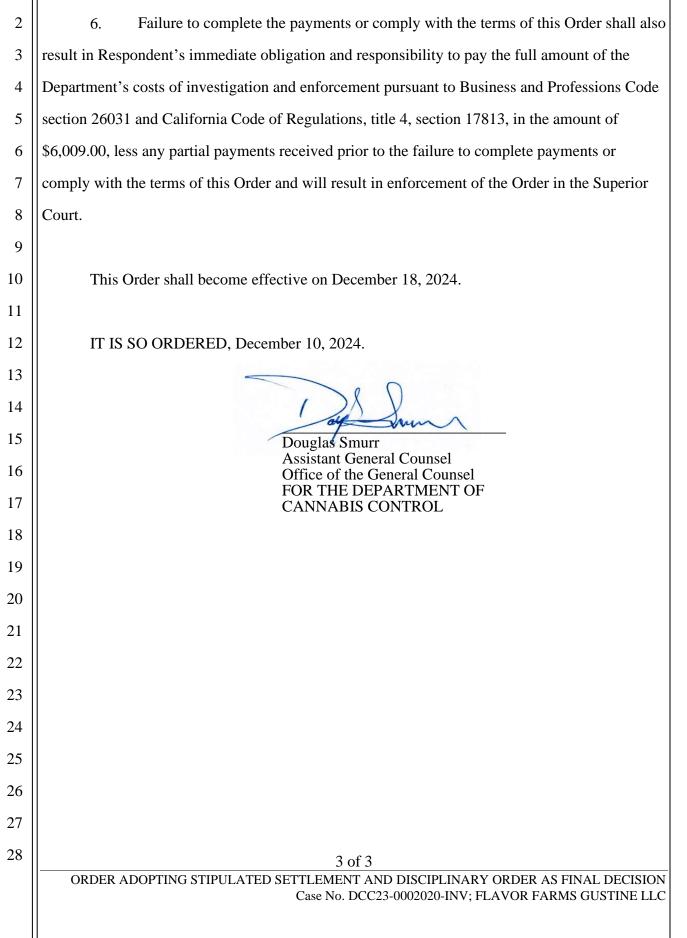
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7	BEFORE THE	
8	DEPARTMENT OF CANNABIS CONTROL OF THE STATE OF CALIFORNIA	
9		
10	In the Matter of Accusation Against:) CASE NO. DCC23-0002020-INV	
11	FLAVOR FARMS GUSTINE LLC, dba) ORDER ADOPTING STIPULATED SETTLEMENT AND DISCIPLINARY	
12	FLAVOR FARMS GUSTINE; Andres Sanchez aka Andy Sanchez, Owner 355 4th StreetSETTLEMENT AND DISCIPLINARY ORDER AS FINAL DECISION	
13	Gustine, CA 95322	
14	License Nos: CCL22-0001883	
15	C11-0001842-LIC	
16	Respondent.	
17		
18	Pursuant to Government Code section 11415.60, and Corporations Code 313, the	
19	Department of Cannabis Control ("Department") hereby adopts the attached Stipulated	
20	Settlement of Accusation and Disciplinary Order as its Final Decision in this matter. Pursuant	
21	to this Final Decision, it is ordered that:	
22	1. Respondent's appeal of Accusation No. DCC23-0002020-INV and request for	
23	administrative hearing are deemed withdrawn, and any further appeals are waived.	
24	2. Respondent's Adult-Use and Medicinal Distributor License No. C11-0001842-LIC,	
25	and Adult-Use Specialty Indoor Cultivation License No. CCL22-0001883, and each of them, shall	
26	be suspended for a period of fifteen (15) days beginning on December 18, 2024, at 12:00:01 AM,	
27	and ending on January 1, 2024, at 11:59:59 PM.	
28	1 of 3	
	ORDER ADOPTING STIPULATED SETTLEMENT AND DISCIPLINARY ORDER AS FINAL DECISION Case No. DCC23-0002020-INV; FLAVOR FARMS GUSTINE LLC	

1	3. Respondent shall pay on or	before January 16, 2025, the total amount of six
2	thousand four hundred dollars (\$6, 400.00),	for the following three items:
3	(a) An administrative fine in the am	nount of one thousand dollars (\$1,000.00) as against
4	Adult-Use and Medicinal Distri	butor License No. C11-0001842-LIC;
5	(b) An administrative fine in the am	nount of one thousand dollars (\$1,000.00) as against
6	Adult-Use Specialty Indoor Cul	tivation License No. CCL22-0001883; and
7	(c) The Department's costs associate	ted with its investigation and enforcement pursuant to
8	Business and Professions Code	section 26031.5 and California Code of Regulations,
9	title 4, section 17813, in the amo	ount of four thousand four hundred dollars
10	(\$4,400.00).	
11		
12	4. The above-referenced paym	ents shall be in the form of cashier's check, money
13	order, personal or business check, and shall	l be remitted by either of the following methods: (1)
14	the Department of Cannabis Control's cash payment procedures; or (2) mailed to:	
15	By U.S. Postal Service:	Department of Cannabis Control
16		Attn: Cashiers
17		P.O. Box 419106 Rancho Cordova, CA 95741-9106
18		
19	By FedEx or UPS:	Department of Cannabis Control Attn: Cashiers
20		2920 Kilgore Road
21		Rancho Cordova, CA 95670-9106
22		
23	5. Failure to complete the payments or comply with the above terms of this Order	
24	shall result in further disciplinary action or non-renewal of Respondent's Adult-Use and	
25	Medicinal Distributor License No. C11-0001842-LIC, and Adult-Use Specialty Indoor	
26	Cultivation License No. CCL22-0001883, and denial of any other license sought, as the	
27	Department deems appropriate. Failure to co	omplete the payment or comply with the terms of this
28		2 of 3
		EMENT AND DISCIPLINARY ORDER AS FINAL DECISION e No. DCC23-0002020-INV; FLAVOR FARMS GUSTINE LLC

1 Order shall result in enforcement of the Order in the Superior Court.



1	Rob Bonta	
2	Attorney General of California HARINDER K. KAPUR	
3	Senior Assistant Attorney General MATTHEW S. BEASLEY	
4	Deputy Attorney General State Bar No. 288070	
5	300 So. Spring Street, Suite 1702 Los Angeles, CA 90013	
6	Telephone: (213) 269-6705 Facsimile: (916) 731-2126	
7	E-mail: Matthew.Beasley@doj.ca.gov Attorneys for Complainant	
8	BEFOR	Е ТНЕ
9	DEPARTMENT OF CA STATE OF CA	
10		
11	In the Matter of the Accusation Against:	Case No. DCC23-0002020-INV
12	FLAVOR FARMS GUSTINE LLC,	STIPULATED SETTLEMENT AND DISCIPLINARY ORDER
13	Dba FLAVOR FARMS GUSTINE Andres Sanchez aka Andy Sanchez, Owner	DISCIFLINAR I ORDER
14	355 4 th Street Gustine, CA 95322	
15	License Number CCL22-0001883	
16	License Number C11-0001842-LIC	
17	Respondent.	
18]
19	IT IS HEREBY STIPULATED AND AGR	EED by and between the parties to the above-
20	entitled proceedings that the following matters are	, I
21	PAR	
22		ant) was the Acting Branch Chief of the
23	Investigative Services Branch of the Department	,
24		
25	the above-referenced action solely in her official capacity. Evelyn Schaeffer is now the Deputy Director of the Compliance Division of the Department and is now the Complainant in this	
26	matter. Complainant is represented in this matter	-
27	California, by Matthew S. Beasley, Deputy Attorr	
28	Cantonna, by Matthew 5. Deastey, Deputy Attol	
		1
	5	STIPULATED SETTLEMENT (DCC23-0002020-INV)

STIPULATED SETTLEMENT (DCC23-0002020-INV)

2. Respondent Flavor Farms Gustine LLC, dba Flavor Farms Gustine (Respondent), is 1 2 representing itself in this proceeding and has chosen not to exercise its right to be represented by counsel. 3 3. On or about June 7, 2023, the Department issued Adult-Use and Medicinal 4 5 Distributor License No. C11-0001842-LIC to Respondent with Andres Sanchez aka Andy Sanchez, as Owner. The Adult-Use and Medicinal Distributor License was in full force and 6 7 effect at all times relevant to the charges brought in Accusation No. DCC23-0002020-INV, and will expire on June 6, 2025, unless renewed. 8 9 4. On or about July 10, 2023, the Department issued Adult-Use Specialty Indoor Cultivation License No. CCL22-0001883 to Respondent with Andres Sanchez aka Andy Sanchez, 10 as Owner. The Adult-Use-Specialty Indoor Cultivation License was in full force and effect at all 11 times relevant to the charges brought in Accusation No. DCC23-0002020-INV, and will expire on 12 July 10, 2025, unless renewed. 13 14 JURISDICTION 5. Accusation No. DCC23-0002020-INV was filed before the Department and is 15 currently pending against Respondent. The Accusation and all other statutorily required 16 documents were properly served on Respondent on June 20, 2024. Respondent timely filed its 17 Notice of Defense contesting the Accusation. 18 6. A true and correct copy of Accusation No. DCC23-0002020-INV is attached as 19 exhibit A and incorporated herein by reference. 20 21 <u>ADVISEMENT AND WAIVERS</u> 7. Respondent's owners of record and members have carefully read, and fully 22 understand, the charges and allegations in Accusation No. DCC23-0002020-INV. Respondent's 23 24 owners of record and members have also carefully read, and fully understand, the effects of this Stipulated Settlement and Disciplinary Order. 25 8. Respondent is fully aware of its legal rights in this matter, including the right to a 26 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at 27 28 its own expense; the right to confront and cross-examine the witnesses against them; the right to 2

STIPULATED SETTLEMENT (DCC23-0002020-INV)

1	present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel
2	the attendance of witnesses and the production of documents; the right to reconsideration and
3	court review of an adverse decision; and all other rights accorded by the California
4	Administrative Procedure Act and other applicable laws.
5	9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
6	every right set forth above.
7	<u>CULPABILITY</u>
8	10. Respondent admits the truth of each and every charge and allegation in Accusation
9	No. DCC23-0002020-INV.
10	11. Respondent agrees that its Adult-Use and Medicinal Distributor License Number
11	C11-0001842-LIC, and its Adult-Use Specialty Indoor Cultivation License Number CCL22-
12	0001883, and each of them, are subject to discipline and Respondent agrees to be bound by the
13	Department's imposition of discipline as set forth in the Disciplinary Order below.
14	<u>CONTINGENCY</u>
15	12. This stipulation shall be subject to approval by the Department. Respondent
16	understands and agrees that counsel for Complainant and the staff of the Department may
17	communicate directly with the Department regarding this stipulation and settlement, without
18	notice to or participation by Respondent. By signing the stipulation, Respondent understands and
19	agrees that it may not withdraw its agreement or seek to rescind the stipulation prior to the time
20	the Department considers and acts upon it. If the Department fails to adopt this stipulation as its
21	Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or
22	effect, except for this paragraph, it shall be inadmissible in any legal action between the parties,
23	and the Department shall not be disqualified from further action by having considered this matter.
24	13. The parties understand and agree that Portable Document Format (PDF) and facsimile
25	copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile
26	signatures thereto, shall have the same force and effect as the originals.
27	
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	3
	STIPULATED SETTLEMENT (DCC23-0002020-INV)

This Stipulated Settlement and Disciplinary Order may be signed in any number of 1 14. 2 counterparts, each of which is an original and all of which taken together form one single document. 3 15. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an 4 integrated writing representing the complete, final, and exclusive embodiment of their agreement. 5 It supersedes any and all prior or contemporaneous agreements, understandings, discussions, 6 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary 7 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a 8 9 writing executed by an authorized representative of each of the parties. 10 16. 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 11 **Disciplinary Order:** 12 **DISCIPLINARY ORDER** 13 WITHDRAWAL OF APPEAL. Respondent's appeal of Accusation No. DCC23-1. 14 0002020-INV and request for administrative hearing is deemed withdrawn and any further appeal 15 is waived. 16 2. LICENSE SUSPENSIONS. Adult-Use and Medicinal Distributor License No. 17 C11-0001842-LIC, and Adult-Use Specialty Indoor Cultivation License No. CCL22-0001883, 18 and each of them, are suspended for a period of fifteen (15) days beginning with the effective date 19 of this Decision and Order. 203. 21 **<u>PAYMENT OF FINES.</u>** Respondent shall pay to the Department an administrative fine in the amount of one-thousand dollars (\$1,000) as against Adult-Use and Medicinal 22 Distributor License No. C11-0001842-LIC. Respondent shall pay to the Department an 23 24 administrative fine in the amount of one-thousand dollars (\$1,000) as against Adult-Use Specialty Indoor Cultivation License No. CCL22-0001883. For the avoidance of doubt, the total amount of 25 the administrative fines due pursuant to this Order is two thousand dollars (\$2,000) and shall be 26 paid by Respondent within thirty (30) days of the effective date of the Decision and Order. 27 28

1	4. <u>PAYMENT OF COSTS OF ENFORCEMENT.</u> Respondent shall pay to the
2	Department costs associated with its investigation and enforcement pursuant to Business and
3	Professions Code section 26031 and California Code of Regulations, title 4, section 17813, in the
4	amount of four-thousand four hundred dollars (\$4,400) within thirty (30) days of the effective
5	date of the Decision and Order.
6	5. The above referenced payments shall be remitted by either of the following methods:
7	(1) the Department of Cannabis Control's cash payment procedures; or, (2) mailed to:
8	By U.S. Postal Service: Department of Cannabis Control
9	Attn: Cashiers
10	P.O. Box 419106 Ranch Cordova, CA 95741-9106
11	By FedEx or UPS:
12	Department of Cannabis Control Attn: Cashiers
13	2920 Kilgore Road Rancho Cordova, CA 95670-9106
14	6. Failure to complete the payment or comply with the above terms of this order shall
15	result in further disciplinary action or non-renewal of Respondent's Adult-Use and Medicinal
16	Distributor License No. C11-0001842-LIC, and Adult-Use Specialty Indoor Cultivation License
17	No. CCL22-0001883, and denial of any other license sought, as the Department deems
18	appropriate. Failure to complete the payment or comply with the terms of this Order shall result in
19	enforcement of the Order in the Superior Court.
20	7. Failure to complete the payments or comply with the terms of this Order shall also
21	result in Respondent's immediate obligation and responsibility to pay the full amount of the
22	Department's costs of investigation and enforcement pursuant to Business and Professions Code
23	section 26031 and California Code of Regulations, title 4, section 17813, in the amount of \$6,009,
24	less any partial payments received prior to the failure to complete payments or comply with the
25	terms of this Order and will result in enforcement of the Order in the Superior Court.
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	STIPULATED SETTLEMENT (DCC23-0002020-INV)

1	ACCEPTANCE
2	I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the
3	stipulation and the effect it will have on my Cannabis Distributor License, and Adult-Use-
4	Specialty Indoor Cultivation License, and each of them. I enter into this Stipulated Settlement
5	and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the
6	Decision and Order of the Department of Cannabis Control.
7	
8	DATED: <u>11/22/24</u>
9	FLAVOR FARMS GUSTINE, LLC By: AMARJIT MAHLI, MEMBER
10	Respondent
11	
12	ENDORSEMENT
13	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
14	submitted for consideration by the Department of Cannabis Control.
15	DATED: 11/22/24 Respectfully submitted,
16	ROB BONTA
17	Attorney General of California HARINDER K. KAPUR
18	Senior Assistant Attorney General
19	Matthew S. Beasley
20	MATTHEW S. BEASLEY Deputy Attorney General
21	Attorneys for Complainant
22	
23	
24	SA2023803446 CCS Stimulated Settlement and Disciplinery Order doox
25	CCS Stipulated Settlement and Disciplinary Order.docx
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27	
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	6
	STIPULATED SETTLEMENT (DCC23-0002020-INV)

Exhibit A

Accusation No. DCC23-0002020-INV

1	ROB BONTA	
2	Attorney General of California JOSHUA B. EISENBERG	
3	Supervising Deputy Attorney General ETHAN A. TURNER	
4	Deputy Attorney General State Bar No. 294891	
5	1300 I STREET, SUITE 125 P.O. Box 944255	
6	Sacramento, CA 94244-2550 Telephone: (916) 210-7909	
7	Facsimile: (916) 327-2319 Attorneys for Complainant	
8	BEFOR	E THE
9	DEPARTMENT OF CA OF THE STATE (
10		
11	In the Matter of the Accusation Against:	Case No. DCC23-0002020-INV OAH Case No.
12	FLAVOR FARMS GUSTINE LLC,	OAH Case No.
13	Dba FLAVOR FARMS GUSTINE Andres Sanchez aka Andy Sanchez, Owner	ACCUSATION
14	355 4 th Street Gustine, CA 95322	
15	License Number CCL22-0001883	
16	License Number C11-0001842-LIC	
17	Respondent.	
18]
19	PAR	
20		ant) brings this Accusation solely in her official
21	capacity as the Acting Branch Chief of the Invest	igative Services Branch of the Department of
22	Cannabis Control (Department).	
23		ment issued Adult-Use Specialty Indoor
24	Cultivation License Number CCL22-0001883 to	
25	Gustine (Respondent) with Andres Sanchez aka A	•
26	Specialty Indoor Cultivation License was in full f	
27	charges brought herein and will expire on July 10	, 2024, unless renewed.
28		1
		1 ACCUSATION (DCC23-0002020-INV)

1	3. On or about June 7, 2023, the Department issued Adult-Use and Medicinal
2	Distributor License Number C11-0001842-LIC to Flavor Farms Gustine LLC, dba Flavor Farms
3	Gustine (Respondent) with Andres Sanchez aka Andy Sanchez, as Owner. The Adult-Use and
4	Medicinal Distributor License was in full force and effect at all times relevant to the charges
5	brought herein and will expire on June 6, 2024, unless renewed.
6	JURISDICTION
7	4. This Accusation is brought before the Director (Director) for the Department, under
8	the authority of the following laws. All section references are to the Business and Professions
9	Code (Code) unless otherwise indicated.
10	5. Section 26010 of the Code states:
11	There is in the Business, Consumer Services, and Housing Agency, the
12	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
13	department.
14	6. Section 26010.5, subdivision (d), of the Code states:
15	The department has the power, duty, purpose, responsibility, and jurisdiction to
16	regulate commercial cannabis activity as provided in this division.
17	7. Section 26012, subdivision (a), of the Code states:
18 19	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.
20	8. Section 26013, subdivision (a), of the Code state:
21	The department shall make and prescribe reasonable rules and regulations as
22	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
23	Division 3 of Title 2 of the Government Code
24	9. Section 26031 of the Code states, in part:
25	(a) The department may suspend, revoke, place on probation with terms and
26	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 26021.01 if the licensee is found to have comparised any after a sector or emissions.
27 28	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
-	2
	ACCUSATION (DCC23-0002020-INV)

I	
1	shall have all the powers granted therein.
2	
2	(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,
4	directors, owners, agents, or employees while acting on behalf of the licensee or engaged in commercial cannabis activity
5	///
6	10. Section 26034 of the Code states:
7	All accusations against licensees shall be filed by the department within five
8	years after the performance of the act or omission alleged as the ground for disciplinary action; provided, however, that the foregoing provision shall not
9	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
10 11	the fraud or misrepresentation, and, in that case, the accusation shall be filed within five years after that discovery.
12	
	STATUTORY PROVISIONS
13 14	11. Section 26030 of the Code states:
14	Grounds for disciplinary action include, but are not limited to, all of the following:
16	(a) Failure to comply with the provisions of this division or any rule or regulation adopted pursuant to this division.
17	
18	(c) Any other grounds contained in regulations adopted by a licensing authority
19	pursuant to this division.
20	(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
21	provided for in this division or other California law
22	REGULATORY PROVISIONS
23	12. Title 4 of the California Code of Regulations, section 15000.5 states:
24	In construing and enforcing the provisions of the Act and the regulations in this
25	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
26	office, shall in every case be deemed the act, omission, or failure of the licensee.
27 28	13. Title 4 of the California Code of Regulations, section 15048, states, in pertinent part:
20	3
	J J

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1 2	(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.
2	(b) No later than 10 calendar days after license issuance, the designated account manager shall:
4	
5	(3) Complete the credentialing process to establish a login
6	14 Title 4 of the California Cade of Decaylations spatian 17801 states.
7	14. Title 4 of the California Code of Regulations, section 17801 states:
8	(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.
9	(b) The Notice to Comply shall be in writing and describe the nature and facts of
10 11	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.
12	(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
13	accept notice.
14 15	(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
16	review and approval by the Department on a case-by-case basis.
17 18	(e) Failure to correct the violation(s) in the Notice to Comply may result in disciplinary action.
10	15. Title 4 of the California Code of Regulations, section 17809 states:
20	(a) When an accusation recommending disciplinary action against a licensee has been filed pursuant to Business and Professions Code section 26031, the
21	accusation shall be served on the licensee in accordance with Government Code section 11505.
22	(b) A hearing shall be conducted in accordance with the provisions of chapter 5
23	(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
24	the Business and Professions Code.
25 26	(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
26	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
27 28	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.
20	4
	ACCUSATION (DCC23-0002020-INV)

1	The Department may also issue other lawful orders it considers appropriate on the basis of its findings.
2	<u>COST RECOVERY</u>
3	16. Section 26031.1 of the Code states that:
4	(a) Except as otherwise provided by law, in an order issued in resolution of a
5 6	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.
7	
8	(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
9 10	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.
11	(c) The administrative law judge shall make a proposed finding of the amount
12	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 eward. The
13	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
14	law judge if the proposed decision fails to make a finding on costs requested pursuant to subdivision (a).
15 16	(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
17	any other rights the department may have as to any licensee to pay costs.
18	(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.
19	(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
20	under this section.
21	(2) Notwithstanding paragraph (1), the department may, in its discretion, conditionally renew or reinstate for a maximum of one year the license of any
22	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
23	unpaid costs.
24	(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
25	available upon appropriation by the Legislature.
26	(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
27	settlement.
28	///
	5
	ACCUSATION (DCC23-0002020-INV)

1	FACTUAL ALLEGATIONS
2	License Number CCL22-0001883
3	17. On or about July 10, 2023, the Department issued Adult-Use Specialty Indoor
4	Cultivation License Number CCL22-0001883 to Flavor Farms Gustine LLC, dba Flavor Farms
5	Gustine (Respondent) with Andres Sanchez aka Andy Sanchez, as Owner. Respondent was
6	required to identify and designate an owner of its commercial cannabis business as the track and
7	trace system account manager. The designated account manager was required to complete the
8	credentialing process to establish a login within ten (10) calendar days of the license issue date, or
9	by July 17, 2023.
10	18. On August 4, 2023, a Department representative emailed a California Cannabis Track
11	and Trace System (CCTT) Reminder to Owner Andres Sanchez aka Andy Sanchez' designated
12	email account. In that email, Owner Sanchez was given notice more than ten (10) calendar days
13	had elapsed since the issuance of the license and that neither he nor anyone on behalf of the
14	licensee had completed the new user system training or completed the credentialing process as
15	required by California Code of Regulations, title 4, section 15048. In that same email, Owner
16	Sanchez was further notified that engaging in commercial cannabis activity prior to completing
17	these requirements may result in disciplinary action against the license.
18	19. On September 1, 2023, Respondent and Owner Sanchez were served electronically
19	and via U.S. Mail with a Notice to Comply for failure to complete the credentialing process to
20	establish a login for the CCTT System.
21	20. As of the date of filing, Respondent has failed to respond to the Department and/or
22	completed the required credentialing process.
23	License Number C11-0001842-LIC
24	21. On or about June 7, 2023, the Department issued Adult-Use and Medicinal
25	Distributor License Number C11-0001842-LIC to Flavor Farms Gustine LLC, dba Flavor Farms
26	Gustine (Respondent) with Andres Sanchez aka Andy Sanchez, as Owner. Respondent was
27	required to identify and designate an owner of its commercial cannabis business as the track and
28	trace system account manager. The designated account manager was required to complete the
	6
	ACCUSATION (DCC23-0002020-INV)

1	credentialing process to establish a login within ten (10) calendar days of the license issue date, or				
2	by June 17, 2023.				
3	22. On July 5, 2023, a Department representative emailed a California Cannabis Track				
4	and Trace System (CCTT) Reminder to Owner Andres Sanchez aka Andy Sanchez' designated				
5	email account. In that email, Owner Sanchez was given notice more than ten (10) calendar days				
6	had elapsed since the issuance of the license and that neither he nor anyone on behalf of the				
7	licensee had completed the new user system training or completed the credentialing process as				
8	required by California Code of Regulations, title 4, section 15048. In that same email, Owner				
9	Sanchez was further notified that engaging in commercial cannabis activity prior to completing				
10	these requirements may result in disciplinary action against the license.				
11	23. On August 4, 2023, Respondent and Owner Sanchez were served electronically and				
12	via U.S. Mail with a Notice to Comply for failure to complete the credentialing process to				
13	establish a login for the CCTT System.				
14	24. As of the date of filing, Respondent has failed to respond to the Department and/or				
15	completed the required credentialing process.				
16					
17	CAUSE FOR DISCIPLINE				
18	(Failure to Complete the Credentialing Process – CCTT System)				
19	25. Respondent is subject to disciplinary action under Code section 26030, subdivisions				
20	(a) and (c), in that it failed to comply with the provisions of Title 4 of the California Code of				
21	Regulations, section 15048, subdivision (b)(3), which requires the designated account manager to				
22	complete the credentialing process within ten (10) calendar days after issuance of its license(s), to				
23	wit, the Adult-Use Specialty Indoor Cultivation License Number CCL22-0001883 and Adult-Use				
24	Distributor License Number C11-0001842-LIC. Respondent's noncompliance is more				
25	particularly alleged in paragraphs 17 through 24, above, which are hereby incorporated by				
26	reference and realleged as if fully set forth herein.				
27	///				
28	///				
	7				

1	<u>PRAYER</u>				
2	WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,				
3	and that following the hearing, the Director issue a decision:				
4	1. Revoking or suspending outright or suspending with terms and conditions or fining or				
5	any combination thereof, the Adult-Use Specialty Indoor Cultivation License Number				
6	CCL22-0001883 issued to Flavor Farms Gustine LLC, dba Flavor Farms Gustine (Respondent)				
7	with Andres Sanchez aka Andy Sanchez, as Owner;				
8	2. Revoking or suspending outright or suspending with terms and conditions or fining or				
9	any combination thereof, the Adult-Use and Medicinal Distributor License Number C11-				
10	0001842-LIC to Flavor Farms Gustine LLC, dba Flavor Farms Gustine (Respondent) with				
11	Andres Sanchez aka Andy Sanchez, as Owner;				
12	3. Ordering Respondent Flavor Farms Gustine LLC, dba Flavor Farms Gustine				
13	(Respondent) with Andres Sanchez aka Andy Sanchez, as Owner, to pay the reasonable costs of				
14	the investigation and enforcement of this case, pursuant to Business and Professions Code section				
15	26031.1; and				
16	4. Taking such other and further action as deemed necessary and proper.				
17					
18					
19	DATED: <u>6/13/24</u> NADALIE MEADOWS-MARTIN				
20	Acting Branch Chief, Investigative Services Branch				
21	Department of Cannabis Control State of California				
22	Complainant				
23					
24					
25					
26					
27					
28					
	8				
I	ACCUSATION (DCC23-0002020-INV)				

PROOF OF SERVICE

Case Name: Accusation Against: FLAVOR FARMS GUSTINE LLC, dba FLAVOR FARMS GUSTINE DCC Case No. DCC23-0002020-INV License Numbers: CCL22-0001883; C11-0001842-LIC

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is Department of Cannabis Control, 2920 Kilgore Road, Rancho Cordova, CA 95670. On December 10, 2024, I served the within documents:

ORDER ADOPTING STIPULATED SETTLEMENT AND DISCIPLINARY 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 individual(s) or entity(ies) listed below.

Service via certified mail to be completed upon the following business day.

VIA FIRST CLASS 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 first class mail to be completed upon the following business day.

Andres Sanchez	Amarjit Mahli	Harinder Kapur (email only)
2813 Canyon Falls Dr.	12748 Magnolia Avenue	Assistant Attorney General
Modesto, CA 95351	Livingston, CA 95334	Cannabis Control Section
andy.cannabis@outlook.com	amarjitsinghmalhi@yahoo.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 December 10, 2024, at Rancho Cordova, California.

Lillian Quynn