

IN THE MATTER OF	*	BEFORE THE MARYLAND
CHA ENTERPRISES, Inc. d/b/a	*	MEDICAL CANNABIS COMMISSION
MARY & MAIN,	*	
Respondent	*	
License No.: D-18-00037	*	Case Nos.: 18-00106, 19-00060, 19-00070
* * * * *		

**PRE-CHARGE CONSENT ORDER**

On August 20, 2019, members of the Maryland Medical Cannabis Commission (the “Commission”) held a pre-charge Case Resolution Conference (“CRC”) with CHA Enterprises, Inc., d/b/a Mary & Main (the “Respondent”), license number D-18-00037, pursuant to its authority to regulate medical cannabis dispensaries under Md. Code Ann., Health-Gen. § 13-3301 *et seq.* (2015 Repl. Vol. and 2018 Supp.). The purpose of the CRC was to attempt to reach resolution of a case alleging that the Respondent violated applicable regulations.

The Act provides as follows:

**§ 13-3307. Dispensary License Requirements**

...

(f) The Commission shall establish requirements for security and product handling procedures that a dispensary must meet to obtain a license under this section, including a requirement for a product-tracking system.

(g) The Commission may inspect a dispensary licensed under this section to ensure compliance with this subtitle.

(h) The Commission may impose penalties or rescind the license of a dispensary that does not meet the standards for licensure set by the Commission.

...

**§ 13-3316. Regulations**

The Commission shall adopt regulations to implement the provisions of this subtitle.

The pertinent Code of Maryland Regulations (COMAR) for which the Respondent's license is being disciplined according to the following regulations:

**10.62.26.07 Registered Dispensary Agent Training.**

A. The licensee shall train all registered dispensary agents on:

- ...  
(2) Standard operating procedures; ...

**10.62.30.03 Procedure for Dispensing Medical Cannabis.**

...  
B. Before any distribution of medical cannabis, a dispensary agent shall query the Commission data network and verify that:

- (1) The qualifying patient or caregiver is currently registered;
- (2) A certifying physician issued a valid written certification to the qualifying patient, and
- (3) The amount of medical cannabis that has already been dispensed pursuant to the written certification.

...  
D. 30-day supply

- (1) A qualifying patient or caregiver may obtain a portion of a 30-day supply at any time once the written certification is presented to a licensed dispensary, provided the portion being sought when added to portions previously obtained does not exceed a 30-day supply.

**10.62.30.06 Dispensing Controls.**

...  
D. A registered dispensary agent shall record in the inventory control and in the Commission data network each item dispensed including lot and batch number and the weight of medical cannabis that was dispensed.

**10.62.30.07 Limit on Transfer of Medical Cannabis.**

A licensee or registered dispensary agent may not transfer any medical cannabis to any person if the licensee or registered dispensary agent knows, or may have reason to know, that the transfer or the medical cannabis does not comply with any provision of the Health-General Article, Title 13, Subtitle 33, Annotated Code of Maryland or this subtitle.

**10.62.34.01 Operational Failure Risking Diversion or Endangering Health.**

In the event the Commission finds there is a reasonable likelihood of diversion, contamination of medical cannabis, or any risk to the health of a patient or any other individual, after written notice and a hearing in accordance with the State Government Article, §§10-201—10-226, Annotated Code of Maryland, the Commission may:

- A. Impose a fine of up to \$10,000 per violation on a licensed grower, licensed processor, licensed dispensary or registered independent testing laboratory;
- B. Deny the license or registration;
- C. Suspend the license, licensee, agent, employee, registration or registrant; or
- D. Revoke the licenses, licensee, agent, employee, registration or registrant.

**10.62.34.02 Pattern of Deviation from Standard Operating Procedure.**

In the event the Commission finds there is a pattern of deviations from standard operating procedures or the terms set forth in the application or the license but the pattern does not directly create a risk of endangering the health or safety of a patient, after written notice and a hearing in accordance with the State Government Article, §§10-201—10-226, Annotated Code of Maryland, the Commission may:

- A. Impose a fine of up to \$5,000 per violation on a licensed grower, licensed processor, licensed dispensary, or independent testing laboratory;
- B. Deny the license or registration;
- C. Suspend the license, registration, licensee, registrant, or agent; or
- D. Revoke the license or registration.

In lieu of proceeding with formal charges and an evidentiary hearing in this matter, the parties agreed to the following Findings of Fact, Conclusions of Law and Order as set forth herein.

**FINDINGS OF FACT**

The Commission finds that the Respondent violated several regulations pertaining to necessary recordkeeping, permissible sales of medical cannabis, and sanitation. Specifically, the Commission finds as follows:

### I. Insufficient Recordkeeping

1. The Respondent was initially licensed to dispense medical cannabis on July 26, 2018, license number D-18-00037, and operates a dispensary in Capitol Heights, Maryland. The dispensary became fully operational and open to the public on September 3, 2018.

2. On October 3, 2018, Commission investigators inspected the Respondent's dispensary. Upon reviewing records of the Respondent's product sales and upon consulting the Commission's Quality Assurance Director, investigators found that transactions recorded in the Marijuana Enforcement Tracking Regulation and Compliance system ("METRC"), representing purchases by at least nine (9) patients, included incorrect patient identification numbers.

3. The Respondent's sales records in METRC showed numbers representing dates ("06/29/2019," for example) and prices ("117.56," for example) keyed into METRC in place of the purchasers' patient ID numbers.

4. At a follow-up inspection on November 19, 2018, several of the Respondent's principal officers, including the chief operating officer, chief financial officer, and assistant manager, explained to the Commission investigator that dispensary employees copying and pasting data from the point-of-sale software system into METRC were responsible for these errors.

5. Because of these data entry errors, the METRC system did not include accurate information on the amount of medical cannabis that patients purchased from the Respondent. As a result, the METRC system did not deduct patient purchases from the purchasing patients' monthly allotments.

6. At the time of the CRC, Commission investigators identified several more-recent incorrect entries of patient identification numbers in the Respondent's METRC records.

## II. Sale to an Uncertified Patient

7. According to METRC, on January 7, 2019 the Respondent sold two items to a patient – C. H. – whose certification had expired on April 27, 2018. The receipt for this transaction noted the patient’s monthly allotment as “N/A” and noted the patient’s remaining allotment as “-.50g.” The Respondent’s standard operating procedures (“SOP”) and applicable regulations permitted only sales to certified patients and designated caregivers. The dispensary’s general manager stated to a Commission investigator that he believed that one of his employees completed this transaction by mistake.

## III. Inadequate Sanitation

8. On February 25, 2019, a Commission investigator performed an unannounced inspection on the Respondent and observed cannabis debris on scales and equipment in the processing area. The Respondent’s SOP required cleaning processing equipment after each packaging operation and for each cleaning to be recorded in the equipment log.

9. The investigator noted that, despite this SOP, the Respondent’s logs showed that its employees had performed fifteen (15) packaging operations in February 2019 but that processing equipment only three (3) times by the time of the February 25, 2019 inspection. According to the Respondent’s sanitation logs, the most recent cleaning had been completed on February 5, 2019.

10. Upon inquiry, the Respondent’s assistant manager stated to the Commission investigator that his employees had not sanitized the processing area in accordance with the established SOP.

### CONCLUSIONS OF LAW

Based on the foregoing Findings of Fact, the Commission concludes as a matter of law that there are grounds for disciplining the Respondent's medical cannabis dispensary license pursuant to COMAR 10.62.26.07, 10.62.30.03, 10.62.30.06, 10.62.30.07, 10.62.34.01, and 10.62.34.02.

### ORDER

Based on the foregoing Findings of Fact and Conclusions of Law by the Commission, it is hereby

**ORDERED** that within 30 days of this Order, the Respondent review, audit, and correct all patient identification numbers on all records of purchases made at the Respondent's dispensary since October 1, 2018;

**ORDERED** that within 60 days of this Order, the Respondent shall revise its standard operating procedures relating to accurately recording patient identification numbers in METRC and its point-of-sale recordkeeping system;

It is **FURTHER ORDERED** that the Respondent shall submit these revised standard operating procedures to the Bureau of Enforcement and Compliance for final approval before the Respondent may implement them;

**ORDERED** that within 120 days of this Order, the Respondent shall retrain each agent in its standard operating procedures, point-of-sales systems, and METRC;

**ORDERED** that the Respondent shall maintain accurate methods for recording patient transactions at all times;

**ORDERED** that within 120 days of this Order, the Respondent shall pay a fine of \$7,000.00, an amount representing \$500.00 for each of nine incorrectly-entered patient

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identification numbers and an additional \$2,500.00 penalty for selling to patient without a valid certification;

**ORDERED** that within 30 days of this Order, the Respondent shall submit all completed sanitation logs to the Bureau of Enforcement and Compliance;

**ORDERED** that the Respondent shall incur all costs associated with this Consent Order; and it is further

**ORDERED** that this Consent Order is a **PUBLIC DOCUMENT** pursuant to Md. Code Ann., Gen. Prov. § 4-401 *et seq.* (2014).

9/26/19  
Date

  
Brian Lopez  
Commission Chair

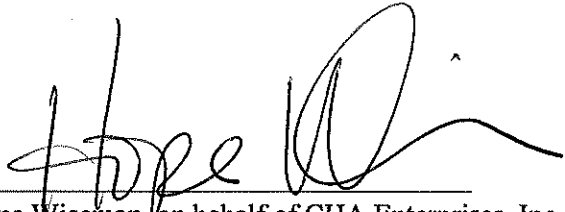
### CONSENT

I, Hope Wiseman, am the Chief Executive Officer of CHA Enterprises, Inc. d/b/a Mary & Main (hereinafter "Respondent"), and have legal authority to enter into this agreement on behalf of the Respondent. Respondent acknowledges that it has had the opportunity to seek advice of counsel in this matter. By this Consent, Respondent agrees and accepts to be bound by this Consent Order and its conditions and restrictions. Respondent waives any rights it may have had to contest the Findings of Fact and Conclusions of Law.

Respondent acknowledges the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which it would have had the right to counsel, to confront witnesses, to give testimony, to call witnesses on my own behalf, and to all other substantive and procedural protections as provided by law. Respondent acknowledges the legal authority and the jurisdiction of the Commission to initiate these proceedings and to issue and enforce this Consent Order. Respondent also affirms that it is waiving my right to appeal any adverse ruling of the Commission that might have followed any such hearing.

I sign this Consent Order with authority on behalf of Respondent after having had the opportunity to consult counsel, without reservation, and I fully understand and comprehend the language, meaning and terms of this Consent Order. I voluntarily sign this Order and understand its meaning and effect.

10/17/19  
Date

  
Hope Wiseman, on behalf of CHA Enterprises, Inc.  
d/b/a Mary & Main, Respondent



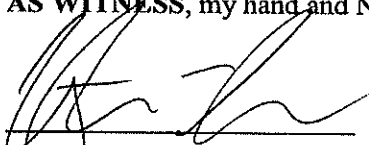
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**NOTARY**

STATE OF Illinois  
CITY/COUNTY OF: Cook

I HEREBY CERTIFY that on this 17<sup>th</sup> day of October 2019, before me, a Notary Public of the State and County aforesaid, personally appeared Hope Wiseman, on behalf of CHA Enterprises, Inc. d/b/a Mary & Main, and gave oath in due form of law that the foregoing Consent Order was her voluntary act and deed.

AS WITNESS, my hand and Notary Seal.

  
\_\_\_\_\_  
Notary Public

My commission expires: 12-08-2021

