

BEFORE THE DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA

In the Matter of the Notice of Violation
Issued to:

JEREMY ROSS HARDCASTLE, STEPHANIE
LYNN HARDCASTLE

Respondents

Case No. ENF21-0002774

OAH No. 2022040551

ORDER OF DECISION


DECISION

The Department of Cannabis Control hereby adopts the Stipulated Settlement of Citation and Order, attached hereto, as its decision in the above-entitled matter.

This Decision shall become effective immediately.

IT IS SO ORDERED this 28th day of February, 2023.

By: **Nicole Elliott**
Nicole Elliott
Director
Department of Cannabis Control

 Digitally signed by
Nicole Elliott
Date: 2023.02.28
11:10:43 -08'00'

1 ROB BONTA
Attorney General of California
2 HARINDER K. KAPUR
Senior Assistant Attorney General
MICHAEL J. YUN (SBN 292587)
3 Deputy Attorney General
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4 San Diego, CA 92101
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Attorneys for Complainant
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7 **BEFORE THE**
8 **DEPARTMENT OF CANNABIS CONTROL**
9 **STATE OF CALIFORNIA**

10 In the Matter of the Citation Against:

11 **Jeremy Ross Hardcastle and**
12 **Stephanie Lynn Hardcastle,**

13 **Unlicensed Activity**

14 Respondents.

Citation No. ENF21-0002774

OAH No. 2022040551

STIPULATED SETTLEMENT OF
CITATION AND ORDER

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

17 **PARTIES**

18 1. Rasha Salama (Complainant) is the Chief Deputy Director of the Department of
19 Cannabis Control (DCC). She brought this action in her official capacity and is represented in
20 this matter by Rob Bonta, Attorney General of the State of California, by Michael J. Yun, Deputy
21 Attorney General.

22 2. Respondent Jeremy Ross Hardcastle (Respondent J. Hardcastle) is representing
23 himself in this proceeding and has chosen not to exercise his right to be represented by counsel.

24 3. Respondent Stephanie Lynn Hardcastle (Respondent S. Hardcastle)¹ is representing
25 herself in this proceeding and has chosen not to exercise her right to be represented by counsel.
26

27 _____
28 ¹ Collectively, Respondents R. Hardcastle and S. Hardcastle are, hereinafter, referred to as
"Respondents."

1 **JURISDICTION**

2 4. Citation No. ENF21-0002774 was issued and filed before the DCC, and is currently
3 pending against Respondents. The Citation and all other statutorily required documents were
4 properly served on Respondents on February 23, 2022. Respondents timely filed their request for
5 hearing contesting the Citation.

6 5. A true and correct copy of Citation No. ENF21-0002774 is attached as Exhibit 1 and
7 incorporated herein by reference.

8 **ADVISEMENT AND WAIVERS**

9 6. Respondents have carefully read, and fully understand the charges and allegations
10 contained in Citation No. ENF21-0002774. Respondents have also carefully read, and fully
11 understand the effects of this Stipulated Settlement of Citation and Order.

12 7. Respondents are fully aware of their legal rights in this matter, including the right to a
13 hearing on the charges and allegations contained in Citation No. ENF21-0002774; the right to be
14 represented by counsel at their own expense; the right to confront and cross-examine the
15 witnesses against Respondents; the right to present evidence and to testify on their own behalf;
16 the right to the issuance of subpoenas to compel the attendance of witnesses and the production of
17 documents; the right to reconsideration and court review of an adverse decision; and all other
18 rights accorded by the California Administrative Procedure Act and other applicable laws.

19 8. Respondents voluntarily, knowingly, and intelligently waive and give up each and
20 every right set forth above in relation to the resolution of Citation No. ENF21-0002774, and in
21 acceptance of this Stipulated Settlement of Citation and Order.

22 **CULPABILITY**

23 9. Respondents admit the truth of each and every charge and allegation in Citation No.
24 ENF21-0002774.

25 10. Respondents agree that they are subject to fines and agree to be bound by the DCC's
26 imposition of the terms as set forth in the Order below.

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28 ///

1 **CONTINGENCY**

2 11. This stipulation shall be subject to approval by the DCC. Respondents understand
3 and agree that counsel for Complainant and the staff of the DCC may communicate directly with
4 the DCC regarding this stipulation and settlement, without notice to or participation by
5 Respondents. By signing the stipulation, Respondents understand and agree that they may not
6 withdraw their agreement or seek to rescind the stipulation prior to the time the DCC considers
7 and acts upon it. If the DCC fails to adopt this stipulation as its Decision and Order, the
8 Stipulated Settlement of Citation and Order shall be of no force or effect, except for this
9 paragraph, it shall be inadmissible in any legal action between the parties, and the DCC shall not
10 be disqualified from further action by having considered this matter.

11 **LIMITED RELEASE**

12 12. Each of the Parties shall be deemed to have released the other party and its respective
13 successors, representatives, agents, employees, and assigns, from all claims they may now have or
14 that may hereafter accrue to them, whether now known or unknown, solely in connection with
15 Citation No. ENF21-0002774. Nothing in this Agreement shall constitute or be construed as a
16 satisfaction or release from liability for any violations of law other than those described in
17 Citation No. ENF21-0002774.

18 **OTHER MATTERS**

19 13. Portable Document Format (PDF) and facsimile copies of this Stipulated Settlement
20 of Citation and Order, including PDF and facsimile signatures thereto, shall have the same force
21 and effect as the originals.

22 14. This Stipulated Settlement of Citation and Order may be signed in any number of
23 counterparts, each of which is an original and all of which taken together form one single
24 document.

25 15. This Stipulated Settlement of Citation and Order is intended by the parties to be an
26 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
27 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
28 negotiations, and commitments (written or oral). This Stipulated Settlement of Citation and

1 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a
2 writing executed by each of the parties or their authorized representative.

3 16. In consideration of the foregoing stipulations, the parties agree that DCC, may,
4 without further notice or formal proceeding, issue and enter the following Order:

5 **ORDER**

6 1. **APPEAL WITHDRAWN.** Respondents' appeal of Citation No. ENF21-0002774
7 and request for an administrative hearing are deemed withdrawn and any further appeals are
8 waived.

9 2. **PAYMENT OF \$30,000 FINE.** Respondents are jointly and severally liable for an
10 administrative fine in the amount of thirty thousand dollars (\$30,000.00) and shall collectively
11 pay this amount to the DCC in accordance with Business and Professions Code section 26031.5,
12 subdivision (a). Respondents shall remit payment of the thirty thousand dollar (\$30,000.00) fine
13 to DCC in seven (7) installment payments with payment amounts and due dates as follows:

- 14 • \$2,500 to be paid within 30 days of the effective date of the Decision and Order;
- 15 • \$5,000 to be paid within 6 months of the effective date of the Decision and Order;
- 16 • \$5,000 to be paid within 12 months of the effective date of the Decision and Order;
- 17 • \$5,000 to be paid within 18 months of the effective date of the Decision and Order;
- 18 • \$5,000 to be paid within 24 months of the effective date of the Decision and Order;
- 19 • \$5,000 to be paid within 30 months of the effective date of the Decision and Order; and,
- 20 • \$2,500 to be paid within 36 months of the effective date of the Decision and Order.

21 Payment shall be remitted by one of the following methods: (1) the Department of Cannabis
22 Control's cash payment procedures; or, (2) mailed to:

23 Department of Cannabis Control
24 Attn: Cashiers
25 P.O. Box 419106
Rancho Cordova, CA 95741-9106.

26 Failure to complete any of the payments by the respective due date or comply with the
27 above terms of this order shall result in enforcement of the Order in the Superior Court.

1 3. **SUSPENDED BALANCE OF CITATION FINE.** The balance of the collective
2 Citation fine in the amount of \$30,000, to which Respondents are jointly and severally liable, is
3 hereby suspended pending successful compliance by Respondents of each and every term and
4 condition of this Stipulated Settlement of Citation and Order. Any breach or violation of any
5 term or condition of this Stipulated Settlement of Citation and Order by either of the Respondents
6 shall result in the suspended balance (\$30,000) becoming immediately due and payable to the
7 Department of Cannabis Control; Respondents shall be jointly and severally liable for the
8 suspended balance (\$30,000) that becomes due and payable.

9 4. **DENIAL OF ANY PENDING APPLICATION FOR A PROVISIONAL**
10 **AND/OR ANNUAL LICENSE.** Any and all pending application(s) by Respondents for a
11 cannabis license is hereby summarily denied. Respondents waive any right to appeal the denial
12 of any pending cannabis license application(s).

13 5. **10-YEAR DISQUALIFICATION.** Respondents are disqualified for a period of ten
14 (10) years, commencing on the effective date of the settlement, from applying for licensure from
15 the Department of Cannabis Control, and shall be prohibited from engaging in commercial
16 cannabis activity in the state of California as an owner, officer, controlling shareholder, or in any
17 similar position of authority allowing the individuals to make, command, or control decisions
18 regarding the operations and management of cannabis activity. For purposes of this term, an
19 “owner” means, including but not limited to, any of the following: (1) a person with any
20 ownership interest in a cannabis license or in an entity applying for such license, (2) the chief
21 executive officer of any cannabis business or an entity applying for any cannabis license, (3) a
22 member of the board of directors of a nonprofit, any cannabis business, or any entity applying for
23 any cannabis license, and (4) an individual who participates in the direction, control, or
24 management of the person or entity applying for a cannabis license. During this period of ten
25 (10) years, Respondents shall be prohibited from holding any financial interest in any commercial
26 cannabis business within the meaning of title 4, California Code of Regulations, section 15004.
27 Additionally, Respondents are prohibited from knowingly leasing any of their properties to
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1 anyone or any entity that engages in or intends to engage in commercial cannabis activity either
2 on their property or elsewhere.

3 If during the period of this disqualification, the DCC discovers that either of the
4 Respondents holds any ownership or financial interest in a cannabis license or leases any of or
5 any part of their properties to a third party engaging in or intending to engage in commercial
6 cannabis activity as prohibited by this agreement, the DCC will deem such action as a violation of
7 the terms and conditions of this Stipulated Settlement of Citation and Order.

8 6. **ADDITIONAL PROVISION.** If Respondents apply for and are granted any
9 cannabis license by the DCC during the time of the ban described in Paragraph 5, above, the DCC
10 shall have the right to revoke the license at any time, and Respondents waive any right to appeal
11 the revocation.

12 7. **DECISION BY SETTLEMENT.** This Stipulated Settlement of Citation and Order
13 is a decision by settlement per Government Code section 11415.60.

14 **ACCEPTANCE**

15 I have carefully read the above Stipulated Settlement of Citation and Order. I understand
16 the stipulation, the terms and conditions and other matters contained therein, and their legal
17 effect. This Stipulated Settlement of Citation and Order is entered into voluntarily, knowingly,
18 and intelligently, with agreement to be bound by the Decision and Order of the Department of
19 Cannabis Control.

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21 DATED: 10/13/2022



22 _____
Jeremy Ross Hardcastle, in Pro Per
Respondent

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24 DATED: 10/13/2022



25 _____
Stephanie Lynn Hardcastle, in Pro Per
Respondent

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ENDORSEMENT

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

DATED: October 14, 2022

Respectfully submitted,

ROB BONTA
Attorney General of California
HARINDER K. KAPUR
Senior Assistant Attorney General



MICHAEL J. YUN
Deputy Attorney General
Attorneys for Complainant

Exhibit 1

Citation No. ENF21-0002774



DEPARTMENT OF CANNABIS CONTROL

TO: Jeremy Ross Hardcastle
Stephanie Lynn Hardcastle
6875 Lillian Drive
Shingletown, CA 96088

Case No.: ENF21-0002774

CITATION ASSESSING FINES AND ORDER TO ABATE AND PAY COSTS (For violations of section 26037.5, 26050 and 26053 of the Business and Professions Code)

Business and Professions Code section 26031.5 provides the Department of Cannabis Control (Department) the authority to issue a citation, including fines and orders of abatement, to a licensee or unlicensed person for any act or omission that violates or has violated any provision of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) or any regulation adopted pursuant thereto. You are being issued this citation for the following violations of MAUCRSA (Bus. & Prof. Code (BPC) § 26000 et seq.).

VIOLATION	VIOLATION DATE(S)	AMOUNT OF FINE PER DAY	TOTAL AMOUNT OF FINE FOR VIOLATION
B&P § 26037.5(a)	September 3, 2021	\$30,000	\$60,000

STATEMENT OF FACTS

On September 3, 2021, law enforcement and the Department were present during the service of a search warrant at 6875 Lillian Drive, Shingletown, CA 96088 and 27471 Lack Creek Drive, Shingletown, CA 96088 (Premises). During the search warrant, there were nine greenhouses containing 3,761 cannabis plants located on the Premises. Jeremy Ross Hardcastle and Stephanie Lynn Hardcastle were contacted on the Premises and identified as the property owners. During subsequent interviews, it was discovered that beginning in or about September



2019, Jeremy Ross Hardcastle, with the assistance and aid of Stephanie Lynn Hardcastle, engaged in a lease agreement of the Premises for the purpose of commercial cannabis cultivation in exchange for \$30,000 a year. The Department has not issued a cultivation license to Jeremy Hardcastle or Stephanie Hardcastle authorizing either to commercially cultivate cannabis in California.

VIOLATIONS

Jeremy Ross Hardcastle and Stephanie Lynn Hardcastle commercially cultivated cannabis in California without first obtaining a state license issued by the Department authorizing the cultivation of cannabis in violation of section 26037.5(a) Business and Professions Code. Jeremy Ross Hardcastle exhibited knowledge of the illegality of the commercial cannabis cultivation. While gesturing to his hands in handcuffs, he stated that he had a written lease agreement to avoid such situations. In spite of the knowledge of the unlawfulness, Jeremy and Stephanie Hardcastle admitted to having this lease agreement for multiple years, receiving \$30,000 a year since September 2019, for approximately two years total.

Pursuant to section 26031.5, the Director hereby issues a citation to each Jeremy Ross Hardcastle and Stephanie Lynn Hardcastle for the above violations.

ADMINISTRATIVE FINE ASSESSED

Pursuant to Business and Professions Code section 26031.5, the Department may assess a fine not to exceed five thousand dollars (\$5,000) per violation by a licensee or thirty thousand dollars (\$30,000) per violation by an unlicensed person. Each day of violation shall constitute a separate violation.

The fine must be paid within thirty (30) days of the date of service of the citation. To ensure the payment is credited, indicate on your payment the case number provided at the top of this



citation. Payment shall be made by cashier's check, payable to the Department of Cannabis Control and submitted to:

Department of Cannabis Control
Compliance Division
P.O. Box 942872
Sacramento, California, 94271-2872
Attention: Cashier

Failure to pay the administrative fine within thirty (30) days from the date of service of the citation, unless you appeal the citation, is a separate violation and may result in additional action by the Department.

Based on the foregoing, an administrative fine of \$30,000.00 is assessed against Jeremy Ross Hardcastle and an administrative fine of \$30,000 is assessed against Stephanie Lynn Hardcastle pursuant to section 26031.5 for the unlicensed commercial cultivation of cannabis on or about September 3, 2021 for a total of \$60,000.

ORDER TO ABATE AND PAY COSTS

Pursuant to section 26031.5, a citation may include an order of abatement and fix a reasonable time for abatement of the violation. In addition, the Department may recover costs of investigation and enforcement, including reasonable attorney's fees, from an unlicensed person issued a citation. Based upon the foregoing, an Order to Abate and Pay Costs is issued and included in the Citation to each Jeremy Ross Hardcastle and Stephanie Lynn Hardcastle as follows:

1. Immediately cease and desist all unlicensed cannabis cultivation at the Premises.
2. Pay investigation and enforcement costs in the amount of \$718 for a total of \$718 or an amount to be proven at hearing.

Payment must be submitted to the Department at the above-listed address within 30 (thirty) days from the date of service of the Citation.



INFORMAL CONFERENCE

You may request an informal conference with the Department regarding the acts or omissions found in the citation. During an informal conference, evidence supporting an adjustment to the citation and/or fine(s) may be presented. The Department may affirm, modify, or dismiss the citation, including any fines assessed or orders of abatement issued. The informal conference may also resolve any matters relating to the citation through an informal settlement agreement.

To request an informal conference, your request must be in writing and submitted to the Department within 15 calendar days from service of this citation. The informal conference may be conducted by telephone, through a virtual platform, or in person, at the Department's Headquarters, located at 2920 Kilgore Road, Rancho Cordova, California 95670. The informal conference will be held within 15 calendar days from receipt of the written request.

Requesting an informal conference will not stay or toll the running of the period to contest the citation. If you are requesting an informal conference to discuss any issues related to this citation, you must schedule it early enough to assure an expeditious resolution of matters, and to allow time to contest the citation after the informal conference, should you wish to do so. You may also request a hearing to contest the citation at any time prior to the informal conference.

At the conclusion of the informal conference, a written decision stating the reasons for the decision will be mailed to the cited person within 15 calendar days from the date of the informal conference, which shall be deemed a final order. If the citation is dismissed, any request for a hearing shall be deemed withdrawn. If the citation is affirmed or modified, the cited person may either withdraw the request for hearing or proceed with the hearing. If the citation is modified, the original citation shall be considered withdrawn and a new citation issued.

CONTESTING THE CITATION

You have a right to contest the finding of a violation by requesting a hearing. To request a hearing, your request must be in writing and submitted to the Department within 30 calendar days from service of the citation. If a request is not received by the Department within 30 calendar days, the right to a hearing is waived, and the citation becomes final and not subject to review by any court. The hearing shall be held pursuant to the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2



of the Government Code). Written requests for a hearing to contest the finding of a violation must be emailed to appeals@cannabis.ca.gov or submitted in hard copy by mail or delivery to:

Department of Cannabis Control
Legal Affairs Division
2920 Kilgore Road
Rancho Cordova, CA 95670

The Department may also request that you pay reasonable costs of investigation and enforcement pursuant to Business and Profession Code section 26031.1.

Date: 2/23/22

RASHA SALAMA

Deputy Director, Compliance Division
Department of Cannabis Control

By: _____

Special Investigator Jennifer Womack
Compliance Division
Phone: (916) 576-6404
Email: Jennifer.womack@cannabis.ca.gov

FOR STATE USE ONLY – REMMITANCE ADVICE	
CDCC ENFORCEMENT CASE #	ENF21-0002774
TOTAL CITATION AMOUNT:	\$60,718
LICENSE NUMBER:	N/A

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

In the Matter of the Citation Against:

**Jeremy Ross Hardcastle and
Stephanie Lynn Hardcastle,**

Unlicensed Activity

Respondents.

Citation No. ENF21-0002774

OAH No. 2022040551

DECISION AND ORDER

The attached Stipulated Settlement of Citation and Order is hereby adopted by the Department of Cannabis Control, as its Decision in this matter.

This Decision shall become effective on _____.

It is so ORDERED _____.

FOR THE DEPARTMENT OF CANNABIS
CONTROL