



JANET T. MILLS
GOVERNOR

STATE OF MAINE
OFFICE OF CANNABIS POLICY
162 STATE HOUSE STATION
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FIRST FLOOR
AUGUSTA, MAINE 04333-0162

ADMINISTRATIVE & FINANCIAL SERVICES

KIRSTEN LC FIGUEROA
COMMISSIONER

OFFICE OF CANNABIS POLICY

JOHN HUDAK
DIRECTOR

December 31, 2024

Via Electronic Mail and USPS First Class Mail

[REDACTED]

Phil Chen NKA Xiao Leung

[REDACTED]

OCP Incident Number- 2024-MCP-1458

Subject: Notice of Administrative Action including Monetary Penalty and Revocation of Registry Identification Card(s).

Dear Mr. Leung:

This Notice of Administrative Action is issued pursuant to the *Maine Administrative Procedures Act* (Maine APA), Title 5, Ch. 375, subch. 4, to Phil Chen NKA Xiao Leung, Medical Use Cannabis Program (MUCP) **RIC21235** for violations of the *Maine Medical Use of Cannabis Act* (MMUCA), Title 22 M.R.S., Chapter 558-C, and the *Maine Medical Use of Cannabis Program Rule*, 18-691, Ch. 2, as described below. In response to these violations, the Department of Administrative and Financial Services, acting through its Office of Cannabis Policy (OCP), (collectively, "The Department") is taking the administrative actions detailed in this notice.

Failure to timely appeal will result in the imposition of the administrative actions described herein.

I. Summary of MUCP Investigation of License:

The Department's decision to revoke your Registry Identification Card(s) is based on your violation of the Maine Medical Use of Cannabis Act. More specifically, the Department's MMCP field investigation staff have provided the Department with sufficient evidence to demonstrate the following statutory and regulatory violations:

1. On 07/11/2023 you applied for a Caregiver Registration Card (CGR) in the Maine Medical Cannabis Program. You identified yourself as Phil Chen ([REDACTED]) and submitted a New York state driver's license as the requisite photo ID. Your application required a criminal history check to process, which was done on Phil Chen based on the information you provided. You were then issued your Caregiver card by OCP Licensing on 07/21/23, which expired on 7/20/2024.
2. On 01/11/24 you applied for a Registry Identification Card (RIC) in the Maine Medical Cannabis Program. You identified yourself as Phil Chen ([REDACTED]) and submitted a New York state driver's license as the requisite photo ID. Although the law no longer requires it, your application required a criminal history check to process, which was done on Phil Chen based on the information you provided. OCP Licensing received the headshot photo you submitted as required for inclusion on the physical RIC on 03/26/24. You were then issued your RIC by OCP Licensing on 04/16/24.

3. On 7/25/2024 you applied to renew your Caregiver Registration in the Maine Medical Cannabis Program. You identified yourself as Phil Chen ([REDACTED]) and submitted a New York state driver's license as the requisite photo ID. Your application required a criminal history check to process, which was done on Phil Chen based on the information you provided. Your application was denied based on inspections conducted August 7th and 8th when it was determined that even though your RCG card had expired you continued to cultivate cannabis with no credentials to do so. You had 576 plants under 512 square feet of canopy. You signed a Settlement Agreement using the name Phil Chen that allows you to apply anew for a caregiver registry ID card after December 23, 2024.
4. You have consistently represented yourself as Phil Chen to OCP staff while in possession of your program issued credentials during numerous contacts. Through investigation the department determined that Phil Chen is simply an alias being utilized by Xiao Leung ([REDACTED]), to fraudulently obtain registry identification cards from OCP without disclosing his actual identity.

II. Summary conclusions of fact and violations:

1. After July 20, 2024, you continued to cultivate cannabis with only an RIC card, which does not authorize a person to cultivate cannabis. Therefore, all of your cannabis plants were illicitly grown which is a violation or equivalent of a violation of 22 M.R.S. § 2430-I(B)(7), cultivating cannabis plants in an amount that is equal or greater than 150% of the total number of cannabis plants or plant canopy the registrant was authorized to cultivate.
2. On three occasions you submitted a false statement of your identity to OCP on applications with the intent to deceive the staff and managers of OCP in their official duties. These actions are illegal under 17-A M.R.S. § 453(1)(B)(1) Unsworn Falsification, and so were violations of 18-691 CMR Ch. 2 § 10(I)(4). Although a second violation of this kind would usually be a minor violation under 22 M.R.S. § 2430-I(1-A)(C)(5), because they were knowingly done, they become a major violation under 22 MRS § 2430-I(B)(11).
3. On three occasions you submitted someone else's driver's license as your own with your applications to OCP. These actions are illegal under 29-A M.R.S. § 2102(3) unlawful use of license, and so were violations of 18-691 CMR Ch. 2 § 10(I)(4). Although a second violation of this kind would usually be a minor violation under 22 M.R.S. § 2430-I(1-A)(C)(5), because they were knowingly done, they become a major violation under 22 MRS § 2430-I(B)(11).

III. Summary of administrative actions taken by the Department:

1. In response to the violations listed in Section II:
 - a. Pursuant to 22 MRS § 2430-I(3)(A)(2) OCP fines you \$600 for each of these three major violations for a total of \$1800 to be remitted to the Department no later than 120 days from the date of this notice.
 - b. The Department revokes your RIC for a period of 1 year pursuant to 22 MRS § 2430-I(8-A)(2) based on a pattern of major registration violations in a 60-month period.

Please immediately return your Registry Identification Card(s) to:

Department of Administrative & Financial Services
Office of Cannabis Policy
Maine Medical Use of Marijuana Program
162 State House Station
Augusta, ME 04333-0162

IV. Summary of administrative appeal rights:

The Department issues this Notice of Administrative Action in accordance with its authority pursuant to 22 M.R.S., Chapter 558-C, §2430-I and the Maine APA, 5 MRS, Ch. 375. If you disagree with the Department's findings of fact or administrative actions, you may request a formal hearing within 30 days from the date of this Notice. Failure to timely request a formal hearing of the Department will result in this Notice of Administrative Action including Monetary Penalty and Order of Forfeiture and Destruction becoming the FINAL ORDER of the Department. You will not be able to petition for a review in Superior Court and it could impact your continued participation in the programs administered by the Office of Cannabis Policy.

A request for a formal hearing may be sent via e-mail to Deputy Director Vernon Malloch: Vernon.Malloch@maine.gov or via USPS mail to: Office of Cannabis Policy, 162 State House Station, Augusta, Maine 04333.

Sincerely,



Dean Goodale
Director of Compliance
Office of Cannabis Policy

Cc: Director John Hudak, Office of Cannabis Policy
Deputy Director Vernon Malloch, Office of Cannabis Policy
Any Trundy, Office of the Commissioner
Deanna White, Esq., Office of the Attorney General