



**Department of
Cannabis Control**
CALIFORNIA

Gavin Newsom

Governor

Nicole Elliott

Director

December 29, 2025

VIA EMAIL ONLY

Mar Bay Gardens dba Sol Bay Gardens
Michele Heisler, Owner and
Authorized Representative

Ashley Bargenquast, Esq.
Tully & Weiss Attorneys at Law
ashley@tully-weiss.com

Re: Mar Bay Gardens dba Sol Bay Gardens - Case No. DCC25-0002035-INV
Order Adopting Stipulated Settlement as Final Decision

Dear Mmes. Heisler and Bargenquast:

Pursuant to section 11415.60 of the Government Code, attached please find a copy of the Department of Cannabis Control's Order Adopting Stipulated Settlement as the Final Decision in the above-referenced matter involving Mar Bay Gardens dba Sol Bay Gardens.

The Department's Order and Final Decision will be effective today, December 29, 2025. Pursuant to this Final Decision and its stipulated settlement, Mar Bay Gardens has waived any right to reconsideration or appeal in this matter and to receive a copy of the Order and Final Decision via certified, registered, or first-class mail.

Sincerely,

Marc LeForestier
General Counsel

Enclosure

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

11 In the Matter of the Accusation Against:) CASE NO. DCC25-0002035-INV
12)
MAR BAY GARDENS)
DBA SOL BAY GARDENS;)
TIMOTHY REVENKO, DPR;)
MICHELE HEISLER, OWNER;)
ABRAHAM RAMOS, OWNER;)
RODNEY SHERRY, OWNER)
15)
4690 E 2nd Street, Unit 7)
16 Benicia, CA 94510)
17 Cannabis Microbusiness License)
No. C12-0000576-LIC)
18)
19 Respondent.)

20 Pursuant to Government Code section 11415.60, the Department of Cannabis Control
21 hereby adopts the attached Stipulated Settlement as its Final Decision in this matter.

22 This Order and Final Decision shall become effective on December 29, 2025.

IT IS SO ORDERED, December 29, 2025.

April 29, 2023.

Marc LeForestier
General Counsel
FOR THE DEPA

1 ROB BONTA
2 Attorney General of California
3 HARINDER K. KAPUR
4 Senior Assistant Attorney General
5 State Bar No. 198769
6 600 West Broadway, Suite 1800
7 San Diego, CA 92101
8 Telephone: (619) 738-9407
9 Facsimile: (916) 732-7920
10 E-mail: Harinder.Kapur@doj.ca.gov
11 *Attorneys for Complainant*

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

In the Matter of the Accusation Against:

Case No. DCC25-0002035-INV

**MAR BAY GARDENS
DBA SOL BAY GARDENS
TIMOTHY REVENKO, DPR; MICHELE
HEISLER, OWNER; ABRAHAM RAMOS,
OWNER; RODENY SHERRY, OWNER
4690 E 2nd St, Unit 7
Benicia, CA 94510**

**STIPULATED SETTLEMENT FOR
REVOCACTION OF LICENSE AND
DISCIPLINARY ORDER**

**Cannabis Microbusiness License
No. C12-0000576-LIC**

Respondent.

IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-entitled proceedings that the following matters are true:

PARTIES

1. Evelyn Schaeffer (Complainant) is the Deputy Director of the Compliance Division of the Department of Cannabis Control (Department). She brought this action solely in her official capacity and is represented in this matter by Rob Bonta, Attorney General of the State of California, by Harinder K. Kapur, Senior Assistant Attorney General.

2. Respondent Mar Bay Gardens dba Sol Bay Gardens (Respondent), Timothy Revenko, Designated Responsible Party for Respondent, and Michele Heisler, Abraham Ramos, and

1 Rodney Sherry, Owners, are represented in this proceeding by attorney Ashley Bargenquast, Esq.,
2 whose address is: 713 Main Street, Martinez, CA 94553-1130. Respondent is acting in this
3 proceeding through Michele Heisler, who has been designated and authorized by Respondent to
4 enter into this agreement on its behalf (Authorized Representative).

5 3. On or about July 22, 2024, the Department issued Cannabis Microbusiness License
6 No. C12-0000576-LIC to Mar Bay Gardens dba Sol Bay Gardens (Respondent). The Cannabis
7 Microbusiness License will expire on July 22, 2026, unless renewed.

8 **JURISDICTION**

9 4. Accusation No. DCC25-0002035-INV was filed before the Department, and is
10 currently pending against Respondent. The Accusation and all other statutorily required
11 documents were properly served on Respondent on October 17, 2025. Respondent timely filed its
12 Notice of Defense contesting the Accusation.

13 5. A true and correct copy of Accusation No. DCC25-0002035-INV is attached as
14 Exhibit A and incorporated herein by reference.

15 **ADVISEMENT AND WAIVERS**

16 6. Respondent has carefully read, fully discussed with counsel, and fully understands the
17 charges and allegations in Accusation No. DCC25-0002035-INV. Respondent has also carefully
18 read, fully discussed with counsel, and fully understands the effects of this Stipulated Revocation
19 of License and Order.

20 7. Respondent is fully aware of its legal rights in this matter, including the right to a
21 hearing on the charges and allegations in the Accusation; the right to confront and cross-examine
22 the witnesses against them; the right to present evidence and to testify on its own behalf; the right
23 to the issuance of subpoenas to compel the attendance of witnesses and the production of
24 documents; the right to reconsideration and court review of an adverse decision; and all other
25 rights accorded by the California Administrative Procedure Act and other applicable laws.

26 8. Respondent is fully aware of its legal rights to receive a copy of the Decision and
27 Order via certified, registered, or first-class mail. Respondent agrees to receive a copy of the

1 Decision and Order in this matter via email at the following email address(es): [ashley@tully-
2 weiss.com](mailto:ashley@tully-weiss.com).

3 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
4 every right set forth above.

5 **CULPABILITY**

6 10. Respondent understands and agrees that the charges and allegations in Accusation
7 Case No. DCC25-0002035-INV, if proven at a hearing, constitute cause for discipline upon
8 Cannabis Microbusiness License No. C12-0000576-LIC.

9 11. For the purpose of resolving the Accusation without the expense and uncertainty of
10 further proceedings, Respondent agrees that, at a hearing, Complainant could establish a factual
11 basis for the charges in the Accusation, and that Respondent hereby gives up its right to contest
12 those findings.

13 12. Respondent understands that by signing this stipulation, Respondent enables the
14 Department to issue a Decision and Order revoking Respondent's Cannabis Microbusiness
15 License No. C12-0000576-LIC, without further notice to, or opportunity to be heard by,
16 Respondent.

17 **CONTINGENCY**

18 13. This stipulation shall be subject to approval by the Department. Respondent
19 understands and agrees that counsel for Complainant and the staff of the Department may
20 communicate directly with the Department regarding this stipulation and settlement, without
21 notice to or participation by Respondent or its counsel. By signing the stipulation, Respondent
22 understands and agrees that it may not withdraw its agreement or seek to rescind the stipulation
23 prior to the time the Department considers and acts upon it. If the Department fails to adopt this
24 stipulation as its Decision and Order, the Stipulated Settlement for Revocation of License and
25 Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible
26 in any legal action between the parties, and the Department shall not be disqualified from further
27 action by having considered this matter.

14. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Settlement for Revocation of License and Disciplinary Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.

15. This Stipulated Settlement for Revocation of License and Disciplinary Order may be signed in any number of counterparts, each of which is an original and all of which taken together form one single document.

16. This Stipulated Settlement for Revocation of License and Disciplinary Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Settlement for Revocation of License and Disciplinary Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

17. In consideration of the foregoing admissions and stipulations, the parties agree that the Department may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

DISCIPLINARY ORDER

1. WITHDRAWAL OF APPEAL. Respondent's appeal of Accusation No. DCC25-0002035-INV and request for administrative hearing is deemed withdrawn and any further appeal is waived.

2. LICENSE REVOCATION. Respondent's Cannabis Microbusiness License No. C12-0000576-LIC is revoked as of the effective date of the Decision and Order. The revocation of Respondent's Cannabis Microbusiness License shall constitute the imposition of discipline against Respondent. This stipulation constitutes a record of the discipline and shall become a part of Respondent's license history with the Department. Respondent shall lose all rights and privileges as a Cannabis Microbusiness in California as of the effective date of the Department's Decision and Order.

1 **3. PAYMENT OF FINES.** Respondent or Timothy Revenko, Designated Responsible
2 Party, or Michele Heisler, Owner, or Abraham Ramos, Owner, or Rodney Sherry, Owner, shall be
3 responsible for payment to the Department of an administrative fine in the amount of Ten
4 Thousand dollars (\$10,000.00) as against Cannabis Microbusiness License No. C12-0000576-
5 LIC. Payment of the administrative fine will be automatically suspended until such time as either
6 Respondent or Timothy Revenko, Designated Responsible Party, or Michele Heisler, Owner, or
7 Abraham Ramos, Owner, or Rodney Sherry, Owner, applies for reinstatement of the revoked
8 license or apply for a new commercial cannabis license or an ownership interest in a commercial
9 cannabis license with the Department. Respondent or Timothy Revenko, Designated Responsible
10 Party, or Michele Heisler, Owner, or Abraham Ramos, Owner, or Rodney Sherry, Owner, shall
11 pay to the Department the administrative fine within (15) days of applying for reinstatement of
12 the license, or for a new commercial cannabis license, or for ownership interest in a commercial
13 cannabis license with the Department.

14 **4. PAYMENT OF COSTS OF ENFORCEMENT.** If Respondent or Timothy
15 Revenko, Designated Responsible Party, or Michele Heisler, Owner, or Abraham Ramos, Owner,
16 or Rodney Sherry, Owner, apply for reinstatement of this license or apply for a new commercial
17 cannabis license or new ownership interest in any commercial cannabis license Respondent or
18 Timothy Revenko, Designated Responsible Party, or Michele Heisler, Owner, or Abraham
19 Ramos, Owner, or Rodney Sherry, Owner, shall pay the Department's cost of enforcement for
20 Case No. DCC25-0002035-INV, in the amount of Twenty-Three Thousand Twenty-Five Dollars
21 (\$23,025) prior to issuance of a new or reinstated license.

22 5. The above referenced payments, in the form of cashier's check, money order,
23 personal or business check, shall be made as two separate payments and remitted by either of the
24 following methods: (1) the Department of Cannabis Control's cash payment procedures; or (2)
25 mailed to:

By U.S. Postal Service:
Department of Cannabis Control
Attn: Cashiers
P.O. Box 419106
Ranch Cordova, CA 95741-9106

By FedEx or UPS:
Department of Cannabis Control
Attn: Cashiers
2920 Kilgore Road
Rancho Cordova, CA 95670-9106

6. Failure to complete the payments or comply with the above terms of this Order shall result in the denial of ownership interest and/or denial of any other license sought, as the Department deems appropriate. Failure to complete the payments or comply with the terms of this Order shall also result in enforcement of the Order as to either Respondent and/or the respective Designated Responsible Party or Owner in the Superior Court.

ACCEPTANCE

I have carefully read the above Stipulated Revocation of License and Order and have fully discussed it with my attorney, Ashley Bargenquast. I understand the stipulation and the effect it will have on my Cannabis Microbusiness License . I enter into this Stipulated Settlement for Revocation of License and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Department of Cannabis Control.

DATED: 12/17/2025

Michele Heisler

Michele Heisler (Dec 17, 2025 05:37:43 GMT+1)

MAR BAY GARDENS DBA SOL BAY GARDENS
MICHELE HEISLER, Authorized Representative
Respondent

I have read and fully discussed with Respondent Mar Bay Gardens dba Sol Bay Gardens the terms and conditions and other matters contained in the above Stipulated Settlement for Revocation of License and Disciplinary Order. I approve its form and content.

DATED: 12/15/2025

Ashley Baryczka

ASHLEY BARGENQUAST, Esq.
Attorney for Respondent

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ENDORSEMENT

The foregoing Stipulated Settlement for Revocation of License and Disciplinary Order is hereby respectfully submitted for consideration by the Department of Cannabis Control.

DATED: December 17, 2025

Respectfully submitted,

ROB BONTA
Attorney General of California

Harinder Kapoor

HARINDER K. KAPUR
Senior Assistant Attorney General
Attorneys for Complainant

SA2025803374

Exhibit A

Accusation No. DCC25-0002035-INV

1
2 ROB BONTA
3 Attorney General of California
4 HARINDER K. KAPUR
5 Senior Assistant Attorney General
6 State Bar No. 198769
7 600 West Broadway, Suite 1800
8 San Diego, CA 92101
9 Telephone: (619) 738-9407
10 Facsimile: (916) 732-7920
11 E-mail: Harinder.Kapur@doj.ca.gov
12 *Attorneys for Complainant*

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BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

Case No. DCC25-0002035-INV

**MAR BAY GARDENS DBA SOL BAY
GARDENS; TIMOTHY REVENKO, DPR;
MICHELE HEISLER, OWNER;
ABRAHAM RAMOS, OWNER; RODENY
SHERRY, OWNER
4690 2nd St E, Unit #7
Benicia, CA 94510**

ACCUSATION

**Cannabis Microbusiness License
No. C12-0000576-LIC**

Respondent.

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PARTIES

1. Evelyn Schaeffer (Complainant) brings this Accusation solely in her official capacity as the Deputy Director of the Compliance Division of the Department of Cannabis Control (Department).

2. On or about July 22, 2024, the Department issued Cannabis Microbusiness License No. C12-0000576-LIC to Mar Bay Gardens dba Sol Bay Gardens, with Timothy Revenko, Designated Responsible Party, and Michele Heisler, Abraham Ramos, and Rodeny Sherry, Owners. The Cannabis Microbusiness License was in full force and effect at all times relevant to the charges brought herein and will expire on July 22, 2026, unless renewed.

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PROCEDURAL HISTORY

2 3. The Department issued an Emergency Decision and Order (EDO), pursuant to
3 California Code of Regulations, title 4, section 17815 that was served on Respondent on October
4 7, 2025, and was effective the same day at 5:00 p.m. The EDO suspended Respondent's license
5 and ordered Respondent to cease all commercial cannabis activity. The time to initiate
6 adjudicative proceedings is within 10 days after the issuance or effective date of the EDO, or in
7 this case by or on October 17, 2025.

JURISDICTION

9 4. This Accusation is brought before the Director of the Department (Director), under
10 the authority of the following laws. All section references are to the Business and Professions
11 Code (Code) unless otherwise indicated.

12 || 5. Section 26010 of the Code states:

13 There is in the Business, Consumer Services, and Housing Agency, the
14 Department of Cannabis Control under the supervision and control of a director. The
15 director shall administer and enforce the provisions of this division related to the
16 department.

16 || 6. Section 26010.5, subdivision (d), of the Code states:

17 The department has the power, duty, purpose, responsibility, and jurisdiction to
18 regulate commercial cannabis activity as provided in this division.

¹⁹ || 7 Section 26012, subdivision (a), of the Code states:

20 It being a matter of statewide concern, except as otherwise authorized in this
21 division, the department shall have the sole authority to create, issue, deny, renew,
discipline, condition, suspend, or revoke licenses for commercial cannabis activity.

22 || 8. Section 26013, subdivision (a), of the Code states:

23 The department shall make and prescribe reasonable rules and regulations as
24 may be necessary to implement, administer, and enforce its duties under this division
25 in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of
 Division 3 of Title 2 of the Government Code. Those rules and regulations shall be
 consistent with the purposes and intent of the Control, Regulate and Tax Adult Use of
 Marijuana Act.

1 9. Section 26031 of the Code states:

2 (a) The department may suspend, revoke, place on probation with terms and
3 conditions, or otherwise discipline licenses issued by the department and fine a
4 licensee, after proper notice and hearing to the licensee, except as provided in Section
5 26031.01, if the licensee is found to have committed any of the acts or omissions
6 constituting grounds for disciplinary action. The disciplinary proceedings under this
7 chapter shall be conducted in accordance with Chapter 5 (commencing with Section
8 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director
9 shall have all the powers granted therein.

10 (b) The department may suspend or revoke a license when a local agency has
11 notified the department that a licensee within its jurisdiction is in violation of state
12 rules and regulations relating to commercial cannabis activities, and the department,
13 through an investigation, has determined that the violation is grounds for suspension
14 or revocation of the license.

15 (c) The department may take disciplinary action against a licensee for any
16 violation of this division when the violation was committed by the licensee's officers,
17 directors, owners, agents, or employees while acting on behalf of the licensee or
18 engaged in commercial cannabis activity.

19 (d) The suspension or expiration of a license issued by the department, or its
20 suspension, forfeiture, or cancellation by order of the department or by order of a
21 court of law, or its surrender without the written consent of the department, shall not,
22 during any period in which it may be renewed, restored, reissued, or reinstated,
23 deprive the department of its authority to institute or continue a disciplinary
24 proceeding against the licensee upon any ground provided by law or to enter an order
25 suspending or revoking the license or otherwise taking disciplinary action against the
26 licensee on any such ground.

27 10. Section 26034 of the Code states:

28 All accusations against licensees shall be filed by the department within five
29 years after the performance of the act or omission alleged as the ground for
30 disciplinary action; provided, however, that the foregoing provision shall not
31 constitute a defense to an accusation alleging fraud or misrepresentation as a ground
32 for disciplinary action. The cause for disciplinary action in that case shall not be
33 deemed to have accrued until discovery, by the department, of the facts constituting
34 the fraud or misrepresentation, and, in that case, the accusation shall be filed within
35 five years after that discovery.

23 **STATUTORY PROVISIONS**

24 11. Section 26030 of the Code states:

25 Grounds for disciplinary action include, but are not limited to, all of the
26 following:

27 (a) Failure to comply with the provisions of this division or any rule or
28 regulation adopted pursuant to this division.

29 ...

(c) Any other grounds contained in regulations adopted by the department pursuant to this division.

• • •

12. Section 26053 of the Code, in pertinent part, states

(a) All commercial cannabis activity shall be conducted between licensees, except as otherwise provided in this division.

• • •

13. Section 26110 of the Code states:

(a) Cannabis batches are subject to quality assurance standards and testing prior to sale at a retailer, microbusiness, or nonprofit licensed under Section 26070.5, except for immature cannabis plants and seeds, as provided for in this division.

(b) A licensee that holds a valid distributor license may act as the distributor for the licensee's cannabis and cannabis products.

(c) The distributor shall store, as determined by the department, the cannabis batches on the premises of the distributor before testing and continuously until either of the following occurs:

(1) The cannabis batch passes the testing requirements pursuant to this division and is transported to a licensed retailer or to another licensed distributor.

(2) The cannabis batch fails the testing requirements pursuant to this division and is destroyed or transported to a manufacturer for remediation as allowed by the department.

(d) The distributor shall arrange for a testing laboratory to obtain a representative sample of each cannabis batch at the distributor's licensed premises. After obtaining the sample, the testing laboratory representative shall maintain custody of the sample and transport it to the testing laboratory.

(e) Upon issuance of a certificate of analysis by the testing laboratory that the cannabis batch has passed the testing requirements pursuant to this division, the distributor shall conduct a quality assurance review before distribution to ensure the labeling and packaging of the cannabis and cannabis products conform to the requirements of this division.

(f) (1) There shall be a quality assurance compliance monitor who is an employee or contractor of the department and who shall not hold a license in any category or own or have an ownership interest in a licensee or the premises of a licensee.

(2) The quality assurance compliance monitor shall conduct random quality assurance reviews at a distributor's licensed premises before distribution to ensure the labeling and packaging of the cannabis and cannabis products conform to the requirements of this division.

(3) The quality assurance compliance monitor shall have access to all records and test results required of a licensee by law in order to conduct quality assurance analysis and to confirm test results. All records of inspection and verification by the quality assurance compliance monitor shall be provided to the department. Failure to comply shall be noted by the quality assurance compliance monitor for further investigation. Violations shall be reported to the department. The quality assurance compliance monitor shall also verify the tax payments collected and paid under Sections 34011 and 34012 of the Revenue and Taxation Code are accurate. The monitor shall also have access to the inputs and assumptions in the track and trace system and shall be able to verify their accuracy and that they are commensurate with the tax payments.

(g) After testing, all cannabis and cannabis products fit for sale may be transported only from the distributor's premises to the premises of another licensed distributor for further distribution, or to a licensed retailer, microbusiness, or nonprofit for retail sale.

(h) A licensee is not required to sell cannabis or cannabis products to a distributor and may directly contract for sale with a licensee authorized to sell cannabis and cannabis products to purchasers.

(i) A distributor performing services pursuant to this section may collect a fee from the licensee for the services provided. The fee may include, but is not limited to, the costs incurred for laboratory testing. A distributor may also collect applicable state or local taxes and fees.

(j) This section does not prohibit a licensee from performing testing on the licensee's premises for the purposes of quality control of the product in conjunction with reasonable business operations. The testing conducted on the licensee's premises by the licensee does not meet the testing requirements pursuant to this division.

14. Section 26120 of the Code states:

(a) Prior to delivery or sale at a retailer, cannabis and cannabis products shall be labeled and placed in a tamper-evident, child-resistant package, and shall include a unique identifier for the purposes of identifying and tracking cannabis and cannabis products. If the cannabis or cannabis product contains multiple servings, the package shall also be resealable.

(b) Packages and labels shall not be made to be attractive to children.

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15. Section 26160 of the Code states:

(a) A licensee shall keep accurate records of commercial cannabis activity.

(b) All records related to commercial cannabis activity as defined by the department shall be maintained for a minimum of seven years.

(c) The department may examine the records of a licensee and inspect the premises of a licensee as the department, or a state or local agency, deems necessary to perform its duties under this division. All inspections and examinations of records shall be conducted during standard business hours of the licensed facility or at any other reasonable time. Licensees shall provide and deliver records to the department upon request.

(d) Licensees shall keep records identified by the department on the premises of the location licensed. The department may make any examination of the records of any licensee. Licensees shall also provide and deliver copies of documents to the department upon request.

(e) A licensee, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the licensee pursuant to this section, has engaged in a violation of this division.

(f) If a licensee, or an agent or employee of a licensee, fails to maintain or provide the records required pursuant to this section, the licensee shall be subject to a citation and fine of up to thirty thousand dollars (\$30,000) per individual violation.

REGULATORY PROVISIONS

16. Title 4 of the California Code of Regulations, section 15000.1, states:

(a) Every person who conducts commercial cannabis activity shall obtain and maintain a valid license from the Department for each separate premises at which commercial cannabis activity is conducted.

(b) Commercial cannabis activity shall only be conducted between licensees. Licensed retailers and licensed microbusinesses authorized to engage in retail sales may conduct commercial cannabis activity with customers or nonprofits in accordance with this division.

(c) The licensee shall only conduct commercial cannabis activities authorized by the license and on the premises licensed for the activity.

(d) All transfers of cannabis and cannabis product shall be conducted by a licensed distributor.

(e) Licenses shall not be transferable or assignable to another person or premises, except as provided in section 26050.2 of the Business and Professions Code. In the event of the sale or other transfer of the commercial cannabis business, changes in ownership shall be made in accordance with section 15023.

(f) Applicants and licensees shall use their legal business name on all documents related to commercial cannabis activity.

17. Title 4 of the California Code of Regulations, section 15027, states:

(a) A licensee shall not, without the prior written approval of the Department, make a physical change, alteration, or modification of the licensed premises that materially or substantially alters the licensed premises or the use of the licensed premises from the premises diagram originally filed with the license application. A licensee whose licensed premises is to be materially or substantially changed, modified, or altered is responsible for filing a request for premises modification with the Department.

(b) Material or substantial changes, alterations, or modifications to a licensed cultivation premises requiring prior approval from the Department are:

(1) Modification to any area described in the licensee's cultivation plan including, but not limited to, the removal, creation, or relocation of canopy, processing, packaging, composting, harvest storage, and storage areas for pesticides and other chemicals.

(2) Change in water or power source(s).

(3) Any increase or decrease in the total physical size or capacity of the licensed premises.

(4) Any physical change that would require a building permit, zoning change, or other approval from the applicable local jurisdiction.

(c) Material or substantial changes, alterations, or modifications to a licensed manufacturing premises that require prior approval from the Department are:

(1) The addition of any ethanol, carbon dioxide, or volatile extraction method or extraction unit.

(2) Any increase or decrease in the total physical size or capacity of the licensed premises.

(3) Any physical change that would require the installation of additional video surveillance cameras or a change in the video surveillance system to meet the requirements of section 15044, or alarm system to meet the requirements of section 15047.

(4) Any physical change that would require a building permit, zoning change, or other approval from the applicable local jurisdiction.

(d) Material or substantial changes, alterations, or modifications to a licensed microbusiness premises that require prior approval from the Department are:

(1) The addition of a commercial cannabis activity pursuant to section 15500(h).

(2) Any material or substantial changes, alterations, or modifications listed in subsections (b), (c), or (e), as applicable to the licensed microbusiness' commercial cannabis activities.

(e) Material or substantial changes, alterations, or modifications to a licensed distribution, retail, or testing laboratory premises that require prior approval from the Department include, but are not limited to:

(1) Any increase or decrease in the total physical size or capacity of the licensed premises

(2) Any physical change that would require the installation of additional video surveillance cameras or a change in the video surveillance system to meet the requirements of section 15044, or alarm system to meet the requirements of section 15047

(3) Any physical change that would require a building permit, zoning change, or other approval from the applicable local jurisdiction.

(f) Licensees shall request approval of a physical change, alteration, or modification through the online licensing system in writing, by submitting the Licensee Notification and Request Form, Notifications and Requests to Modify a License, DCC-LIC-027 (Amended 2/22), which is incorporated herein by reference, and the request shall include:

- (1) A new premises diagram that conforms to requirements in section 15006; and
- (2) A fee pursuant to section 15014 for all licensees except licensed cultivators.

(g) A licensee shall provide additional documentation requested by the Department to evaluate the licensee's request to modify the licensed premises.

(h) Licensees shall notify the Department of all changes, alterations, or modifications to a licensed premises or the licensee's operations that do not require prior approval pursuant to subsections (b), (c), (d), and (e) through the online licensing system or by submitting the Licensee Notification and Request Form, Notifications and Request to Modify a License, DCC-LIC-027 (Amended 2/22), which is incorporated herein by reference, and a new premises diagram that conforms to requirements in section 15006. Notifications pursuant to this subsection shall be submitted to the Department no later than three (3) business days after the changes, alterations, or modifications have been made to the licensed premises.

18. Title 4 of the California Code of Regulations, section 15041.2, states in part:

(a) For the purposes of this division, "trade sample" means a limited amount of cannabis or cannabis product that has been designated by a licensee to be provided to the licensee's employees or other licensees for the purposes of targeted advertising and product education.

• • •

19. Title 4 of the California Code of Regulations, section 15041.4, states in part:

(i) Cannabis and cannabis products provided to employees as trade samples must be properly recorded in the track and trace system. The transaction shall be recorded as a package adjustment when provided to the employee. The adjustment note must include the name or licensee-assigned employee number of the employee and the date and time the cannabis and cannabis products were provided to the employee.

20. Title 4 of the California Code of Regulations, section 15047.2, states:

(a) A licensee shall create and maintain an account within the track and trace system prior to engaging in any commercial cannabis activity.

(b) All commercial cannabis activity shall be accurately recorded in the track and trace system.

(c) A licensee is responsible for the accuracy and completeness of all data and information entered into the track and trace system. The licensee is responsible for all actions taken by the designated account manager or other account users while performing track and trace activities.

(d) A person shall not intentionally misrepresent or falsify information entered into the track and trace system.

1 21. Title 4 of the California Code of Regulations, section 15049, states:

2 (a) All cannabis and cannabis products on the licensed premises shall be
3 assigned a plant or package tag, as applicable, except for harvested plants that are
4 being dried, cured, graded, or trimmed, as specified in this division, and recorded in
5 the track and trace system.

6 (b) Each of the following activities shall be recorded in the track and trace
7 system within 24 hours of occurrence:

8 (1) Receipt of cannabis or cannabis products.

9 (2) Rejection of transferred cannabis or cannabis products.

10 (3) Manufacturing of cannabis or cannabis products.

11 (4) Use of cannabis or cannabis product for internal quality control testing or
12 product research and development.

13 (5) Destruction or disposal of cannabis or cannabis products.

14 (6) Packaging or repackaging of cannabis or cannabis products, except that
15 cultivation licensees shall comply with section 15049.1(b)(5).

16 (7) Laboratory testing, including testing results.

17 (8) Sale or donation of cannabis or cannabis products.

18 (c) The following information shall be recorded in the track and trace system
19 for each activity entered pursuant to subsection (b):

20 (1) The type of cannabis or cannabis products.

21 (2) The weight, volume, or count of the cannabis or cannabis products.

22 (3) The date of activity.

23 (4) The UID assigned to the cannabis or cannabis products.

24 (5) The brand name of the cannabis goods.

25 (6) If cannabis or cannabis products are being destroyed or disposed of, the
26 licensee shall record the following information in the notes section:

27 (A) The name of the employee performing the destruction or disposal;

28 (B) The reason for destruction or disposal; and

 (C) The method of disposal.

 (d) If a package adjustment is used to adjust the quantity of cannabis or
 cannabis products in the track and trace system, the licensee shall include a
 description explaining the reason for adjustment.

(e) If a licensee rejects a partial shipment of cannabis goods pursuant to section 15052.1(b), the licensee shall record the partial rejection in the track and trace system.

22. Title 4 of the California Code of Regulations, section 15049.2, states, in pertinent part:

(a) A licensee shall prepare a shipping manifest through the track and trace system prior to transferring cannabis and cannabis products off of a licensed premises. The following information shall be recorded on the shipping manifest by the licensee initiating the transfer:

• • •

(b) The distributor who transports the cannabis or cannabis product shall record the following additional information on the shipping manifest:

• • •

(c) Upon pick-up or receipt of cannabis and cannabis products for transport, storage, or inventory, a licensee shall ensure that the cannabis or cannabis products received are as described in the shipping manifest. The licensee shall record acceptance or receipt, and acknowledgment of the cannabis or cannabis products in the track and trace system.

(d) If there are any discrepancies between type or quantity of cannabis or cannabis products specified in the shipping manifest and the type or quantity received by the licensee, the licensee shall reject the shipment.

23. Title 4 of the California Code of Regulations, section 15049.3, states:

(a) A licensed retailer conducting delivery of cannabis goods shall create a delivery inventory ledger in the track and trace system and record the information required under subsections (b)(1) through (7) prior to the delivery employee leaving the licensed retail premises for each delivery trip. A delivery trip begins when the delivery employee leaves the licensed retail premises to conduct delivery of cannabis goods.

(b) The delivery inventory ledger shall include the following information:

(1) The delivery inventory ledger number generated by the track and trace system and assigned to the specific delivery trip.

(2) The name and license number of the licensed retailer.

(3) The delivery employee's name, employee ID, and driver's license number.

(4) The delivery vehicle's make, model, and license plate number.

(5) The item name and category of each cannabis good to be carried on the delivery trip, the UID(s) assigned to those cannabis goods, and the number of units associated with each UID on the delivery inventory ledger.

(6) The UID(s) of any cannabis goods ordered by customers and processed by the licensed retailer prior to the delivery employee leaving the licensed retail premises.

(7) The date and time the delivery employee begins the delivery trip.

(c) For each delivery of cannabis goods, the following information shall be recorded within the track and trace system by the end of the calendar day on which the delivery was completed:

(1) The date and time the delivery was completed. A delivery is completed at the time the cannabis goods are physically provided to the customer.

(2) Whether the customer is an adult-use customer, medicinal cannabis patient, or patient's primary caregiver.

(3) The UID and quantity of each cannabis good delivered.

(4) The purchase price of each cannabis good delivered.

(5) The city, county, and zip code in which the delivery was completed.

(d) If a delivery employee returns to the licensed retail premises to obtain additional inventory of cannabis goods for delivery to be conducted on the same day and by the same delivery employee, the licensed retailer may continue the existing delivery trip in the track and trace system. If the licensed retailer chooses to continue the existing delivery trip, the additional inventory is considered part of the existing delivery trip and a new delivery inventory ledger is not required. The licensed retailer shall record the following information within the track and trace system under the existing delivery inventory ledger number for any additional cannabis goods to be carried on the same delivery trip:

(1) The item name and category of each additional cannabis good to be carried on the delivery trip, the UID(s) assigned to those cannabis goods, and the number of units associated with each UID on the delivery inventory ledger.

(2) The date and time the delivery employee leaves the licensed retail premises to continue the delivery trip.

(e)(1) The end date and time of the delivery trip shall be:

(A) Except as provided in subsection (e)(1)(B), the date and time the delivery employee returned to the licensed retail premises after conducting all deliveries that are part of the same delivery trip.

(B) If the delivery employee does not carry any unsold cannabis goods and does not return to the licensed retail premises on the same day after delivering all cannabis goods carried in the vehicle on the delivery trip, the date and time at which the delivery employee completed the last delivery of cannabis goods on the delivery trip.

(2) No later than the end of the calendar day on which the delivery trip occurred:

(A) If a delivery employee still carries unsold cannabis goods at the end of a delivery trip, the delivery employee must return to the licensed premises, remove the unsold cannabis goods from the delivery inventory ledger, and return the unsold cannabis goods to the licensed retailer's inventory within the track and trace system.

(B) The licensed retailer shall record the end date and time of the delivery trip in the track and trace system.

(f) Notwithstanding subsections (a) through (e), prior to April 1, 2023, licensed retailers may comply with this section by maintaining delivery inventory ledgers in accordance with this subsection.

(1) Delivery inventory ledgers may be maintained by licensed retailers in hard copy or electronically and shall include the item name, category, UID, and unit quantity of each cannabis good carried on a delivery trip.

(2) All cannabis goods prepared for an order that was received and processed by the licensed retailer prior to the delivery employee's departure from the licensed retail premises must be clearly identified on the delivery inventory ledger.

(3) During a delivery trip, the delivery inventory ledger must be updated after each completed delivery to reflect the remaining inventory carried by the delivery employee.

(4) All sales of cannabis goods conducted by delivery must be entered into the track and trace system within 24 hours of the date and time the delivery trip was completed, as defined in subsection (e)(1).

24. Title 4 of the California Code of Regulations, section 15302, states:

(a) A licensed distributor shall ensure that all batches of cannabis or cannabis products are stored separately and distinctly from other batches of cannabis or cannabis products on the licensed distributor's premises.

(b) In addition to any tag or label required by section 15048.5, a licensed distributor shall ensure a label with the following information is physically attached to each container of each batch:

(1) The name, license number, and licensed premises address of the licensee who provided the batch;

(2) The date of entry into the licensed distributor's storage area;

(3) The unique identifiers and batch number, if any, associated with the batch;

(4) A description of the cannabis or cannabis products with enough detail to easily identify the batch;

(5) The weight of or quantity of units in the batch; and

(6) The best-by, sell-by, or expiration date of the batch, if any.

25. Title 4 of the California Code of Regulations, section 15303, states:

(a) A licensed distributor may package, repackage, label, and relabel cannabis in the form of dried flower, including pre-rolls, for retail sale. All packages of cannabis in the form of dried flower, including pre-rolls, shall comply with the requirements in chapter 11.

(b) A licensed distributor shall not process cannabis, but may roll pre-rolls that consist exclusively of any combination of flower, shake, leaf, or kief. Pre-rolls shall be rolled, packaged, and labeled prior to regulatory compliance testing.

(c) Licensed distributors may label and relabel a package containing manufactured cannabis or cannabis products with the amount of cannabinoids and terpenoids based on regulatory compliance testing results.

26. Title 4 of the California Code of Regulations, section 15304, states:

After taking physical possession of a batch of cannabis or cannabis products, the licensed distributor shall contact a licensed testing laboratory and arrange for a laboratory employee to come to the licensed distributor's licensed premises to select a representative sample for laboratory testing.

27. Title 4 of the California Code of Regulations, section 15417, states in part:

• • •

(d) A vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. A dedicated GPS device must be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the licensed retailer shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the licensed retailer and document the history of all locations traveled to by a delivery employee while engaged in delivery. A licensed retailer shall provide this information to the Department upon request. The history of all locations traveled to by a delivery employee while engaging in delivery shall be maintained by the licensee for a minimum of 90 days.

1

28. Title 4 of the California Code of Regulations, section 17216, states:

(a) A licensed manufacturer shall prepare a written batch production record every time a batch of a cannabis product is manufactured or a batch of cannabis or cannabis product is remediated. The batch production record shall accurately follow the appropriate master manufacturing protocol, and each step of the protocol shall be performed in the production of the batch.

(b) The batch production record shall document all the following information about each batch at the time the batch is produced or remediated:

(1) The licensee number or premises address of the facility at which the production occurred;

(2) The date each step of the master manufacturing protocol was performed and the initials of the employee performing each step;

(3) The identity and weight or measure of each component used in production of the batch;

(4) The specific equipment and processing lines used in producing or remediating the batch;

1 (5) A statement of the actual yield and the percentage difference from expected yield
2 at appropriate phases of manufacturing as identified in the master manufacturing protocol;

3 (6) If the product quality plan identifies any monitoring needed to ensure product
safety, the results of the monitoring action performed;

4 (7) An actual or representative label or other identification of the label to be used for
the cannabis product;

5 (8) The actual quantity of the packages and labels used, and the difference from the
6 expected quantity to be used, if the cannabis product will leave the manufacturing
7 premises as a final form cannabis good;

8 (9) Documentation that quality control personnel:

9 (A) Reviewed the batch production record;

10 (B) Reviewed all required monitoring operation(s); and

11 (C) Either approved and released, or rejected, the finished cannabis product,
including any remediated, repackaged or relabeled cannabis product;

12 (10) Documentation, at the time of performance, of any investigation identified in the
13 product quality plan or master manufacturing protocol, including deviations from the
expected yield or package and label count; and

14 (11) The UID and the batch or lot number of the finished batch of cannabis product
15 and the UIDs of all cannabis or cannabis products used in the batch.

16 (c) The batch production record shall:

17 (1) Contain the actual values and observations obtained during monitoring and, as
appropriate, during verification activities;

18 (2) Be accurate, indelible, and legible;

19 (3) Be created concurrently with performance of the activity documented; and

20 (4) Be as detailed as necessary to provide a history of work performed.

21 29. Title 4 of the California Code of Regulations, section 17411, states:

22 (a) A package used to contain a cannabis good shall comply with the following
23 requirements:

24 (1) The package shall protect the cannabis good from contamination and shall
not expose the good to any toxic or harmful substance.

25 (2) The package shall be tamper-evident, which means that the packaging is
26 sealed so that the contents cannot be accessed without obvious destruction of the seal
upon initial opening.

27 (3) If the cannabis good has more than one serving, the package shall be
28 resealable.

(4) The package shall not imitate any package used for products typically marketed to children.

(5) If the cannabis good is an edible product, the package shall be opaque.

(6) Notwithstanding subsection (a)(5), cannabis beverages may be packaged in glass containers that are clear or any color.

(7) The package shall be child-resistant, as described in section 17412.

COST RECOVERY

30. Section 26031.1 of the Code states:

(a) Except as otherwise provided by law, in an order issued in resolution of a disciplinary proceeding before the department, the administrative law judge, upon request, may direct a licensee found to have committed a violation to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

(b) A certified copy of the actual costs, or a good faith estimate of costs where actual costs are not available, signed by the department or its designated representative shall be *prima facie* evidence of reasonable costs of investigation and prosecution of the case. The costs shall include the amount of investigative and enforcement costs up to the date of the hearing, including, but not limited to, charges imposed by the Attorney General.

(c) The administrative law judge shall make a proposed finding of the amount of reasonable costs of investigation and prosecution of the case when requested pursuant to subdivision (a). The finding of the administrative law judge with regard to costs shall not be reviewable by the department to increase the cost award. The department may reduce or eliminate the cost award, or remand to the administrative law judge if the proposed decision fails to make a finding on costs requested pursuant to subdivision (a).

(d) If an order for recovery of costs is made and timely payment is not made as directed in the department's decision, the department may enforce the order for repayment in any appropriate court. This right of enforcement shall be in addition to any other rights the department may have as to any licensee to pay costs.

(e) In any action for recovery of costs, proof of the department's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

(f)(1) Except as provided in paragraph (2), the department shall not renew or reinstate the license of any licensee who has failed to pay all of the costs ordered under this section.

(2) Notwithstanding paragraph (1), the department may, in its discretion, conditionally renew or reinstate for a maximum of one year the license of any licensee who demonstrates financial hardship and who enters into a formal agreement with the department to reimburse the department within that one-year period for the unpaid costs.

(g) All costs recovered under this section shall be considered a reimbursement for costs incurred and shall be deposited into the Cannabis Control Fund to be available upon appropriation by the Legislature.

(h) Nothing in this section shall preclude the department from including the recovery of the costs of investigation and enforcement of a case in any stipulated settlement.

FACTUAL ALLEGATIONS

4 31. On or about September 24, 2025, Department staff reviewed an Anomaly Report¹
5 produced from data entered by Respondent into its California Cannabis Track and Trace Account
6 (CCTT). The Anomaly Report showed the following: (a) Respondent exceeded the allowable
7 limits for providing trade samples to employees and had failed to record the required employee
8 information related to those trade samples on at least eight occasions during the month of
9 September 2025; (b) on August 26, 2025, Respondent provided 100 jars of packaged cannabis
10 flower as trade samples under one package adjustment with no employee name(s) provided; and
11 (c) Respondent did not correctly report the reason for package adjustments, when on September
12 4, 2025, Respondent used just a four letter expletive as the reason for adjusting a package down
13 by four units.

14 32. On September 25, 2025, Department staff conducted an unannounced regulatory
15 compliance inspection at Respondent's premises. Respondent's non-store front retail manager,
16 J.H., was present for the inspection, and its Director of Operations, C.S., was available by phone.

17 33. In the non-store front retail area of the premises, Department staff found a bag
18 containing bulk unlabeled and untagged cannabis trim inside a booth in the front office. J.H.
19 could not account for the associated Unique Identifier (UID) tag.

20 34. When Department staff asked J.H. about Respondent's daily operations he stated that:
21 (a) delivery drivers do not utilize a fixed Global Positioning System (GPS) system while making
22 deliveries; (b) delivery drivers utilize their personal cellular phones for the GPS; and (c)
23 Respondent did not have access to employee location information on the employees' phone.
24 Department staff was not able to inspect any of the delivery vehicles as none were on sight during
25 the inspection and the main delivery driver utilized a personal vehicle for deliveries and had not
26 yet reported to work.

¹ An Anomaly Report is a detailed overview and analysis of all the data entered in a specific California Cannabis Track and Trace account.

1 35. Department staff did not locate any cannabis or cannabis products in the non-store
2 front retail area. J.H. indicated that all the retail ready cannabis products were stored on
3 Respondent's manufacturing premises. Department staff noted that the cannabis products were
4 stored in an unsecured area on Respondent's manufacturing premises.

5 36. Department staff reviewed Respondent's CCTT account and noted that beginning in
6 July 2025, Respondent stopped recording sales deliveries, and the sales were reported as if
7 Respondent was operating a storefront retail store. J.H. stated that in July 2025, Respondent had
8 switched to a new Point of Sale (POS) system, which was likely causing that change in reporting.

9 37. Respondent's premises area designated for distribution and delivery was being used
10 as an employee break area as well as storage for cannabis and cannabis products, and packaging
11 supplies. The cannabis and cannabis products were sitting on a movable cart and were not
12 secured.

13 38. In the manufacturing area of Respondent's premises, retail cannabis products were
14 unsecured on open shelves located on the back wall. There were multiple glass jars and
15 containers of untagged and unlabeled bulk distillate and THCA. Some of the glass jars and
16 containers were not covered by a lid or cover, leaving the cannabis distillate and THCA exposed.
17 J.H. told Department staff that he did not know where the UID tags were and did not have batch
18 production records. J.H. further stated that Respondent was currently not extracting or producing
19 distillate, but had received bulk manufactured products from other licensees, and was only filling
20 vape cartridges. J.H. was not able to provide any records for the source(s) of the distillate.

21 39. In the manufacturing area of the premises, Department staff observed Respondent's
22 employees applying two different labels to plastic tubes containing individual pre-rolls. A
23 package trace in CCTT of the UID tags found on both labels (Gelato Runtz and Blue Haze)
24 showed that they had been sampled for compliance testing on July 30, 2025, indicating that
25 Respondent was packaging the pre-rolls into final form after compliance testing had already
26 occurred. This also shows that the test-passed products were not being stored on the distribution
27 premises as required. The picture of the cannabis product shown on the Certificate of Analysis
28 (COA) for the Gelato Runtz Pre-roll did not match the physical product being labeled by

1 Respondent. The picture of the cannabis product shown on the COA was a clear tube while the
2 pre-rolls being packaged at the time of the inspection were black. Both pre-rolls that were being
3 labeled at the time of the Department's inspection listed the manufacturing date as September 22,
4 2025, although they had been compliance tested on July 30, 2025.

5 40. Department staff contacted C.S. to ask about the pre-rolls being packaged after
6 compliance testing had been completed. C.S. stated that when the pre-rolls had been compliance
7 tested, the lab realized there had been a typo for the UID number on the label of the products and
8 that Respondent was relabeling the products with the correct UID number. Department staff
9 asked C.S to provide the old labels with the typo or the correspondence with the lab to verify
10 what had occurred. C.S. could not provide either the old labels or any correspondence.

11 41. In the distribution area of Respondent's premises, Department staff found chairs and
12 tables set up by the trimming machines and some residual cannabis trim on top of the tables
13 which indicates that the trimming machines had been recently used. Department staff confirmed
14 that Respondent did not have a license to process cannabis as part of its microbusiness license.
15 Department staff also located approximately eight jars of untagged and unlabeled bulk cannabis
16 distillate. Two of the larger jars were not covered by a lid and the cannabis distillate was
17 exposed. J.H. indicated that this was likely just old product that had not been properly disposed
18 of yet. Also located were boxes containing large quantities of empty packaging. The packaging
19 depicted dinosaurs and cartoon boxer video game characters, as well as Hello Kitty characters,
20 and the McDonalds logo.

21 42. Department staff embargoed the pre-rolls, the untagged and unlabeled cannabis trim
22 found in the front office, and any untagged and unlabeled distillate found on the licensed
23 premises.

24 **FIRST CAUSE FOR DISCIPLINE**

25 (Conduct of Cannabis Activity Between Licensees)

26 43. Respondent is subject to disciplinary action under Code sections 26030, subdivisions
27 (a) and (c), and 26053, and California Code of Regulations, title 4, section 15000.1, in that
28 Respondent engaged in cannabis activity with an unlicensed entity as more particularly alleged in

1 paragraph 38, above, which is hereby incorporated by reference and realleged as if fully set forth
2 herein.

3 **SECOND CAUSE FOR DISCIPLINE**

4 (Quality Assurance, Inspection, and Testing)

5 44. Respondent is further subject to disciplinary action under Code sections 26030,
6 subdivisions (a) and (c), and 26110, and California Code of Regulations, title 4, section 15302
7 and 15304, in that Respondent failed to follow the requirements for proper quality assurance,
8 storage of batches for testing and testing, as more particularly alleged in paragraphs 39 through
9 40, above, which are hereby incorporated by reference and realleged as if fully set forth herein.

10 **THIRD CAUSE FOR DISCIPLINE**

11 (Labeling, Packaging, and Unique Identifier Requirements

12 for Cannabis and Cannabis Products)

13 45. Respondent is further subject to disciplinary action under Code sections 26030,
14 subdivisions (a) and (c), and 26120, subdivision (b), and California Code of Regulations, title 4,
15 section 17411, subdivision (a)(4), in that Respondent was using packaging for cannabis goods
16 that did not meet packaging requirements as more particularly alleged in paragraph 41, above,
17 which is hereby incorporated by reference and realleged as if fully set forth herein.

18 **FOURTH CAUSE FOR DISCIPLINE**

19 (Accurate Records of Commercial Cannabis Activity)

20 46. Respondent is further subject to disciplinary action under Code sections 26030,
21 subdivisions (a) and (c), and 26160, and California Code of Regulations, title 4, section 17216, in
22 that Respondent failed to provide batch production records for bulk cannabis distillate found on
23 the licensed premises as more particularly alleged in paragraphs 38 and 41, above, which are
24 hereby incorporated by reference and realleged as if fully set forth herein.

25 **FIFTH CAUSE FOR DISCIPLINE**

26 (General Requirements: Track and Trace)

27 47. Respondent is further subject to disciplinary action under Code section 26030,
28 subdivisions (a) and (c), and California Code of Regulations, title 4, sections 15047.2, subdivision

1 (b) and (c), 15049, and 15049.3, in that Respondent failed to record sales of cannabis goods
2 conducted through delivery in the California Cannabis Track and Trace System as more
3 particularly alleged in paragraph 36, above, which is hereby incorporated by reference and
4 realleged as if fully set forth herein.

5 **SIXTH CAUSE FOR DISCIPLINE**

6 (Delivery Vehicle Requirements)

7 48. Respondent is further subject to disciplinary action under Code section 26030,
8 subdivisions (a) and (c), and California Code of Regulations, title 4, section 15417, subdivision
9 (d), in that Respondent failed to comply with delivery vehicle requirements as more particularly
10 alleged in paragraph 34, above, which is hereby incorporated by reference and realleged as if
11 fully set forth herein.

12 **SEVENTH CAUSE FOR DISCIPLINE**

13 (Processing: Packaging, Labeling, and Rolling)

14 49. Respondent is further subject to disciplinary action under Code section 26030,
15 subdivisions (a) and (c), and California Code of Regulations, title 4, section 15303, subdivision
16 (b), in that Respondent processed cannabis in its distribution area as more particularly alleged in
17 paragraph 41, above, which is hereby incorporated by reference and realleged as if fully set forth
18 herein.

19 **EIGHTH CAUSE FOR DISCIPLINE**

20 (Physical Modification of Premises)

21 50. Respondent is further subject to disciplinary action under Code section 26030,
22 subdivisions (a) and (c), and California Code of Regulations, title 4, sections 15000.1,
23 subdivisions (b) and (c), and 15027, in that Respondent storing cannabis and cannabis products in
24 areas not properly designated on its premises diagram as more particularly alleged in paragraphs
25 33, 35, 37, and 38, above, which are hereby incorporated by reference and realleged as if fully set
26 forth herein.

27 ///

28 ///

NINTH CAUSE FOR DISCIPLINE

(Recording Transfers of Cannabis and Cannabis Products)

51. Respondent is further subject to disciplinary action under Code section 26030, subdivisions (a) and (c), and California Code of Regulations, title 4, sections 15047.2, 15049, and 15049.2, in that Respondent possessed untagged and unlabeled cannabis and cannabis products with no record tracing back to a licensed source, which were found in multiple areas within the Licensee's premises as more particularly alleged in paragraphs 31 through 42, above, which are hereby incorporated by reference and realleged as if fully set forth herein.

TENTH CAUSE FOR DISCIPLINE

(Trade Samples)

52. Respondent is further subject to disciplinary action under Code section 26030, subdivisions (a) and (c), and California Code of Regulations, title 4, sections 15041.2, subdivision (a), and 15041.4, subdivision (i), in that Respondent provided trade samples to employees without properly recording the information in its California Cannabis Track and Trace as more particularly alleged in paragraphs 31, above, which is hereby incorporated by reference and realleged as if fully set forth herein.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that the following the hearing, the Director of Department of Cannabis Control issue a decision:

1. Revoking or suspending outright or suspending with terms and conditions or fining or any combination thereof, Cannabis Microbusiness License Number C12-0000576-LIC, issued to Respondent Mar Bay Gardens dba Sol Bay Gardens, with with Timothy Revenko, Designated Responsible Party, and Michele Heisler, Abraham Ramos, and Rodeny Sherry, Owners;

2. Ordering Respondent Mar Bay Gardens dba Sol Bay Gardens, with with Timothy Revenko, Designated Responsible Party, and Michele Heisler, Abraham Ramos, and Rodney Sherry, Owners, to pay the Department of Cannabis Control the reasonable costs of the

1 investigation and enforcement of this case, pursuant to Business and Professions Code section
2 26031.1;

3 3. Ordering the destruction of cannabis and cannabis goods in the possession of
4 Respondent Mar Bay Gardens dba Sol Bay Gardens, with with Timothy Revenko, Designated
5 Responsible Party, and Michele Heisler, Abraham Ramos, and Rodeny Sherry, Owners, at
6 Respondent's expense, if revocation of Cannabis Microbusiness License
7 Number C12-0000576-LIC is ordered, pursuant to California Code of Regulations, title 4, section
8 15024.1, subdivision (a); and

9 4. Taking such other and further action as deemed necessary and proper.

10
11 DATED: October 16, 2025

Evelyn Schaeffer 
Digitally signed by Evelyn
Schaeffer
Date: 2025.10.16 16:16:31 -07'00'

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EVELYN SCHAEFFER
Deputy Director of the Compliance
Division
Department of Cannabis Control
State of California
Complainant

SA2025803374
CCS Accusation.docx

PROOF OF SERVICE

Case Name: In the Matter of the Accusation Against: Mar Bay Gardens dba Sol Bay Gardens
DCC Case No. DCC25-0002035-INV
License Number: C12-0000576-LIC, Microbusiness

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 29, 2025, I served the within documents:

ORDER ADOPTING STIPULATED SETTLEMENT 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.

Ashley Bargenquast, Esq.
Respondent's Attorney
Tully & Weiss Attorneys at Law
ashley@tully-weiss.com

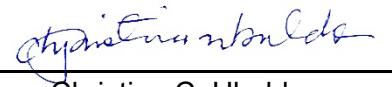
Evelyn Schaeffer
Deputy Director
Compliance Division
Department of Cannabis Control
Evelyn.Schaeffer@cannabis.ca.gov

Harinder K. Kapur
Senior Assistant Attorney General
Cannabis Control Section
Office of Attorney General
Harinder.Kapur@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 December 29, 2025, at Rancho Cordova, California.



Christina C. Ubaldo