1			
2			
3			
4			
5			
6			
7	BEFORE THE		
8	DEPARTMENT OF CANNABIS CONTROL OF THE STATE OF CALIFORNIA		
9			
10	In the Matter of the Accusation Against:) CASE NO. DCC23-0005080-COMP		
11	ORDER ADOPTING STIPULATED REVOCATION OF LICENSE AND		
12 13	MAJOR D BAY, LLC. WENDY ELIZABETH KLEID, OWNER 3200 S. Susan Street ORDER AS FINAL DECISION		
14	Santa Ana, CA 92704		
15	License No. CDPH-10004871		
16	Respondent.)		
17			
18	Pursuant to Government Code section 11415.60, the Department of Cannabis Control		
19	hereby adopts the attached Stipulated Revocation of License and Order as its Final Decision in		
20	this matter.		
21	This Order shall become effective on November 7, 2024.		
22			
23	IT IS SO ORDERED, October 8, 2024.		
24			
25	ay hum		
26	Douglas Smurr Assistant General Counsel FOR THE DEPARTMENT OF CANNABIS CONTROL ORDER ADOPTING STIPULATED REVOCATION OF LICENSE AND ORDER AS FINAL DECISION		
27			
28			
	The state of the s		

Case No. DCC23-0005080-COMP; Major D Bay, LLC.

1	ROB BONTA			
2	Attorney General of California HARINDER K. KAPUR			
3	Senior Assistant Attorney General MICHAEL J. YUN Deputy Attorney General			
4	State Bar No. 292587 300 S. Spring Street, Suite 1702			
5	Los Angeles, CA 90013 Telephone: (213) 269-6743			
6	Facsimile: (619) 645-2061			
7	Attorneys for Complainant			
8	BEFOR	E THE		
9	DEPARTMENT OF CANNABIS CONTROL			
10	OF STATE OF CALIFORNIA			
	The state of the s			
11	In the Matter of the Accusation Against:	Case No. DCC23-0005080-COMP		
12	MAJOR D BAY, LLC. Wendy Elizabeth Kleid, Owner	STIPULATED REVOCATION OF LICENSE AND ORDER		
13	3200 S. Susan Street Santa Ana, CA 92704	on and cornect Cornect Countries		
14	As DECIMENSON CENTER SENDING WEEK	1.1 and incorporated by radiations		
15	License Number CDPH-10004871	NO WAIYERS		
16	Respondent.	scanned with cornect, and fully response to		
17	observed and alternatives our Which in According to	DECIT-MOSORIC COMP. Proceedings		
18	IT IC HEREDY STIDLY A TED AND A CR	EED by and between the set of the		
		EED by and between the parties to the above-		
19	entitled proceedings that the following matters are true:			
20	PAR'	TIES TO THE EVENTOR, AND THE PROPERTY OF THE PARTY OF THE		
21	1. Jeff Merriman (Complainant) is the D	Deputy Director of the Compliance Division of		
22	the Department of Cannabis Control (Department). He brought this action solely in his official			
23	capacity but has since left the Department. Evelyn Schaeffer is the current Deputy Director of the			
24	Compliance Division and is now the Complainant in this matter and is represented in this matter			
25	by Rob Bonta, Attorney General of the State of California, by Michael J. Yun, Deputy Attorney			
26	General.			
27	111 0 0 4 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5			
28	111			

- Major D Bay, LLC (Respondent) and its owner Wendy Elizabeth Kleid are represented in this proceeding by attorney James Shih, whose address is: 2221 Camino Del Rio South, Suite 100, San Diego, CA 92108.
- 3. On or about October 21, 2022, the Department issued Adult-Use and Medicinal Manufacturer Type S License Number CDPH-10004871 to Respondent with Wendy Elizabeth Kleid as Owner. The Adult-Use and Medicinal Manufacturer Type S License was in full force and effect at all times relevant to the charges brought in Accusation No. DCC23-0005080-COMP, expired on October 21, 2023, and has not been renewed.

JURISDICTION

4. Accusation No. DCC23-0005080-COMP was filed before the Department, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on October 23, 2023. Respondent timely filed its Notice of Defense contesting the Accusation. A true and correct copy of Accusation No. DCC23-0005080-COMP is attached as Exhibit 1 and incorporated by reference.

ADVISEMENT AND WAIVERS

- 5. Respondent has carefully read, fully discussed with counsel, and fully understands the charges and allegations contained in Accusation No. DCC23-0005080-COMP. Respondent also has carefully read, fully discussed with counsel, and fully understands the effects of this Stipulated Revocation of License and Order.
- 6. Respondent is fully aware of all legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to confront and cross-examine the witnesses against it; the right to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

- 8. Respondent admits the truth of each and every charge and allegation in Accusation No. DCC23-0005080-COMP, agrees that cause exists for discipline, and hereby stipulates to the revocation of its Adult-Use and Medicinal Manufacturer Type S License Number CDPH-10004871.
- 9. Respondent understands that by signing this stipulation, Respondent enables the Department to issue an order revoking its Adult-Use and Medicinal Manufacturer Type S License Number CDPH-10004871 without further process.

CONTINGENCY

- 10. This stipulation shall be subject to approval by the Department. Respondent understands and agrees that counsel for Complainant and the staff of the Department may communicate directly with the Department regarding this stipulated revocation, without notice to or participation by Respondent or its counsel. By signing the stipulation, Respondent understands and agrees that it may not withdraw its agreement or seek to rescind the stipulation prior to the time the Department considers and acts upon it. If the Department fails to adopt this stipulation as the Decision and Order, the Stipulated Revocation and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Department shall not be disqualified from further action by having considered this matter.
- 11. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Revocation of License and Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.
- 12. This Stipulated Revocation of License and 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 Revocation of License and 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.

Stipulated Revocation of License (Case No. DCC23-0005080-COMP)

ACCEPTANCE

I have carefully read the above Stipulated Revocation of License and Order and have fully discussed it with my attorney. I understand the stipulation and the effect it will have on my Adult-Use and Medicinal Manufacturer - Type S License Number CDPH-10004871. I enter into this Stipulated Revocation of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Department of Cannabis Control.

DATED: 9-1-24

Wendy Elizabeth Kleid, Owner

MAJOR D BAY, LLC

Respondent

I have read and fully discussed with Respondent Major D Bay, LLC and its Owner Wendy Elizabeth Kleid the terms and conditions and other matters contained in this Stipulated Revocation of License and Order. I approve its form and content.

DATED:

9/19/2024

ames Shih

James Shih, Esq. Attorney for Respondent

ENDORSEMENT

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

21

1

2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

22

23 24

27 28 DATED: 9/20/2024

Respectfully submitted,

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

Harinder Kapur for

MICHAEL J. YUN Deputy Attorney General Attorneys for Complainant

SD2023802777

Rich Bont's

Adapticy Contend of California

Annothing Demay About Contend

Ministry Annothing Contend

Ministry Annothing Contend

Machiner Statistics (Contend

Machiner Statistics (Contend

Machiner Statistics (Contend

Machiner Contend

Machin

In the Matter of the Act of the Assessment

Wandy Phothesk Kiels O 2000 S. Nesen Street

Literar Temples C 19711-10504971

Teatrovaleni

Page No. DCT 20-0 05080; CF Mill OAM Case No.

ALCERATION.

PARTER

ie. Gegany Dissectio e i the Camellaure "Avieira of the Department of Committee Commit Department)

Exhibit 1

Accusation No. DCC23-0005080-COMP

1	ROB BONTA		
2	Supervising Deputy Attorney General		
3			
	Deputy Attorney General		
4	State Bar No. 292587 600 West Broadway, Suite 1800		
5	San Diego, CA 92101		
6	P.O. Box 85266 San Diego, CA 92186-5266	ervices, and Housing Agency, the	
7	Telephone: (619) 321-5793		
8	Attorneys for Complainant		
9	5. Services 16-110-5, selected and BEFORE THE		
10	DEPARTMENT OF CANNABIS CONTROL OF THE STATE OF CALIFORNIA		
11	segnidate encomproted conserble sociality to pr		
12	In the Matter of the Accusation Against:	Case No. DCC23-0005080-COMP	
		OAH Case No.	
13	MAJOR D BAY, LLC. Wendy Elizabeth Kleid, Owner	escapt as otherwise sufficients of in this period to create, issue, dany, reserv.	
14	3200 S. Susan Street	ACCUSATION	
15	Santa Ana, CA 92704	Code state	
16	License Number CDPH-10004871	the manufacture that and require one of	
17	Respondent.	and enforce for degree replay they distance. Level - Stration 17 Montal Page 1 of	
	b Excreases with Carlos Acespointent,	Section of part of the section of th	
18	PAR'	ries	
19	Section 12 Control of the Control of		
20	Jeff Merriman (Complainant) brings to	his Accusation solely in his official capacity as	
21	the Deputy Director of the Compliance Division of the Department of Cannabis Control		
22	(Department).		
23	2. On or about October 21, 2022, the Department issued Adult-Use and Medicinal		
	about the state of		
24	Manufacturer – Type S License Number CDPH-10004871 to Major D Bay, LLC (Respondent)		
25	with Wendy Elizabeth Kleid as Owner. Adult-Use and Medicinal Manufacturer - Type S License		
26	was in full force and effect at all times relevant to the charges brought herein and will expire on		
27	October 21, 2023, unless renewed.		
28	111		
	BOOK STREET, CHUNCH, HOUSE BOOK STREET, BOOK STREET, BOOK STREET, BOOK STREET, BOOK STREET, BOOK STREET, BOOK S	■ BOOK : BOOK : BOOK : 10 10 10 10 10 10 10 10 10 10 10 10 10	

ACCUSATION (DCC23-0005080-COMP)

JURISDICTION

- This Accusation is brought before the Director (Director) for the Department, under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.
 - 4. Section 26010 of the Code states:

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

5. Section 26010.5, subdivision (d), of the Code states:

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

6. Section 26012, subdivision (a), of the Code states:

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

7. Section 26013, subdivision (a), of the Code state:

The department shall make and prescribe reasonable rules and regulations as may be necessary to implement, administer, and enforce its duties under this division in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. . . .

- 8. Section 26031 of the Code states, in part:
- (a) The department may suspend, revoke, place on probation with terms and conditions, or otherwise discipline licenses issued by the department and fine a licensee, after proper notice and hearing to the licensee, except as provided in Section 26031.01, if the licensee is found to have committed any of the acts or omissions constituting grounds for disciplinary action. The disciplinary proceedings under this chapter shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein.
- (c) The department may take disciplinary action against a licensee for any violation of this division when the violation was committed by the licensee's officers, directors, owners, agents, or employees while acting on behalf of the licensee or engaged in commercial cannabis activity....

2

4

5

7

8

10

11

12

13 14

15

16

17

18

19

20

21

22

2324

25

26

27

28

9. Section 26034 of the Code states:

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

STATUTORY PROVISIONS

10. Section 26030 of the Code states:

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

- (a) Failure to comply with the provisions of this division or any rule or regulation adopted pursuant to this division.
- (c) Any other grounds contained in regulations adopted by a licensing authority pursuant to this division.
- (d) Failure to comply with any state law including, but not limited to, the payment of taxes as required under the Revenue and Taxation Code, except as provided for in this division or other California law....

REGULATORY PROVISIONS

11. Title 4 of the California Code of Regulations, section 15000.5 states:

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

- 12. Title 4 of the California Code of Regulations, section 15048, states, in pertinent part:
- (a) Each applicant or licensee shall identify an owner of the commercial cannabis business as the track and trace system account manager. A licensee may change the account manager by submitting a written request to the Department.
- (b) No later than 10 calendar days after license issuance, the designated account manager shall:
 - (3) Complete the credentialing process to establish a login....

- 13. Title 4 of the California Code of Regulations, section 17801 states:
- (a) The Department may issue a Notice to Comply to a licensee for violation(s) of the Act or this division discovered during an investigation or audit or observed during an inspection.
- (b) The Notice to Comply shall be in writing and describe the nature and facts of each violation, including a reference to the statute or regulation violated, and may indicate the manner in which the licensee must correct the violation(s) to achieve compliance.
- (c) The Department may serve the Notice to Comply personally, by email, or by mail to the licensee or an employee, agent, or person delegated by the licensee to accept notice.
- (d) The licensee shall sign and return the Notice to Comply and describe how compliance was achieved within 30 calendar days after the date of personal service or the date of emailing or mailing of the notice or a different date specified by the Department. The Department may also require the licensee to provide a plan for review and approval by the Department on a case-by-case basis.
- (e) Failure to correct the violation(s) in the Notice to Comply may result in disciplinary action.
- 14. Title 4 of the California Code of Regulations, section 17809 states:
- (a) When an accusation recommending disciplinary action against a licensee has been filed pursuant to Business and Professions Code section 26031, the accusation shall be served on the licensee in accordance with Government Code section 11505.
- (b) A hearing shall be conducted in accordance with the provisions of chapter 5 (commencing with section 11500) of part 1 of division 3 of title 2 of the Government Code to determine if cause exists to take action against the licensee. At the hearing, the Department shall have all of the powers granted by the statutes cited above and by the Business and Professions Code.
- (c) If a hearing on an accusation against a licensee results in a finding that the licensee has committed any of the acts or omissions constituting grounds for disciplinary action, the Department may order the license revoked, suspended outright for a specified period of time, or suspended on probationary restriction for a specified period of time, including terms and conditions of probation the Department considers appropriate on the basis of its findings, impose a fine, or any combination thereof. The Department may also issue other lawful orders it considers appropriate on the basis of its findings.

COST RECOVERY

- 15. Section 26031,1 of the Code states that:
- (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.

16

17

18

19

20

21

22

23

24

25

26

27

28

designated account manager was required to complete the credentialing process to establish a

login within ten (10) calendar days of the license issue date, or by October 31, 2022.

ACCUSATION (DCC23-0005080-COMP)

PRAYER

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

- Revoking or suspending the Adult-Use and Medicinal Manufacturer Type S
 License Number CDPH-10004871 to Major D Bay, LLC (Respondent) with Wendy Elizabeth
 Kleid as Owner;
- 2. Ordering Respondent Major D Bay, LLC, with Wendy Elizabeth Kleid as Owner, to pay the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 26031.1; and
 - 3. Taking such other and further action as deemed necessary and proper.

DATED: October 18, 2023

IEEE MEDDIMAN

Deputy Director, Compliance Division

Department of Cannabis Control

Merriman

State of California Complainant

PROOF OF SERVICE

Case Name: In the Matter of the Accusation Against: MAJOR D BAY, LLC.

DCC Case No. DCC23-0005080-COMP

License Number: CDPH-10004871

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, 2750 Gateway Oaks Dr., Sacramento, CA 95833. On October 8, 2024, I served, or oversaw the serving of the within documents:

ORDER ADOPTING STIPULATED REVOCATION OF LICENSE AND ORDER 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 Respondent and Respondent's attorney listed below.
 - Service via certified mail to be completed upon the following business day.

James S. Shih, Esq. Wendy E. Kleid Harinder Kapur SMS Law Firm 19012 Antioch Dr. Assistant Attorney General 2221 Camino Del Rio S., Ste 100 Irvine, CA 92603 Cannabis Control Section San Diego, CA 92108-3609 Majordbay@gmail.com 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 am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

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 October 8, 2024, at Sacramento, California.

Lillian Ouvnn