CA 95829

Patrick Riazi, Esq.  
Law Office of Patrick  
2999 Douglas Blvd., Ste. 180  
Roseville, CA 95661  
priazi@riazilaw.com

Re: Wu, Xin - Case No. DCC24-0001203-INV  
OAH Case No. 2025040804  
Order Adopting Proposed Decision as Final Decision

Dear Xin Wu and Patrick Riazi, Esq.:

Attached please find a copy of the Department of Cannabis Control's Order Adopting the Proposed Decision of Administrative Law Judge Matthew S. Block in its entirety as the Final Decision in the above-referenced matter.

Pursuant to the Final Decision, the Department's citation issued to Respondent Xin Wu is affirmed and Respondent Xin Wu is ordered to immediately cease and desist conducting commercial cannabis activity without a license issued by the Department.

Furthermore, Respondent Xin Wu shall pay the Department a total fine in the amount of Thirty Thousand Dollars and zero cents (\$30,000.00) within 30 days of the effective date of this order or pursuant to a payment plan approved by the Department. You may submit your payment in the form of a cashier's check or money order made payable to the Department of Cannabis Control. Please remit payment by either of the following methods: (1) the Department's cash payment procedures; or (2) mailed to the Department:

By U.S. Postal Service:

Department of Cannabis Control  
Attn: Cashier's Unit  
P.O. Box 419106  
Rancho Cordova, CA 95741

By FedEx or UPS:

Department of Cannabis Control  
Attn: Cashier's Unit  
2920 Kilgore Road  
Rancho Cordova, CA 95670

The Department's Order and Final Decision will be effective December 10, 2025.

Sincerely,

Douglas Smurr  
Assistant General Counsel

Enclosure

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

**In the Matter of the Citation Against:**

**XIN WU, Respondent**

**Case No. DCC24-0001203-INV**

**OAH No. 2025040804**

**FINAL DECISION**

Pursuant to Government Code section 11517, the attached Proposed Decision of Administrative Law Judge Matthew S. Block is hereby adopted by the Department of Cannabis Control as its Decision in the above-entitled matter.

This Final Decision is effective immediately, December 10, 2025.

IT IS SO ORDERED this 10th day of December 2025.



Douglas Srnur  
Assistant General Counsel  
FOR THE DEPARTMENT OF CANNABIS CONTROL

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

**In the Matter of the Citation Against:**

**XIN WU, Respondent**

**Agency Case No. DCC24-0001203-INV**

**OAH No. 2025040804**

**PROPOSED DECISION**

Matthew S. Block, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter on October 2, 2025, by videoconference from Sacramento, California.

Robert T. White, Deputy Attorney General, represented the Department of Cannabis Control (Department), State of California.

Patrick Riazi, Attorney at Law, represented Xin Wu (respondent), who was not present.

Prior to hearing, the parties stipulated that all the factual allegations in the citation and investigation report are true and that the hearing is solely for the purpose of determining the amount of the civil penalty to be assessed.

Evidence was received, the record closed, and the matter submitted for decision on October 2, 2025.

## **FACTUAL FINDINGS**

### **Background**

1. Commercial cultivation of cannabis in California is governed by the Medicinal and Adult Use Cannabis Regulation and Safety Act (Bus. & Prof. Code, §§ 26000 et seq.) (the Act) and its implementing regulations (Cal. Code Regs., tit. 3, §§ 8000 et seq.) Since July 12, 2021, the Department is the state agency responsible for regulating the commercial medicinal and adult-use cannabis industry. Prior to that, state regulation of the commercial cannabis industry was the responsibility of the Bureau of Cannabis Control, the California Department of Public Health, and the Department of Food and Agriculture. The Department is the successor to the duties and powers of those agencies with respect to regulation of the commercial cannabis industry. (Bus. & Prof. Code, § 26010.7)

### **Investigation**

2. On May 23, 2024, investigators with the Department and the California Department of Fish and Wildlife served a search warrant for unlicensed cannabis cultivation at 35 Justin Lane in Oroville, California. They used Land Vision, a software product used to obtain information on real estate, and identified respondent as the legal owner of the property.

3. Upon entry to the gated property, investigators located two hoop houses covered with white tarps. In the area surrounding the hoop houses, investigators found both empty and full bags of potting soil, stacks of plastic gardening pots, coils of black irrigation drip line, and multiple containers of plant nutrients and vitamins. Inside the hoop houses, they located approximately 660 mature, actively flowering

marijuana plants, a drip line irrigation system, and artificial lighting. Investigators determined that the lighting system did not appear to exceed six watts of electricity per square foot of artificial lighting.

4. To the south of the area where the hoop houses were situated, investigators located a residence. In one of the bedrooms, they located paperwork and mail addressed to respondent at the property's address and paperwork addressed to respondent at 9237 Surlingham Court in Sacramento. In another bedroom, investigators located Sacramento County Superior Court paperwork addressed to respondent at the Surlingham Court address.

5. The investigators eradicated all the marijuana plants located in the two hoop houses. On December 10, 2024, the Department issued respondent Citation No. DCC24-0001203-INV (citation). The citation imposed a \$30,000 fine and ordered respondent to cease and desist cultivating marijuana without a Department-issued license.

## **Testimony of Jon Silva**

6. Jon Silva is a Supervising Special Investigator who has worked for the Department since 2021. He oversees a team of seven investigators responsible for enforcing the Act's provisions. Mr. Silva testified at hearing.

7. Mr. Silva explained that an adult is required to obtain a Department-issued cultivation license to legally grow more than six marijuana plants. The type of license and application fee required depends on the type of production and lighting used and the number of plants or size of the area where plants are grown. A mixed light license is required to cultivate marijuana in hoop houses. Mixed light cultivation utilizes a combination of both natural and artificial lighting.

8. There are two types of mixed light licenses. A tier one mixed light license is required for grows utilizing up to six watts of electricity per square foot of artificial light. A tier two mixed light license is required for grows utilizing six to 25 watts of electricity per square foot of artificial light. Based on the structure of respondent's grow, and the fact that the amount of artificial light utilized did not appear to exceed six watts per square foot, respondent was required to obtain a tier one mixed light license to legally cultivate the number of plants present on his property when the search warrant was served. The initial application fee for a tier one mixed light license is \$1,310. The annual license fee is \$11,800.

9. Mr. Silva explained that since adult recreational use of marijuana was legalized in California, illegal cultivation is punishable only as a misdemeanor. Large fines, rather than the prospect of criminal prosecution, are now more of a deterrent to illegal cultivation. The Act authorizes the Department to assess a fine for every day of violation. Based on the size of the plants in respondent's grow, Mr. Silva estimated that they had likely been growing for 35 to 40 days. Given that respondent could have been fined \$30,000 for each of those days, Mr. Silva believes that the \$30,000 fine imposed in this case, which amounts to fining respondent for only one day of violation, was reasonable under the circumstances.

## **Analysis**

10. The Department has the burden of proving by a preponderance of the evidence the allegations in the citation and demonstrating the propriety of assessed fines by a preponderance of the evidence. The Department met its burden, and respondent stipulated to the alleged violation. The Department is authorized to fine an individual up to \$30,000 per day of unlicensed cultivation. Given the uncontested

evidence that respondent's plants had likely been growing for 35 to 40 days, a \$30,000 fine is reasonable and appropriate in this case to deter further unlicensed cultivation.

## **LEGAL CONCLUSIONS**

1. The Department bears the burden of proving the alleged violations in the Notice of Violation and demonstrating the propriety of assessed fines, by a preponderance of the evidence. (Cal. Code Regs., tit. 3, § 8607, subd. (a); Evid. Code, § 115.) A preponderance of the evidence means "evidence that has more convincing force than that opposed to it." (*People ex rel. Brown v. Tri-Union Seafoods, LLC* (2009) 171 Cal.App.4th 1549, 1567.)

2. Business and Professions Code section 26037.5, subdivision (a), provides that a person shall not engage in commercial cannabis activity without a state license issued by the Department.

## **Cause for Citation**

3. Based on the Factual Findings, Legal Conclusions, and the stipulation of the parties, the Department proved by a preponderance of the evidence that respondent engaged in commercial cannabis activity without a state license issued by the Department. Consequently, cause exists to cite respondent pursuant to Business and Professions Code section 26037.5, subdivision (a).

## **Appropriate Fine**

4. Pursuant to Business and Professions Code section 26031.5, the Department may issue an Order of Abatement and assess a fine not exceeding \$5,000 per violation by a licensee or \$30,000 per violation by an unlicensed person. Each day

of violation shall constitute a separate violation. In determining the appropriateness of the fine, the following relevant factors shall be considered: (1) the gravity of the violation; (2) the good faith of the person; and (3) history of violation.

5. Respondent cultivated approximately 660 marijuana plants without a state license issued by the Department. Department records were devoid of any evidence he attempted to obtain a license or comply with the Act's provisions. He has no violation history with the Department. However, Mr. Silva's testimony that respondent's marijuana plants had been growing for approximately 35 to 40 days was persuasive. Under Business and Professions Code section 26031.5, the Department could assess a fine of up to \$30,000 for each of those days. When all the evidence is considered, a fine of \$30,000 is reasonable and appropriate in this case.

## **ORDER**

1. The citation issued to respondent Xin Wu is AFFIRMED.
2. Respondent Xin Wu is ordered to immediately cease and desist conducting commercial cannabis activity without a license issued by the Department.
3. Respondent Xin Wu shall pay the Department a total fine in the amount of \$30,000 within 30 days of the effective date of this order or pursuant to a payment plan approved by the Department.

DATE: October 24, 2025

*Matthew Block*

MATTHEW S. BLOCK

Administrative Law Judge

Office of Administrative Hearings

## **PROOF OF SERVICE**

Case Name: In the Matter of the Citation Against: Wu, Xin  
DCC Case No. DCC24-0001203-INV  
OAH Case No. 2025040804  
License Number: UNLICENSED PERSON

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 December 10, 2025, I served the within documents:

### **ORDER ADOPTING PROPOSED DECISION AS FINAL 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.

Xin Wu  
9237 Surlingham Court  
Sacramento, CA 95829  
Certified Mail No. 7022 1670 0001 3411 8542

Patrick Riazi, Esq.  
Law Office of Patrick Riazi  
2999 Douglas Blvd., Ste. 180  
Roseville, CA 95661  
Certified Mail No. 7022 1670 0001 3411 8559  
priazi@riazilaw.com

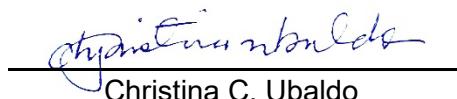
Robert T. White (email only)  
Deputy Attorney General  
Cannabis Control Section  
Office of Attorney General  
RobertT.White@doj.ca.gov

Honorable Matthew S. Block (secure e-File only)  
Administrative Law Judge  
General Jurisdiction Division  
Office of Administrative Hearings  
Department of General Services

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 December 10, 2025, at Rancho Cordova, California.

  
\_\_\_\_\_  
Christina C. Ubaldo