

**BEFORE THE CANNABIS CONTROL APPEALS PANEL  
OF THE STATE OF CALIFORNIA**

**Case No. 2025-12-DCC-0005**

License: C9-0000555-LIC

Department Decision: DCC23-0001092-INV

LUCKY 13 VENTURES LOS ANGELES, LLC  
2827 Norton Ave  
Lynwood, CA 90262 *Appellant/Licensee*,

v.

DEPARTMENT OF CANNABIS CONTROL,  
*Respondent.*

**OPINION**

**FACTS AND PROCEDURAL HISTORY**

Appellant Lucky 13 Ventures Los Angeles LLC has held an annual Cannabis – Retailer Non-Storefront license since April 28, 2022. Appellant’s license was set to expire on April 28, 2026. Appellant has also held an annual Distributor license since August 16, 2022. In this appeal, however, only the Retail license is at issue.

Around December 2023, in response to a complaint about appellant’s business, the Department of Cannabis Control (the Department) opened an investigation and assigned it to Department Special Investigator Eric Kinney. Kinney conducted inspections of appellant’s facility on January 17 and February 8, 2024.

On March 28, 2025, the Department issued an Accusation against appellant alleging five violations of Department regulations, including (1) failure to reconcile inventory at least once every 30 days; (2) failure to accurately report data in the CCTT system; (3) failure to record sales or donations in the CCTT system within 24 hours; (4) failure to notify of theft, loss, or criminal activity within 24 hours; and (5) unauthorized sharing of CCTT account log-in information. (Accusation, at pp. 8-9.) The Department argues these acts are in violation of Department rules 15051(a)(1), 15047.2(b), 15049(b)(8), 15036, and 15048(c), respectively, under title 4 of the California Code of Regulations. Additionally, the Department requested cost recovery pursuant

to section 26031.1 of the Business and Professions Code. (*Id.* at p. 9.)

Administrative Law Judge Deena R. Ghaly presided over the hearing on the Department's Accusation on October 21, 2025. (Dept. Motion to Vacate Stay, Exh. 1, Proposed Decision (Nov. 26, 2025), at p. 1.) While both the Department and appellant presented witnesses, the only party to introduce exhibits into evidence was the Department. Special Investigator Eric Kinney and Department Analyst Zachary Scully testified on behalf of the Department. (See Reporter's Transcript (RT) at pp. 24-75, 77-89.) Appellant's owner, Hector Rivera, testified on behalf of appellant. (See *id.* at pp. 95-112.)

At the start of the hearing, Rivera requested that ALJ Ghaly grant a continuance. The conversation began as follows:

[ALJ Ghaly:] What is the basis of requesting another court date?

[¶ . . . ¶]

[Rivera]: Okay. Yeah. I mean, if it's possible, I guess we would like to get an attorney to help us with this process.

(*Id.* at p. 8.) Counsel for the Department objected to Rivera's request. (*Ibid.*) ALJ Ghaly agreed, noting that "[y]ou can't wait until the day of hearing and then say you'd like to get an attorney. That's not a basis for a continuance." (*Id.* at p. 9.) She also found that the Department's Notice of Hearing was properly served on Rivera in May 2025—five months prior to the hearing—and Rivera confirmed that he received the Notice. (*Ibid.*)

Following this exchange, ALJ Ghaly concluded that "[t]here's just no basis" for granting a continuance. (*Id.* at p. 10.) She explained to Rivera that he "had proper notice. And requesting time to obtain an attorney on the day of hearing . . . is not an acceptable reason for a continuance." (*Ibid.*) Accordingly, Ghaly denied Rivera's request. (*Id.* at pp. 9-10.)

On November 26, 2025, ALJ Ghaly issued a Proposed Decision finding that the Department had established grounds for discipline on all five counts alleged in the Accusation. (Proposed Decision, at pp. 8-10.) The Proposed Decision contains extensive findings of fact. (*Id.* at pp. 2-6.) The relevant findings are summarized here.

The Department's investigation revealed a conflict in the inventory listed at appellant's facility. (See *id.* at pp. 4-5.) Prior to the January 2024 inspection, Special Investigator Kinney reviewed the facility's METRC data, which indicated that "391 packages should have been delivered to [appellant.]" (*Id.* at p. 4.) However, during Kinney's inspection, "he found only nine packages." (*Ibid.*)

When interviewed by Kinney, Rivera explained that “the missing packages were the result of two burglaries” in May and December 2023. (*Ibid.*) However, the burglaries “had not been reported to either law enforcement or the Department.” (*Ibid.*) Moreover, appellant’s METRC data “had not been adjusted to reflect the stolen inventory or otherwise reconciled with the on-hand packages of product.” (*Ibid.*)

During the January 2024 inspection, Rivera promised Kinney “that he would correct the noted discrepancies by January 29, 2024, and the business would be operational by February 7, 2024.” (*Ibid.*) On January 29, Rivera sent Kinney a chart “addressing the discrepancies noted by” Kinney during the inspection. (*Id.* at p. 5.) According to this chart, “not all the missing inventory was stolen,” but some was “distributed as ‘trade samples’ during trade shows and similar events.” (*Ibid.*)

Kinney returned to appellant’s facility on February 8, 2024, for a follow-up inspection to see whether the discrepancies had been addressed. (*Ibid.*) At this inspection, Kinney spoke with appellant’s inventory manager, Daniel George. (*Ibid.*) George stated that appellant “had sold some products in May and June 2023” at a time when appellant was “non-operational.” (*Ibid.*) Additionally, some of the product had been given away as “free samples” by appellant’s staff. (*Ibid.*) Lastly, George admitted that he had been “using Rivera’s credentials and log-in” to access and handle the data entry on the METRC system. (*Ibid.*)

According to Rivera, a third-party “management company” was responsible for appellant’s operation in 2023. (*Ibid.*) He testified that this company failed to meet its obligations, such as paying appellant’s bills, and “fraudulently took out a loan in [appellant]’s name.” (*Ibid.*) Rivera stated he “brought a civil suit to recoup [appellant]’s losses” but ALJ Ghaly found his testimony to be “vague” about the company or its exact involvement with appellant. (*Ibid.*) ALJ Ghaly also found there was nothing to corroborate his testimony that he had “brought a lawsuit against the management company.” (*Id.* at pp. 5-6.)

Rivera admitted at the hearing that the “METRC records were not reconciled with the inventory” found at appellant’s facility and that he and George “did not accurately and timely input the transactions and stolen products.” (*Id.* at p. 6.) Rivera “also admitted to sharing log-in credentials with George.” (*Ibid.*) Rivera “disputed that he did not call the police” following the burglaries in May and December 2023, but he “did not produce any police reports other than the one dated January 24, 2024.” (*Ibid.*)

Based on these findings, ALJ Ghaly found the Department had carried its burden of proving the alleged violations in the Accusation and established grounds for discipline under section 26030. (*Id.* at p. 7; see also Bus. & Prof. Code, § 26030.)

The first, second, and third causes of action all stem from appellant's failure to accurately track data in the CCTT system. With regard to the first cause of action—failure to reconcile inventory at least once every 30 days in violation of rule 15051(a)(1)—ALJ Ghaly found that this violation was established because appellant's records did not reflect “burglaries and other transactions removing inventory from [appellant]’s facilities purportedly months before the Department’s review.” (Proposed Decision, at pp. 8-9, ¶ 7; see also Code Regs., tit. 4, § 15051(a)(1).) Based on the same findings, ALJ Ghaly concluded that the second cause of action—failure to accurately report data in the CCTT system in violation of rule 15047.2(b)—had also been proven because “the reported data was not an accurate reflection of [appellant]’s commercial activity for the relevant period.” (Proposed Decision, at p. 9, ¶ 8; see also Code Regs., tit. 4, § 15047.2(b).)

As to the third cause of action—failure to record sales or donations in the CCTT system within 24 hours in violation of rule 15049(b)(8)—ALJ Ghaly cited George’s statements about appellant selling and donating cannabis product in 2023. (Proposed Decision, at p. 9, ¶ 9; see also Code Regs., tit. 4, § 15049(b)(8).) ALJ Ghaly pointed out that “[n]othing in Rivera’s testimony contradicted George’s statements” and that “a number of products included in the Package Adjustment Chart are listed as missing because they were given away as trade sample.” (Proposed Decision, at p. 9.) ALJ Ghaly concluded that because the “sales and donations in 2023 were not included in [appellant]’s CCTT records . . . this cause for discipline was established.” (*Ibid.*)

In its fourth cause of action, the Department alleged that appellant failed to notify the Department and local law enforcement “within 24 hours of discovery of a significant discrepancy in its inventory, diversion, theft, loss, or any other criminal activity,” in violation of rule 15036. (Proposed Decision, at p. 10, ¶ 10; see also Code Regs., tit. 4, § 15036.) The Los Angeles County Sheriff’s Department report “document[s] Rivera’s eventual report of these [burglaries.]” (*Ibid.*) Critically, however, ALJ Ghaly noted that this report “is dated in January 2024, much later than the 24-hour period.” (*Ibid.*) She thus concluded that this violation had been established.

Finally, ALJ Ghaly found that the fifth cause of action—unauthorized sharing of CCTT account log-in information in violation of rule 15048(c)—had been proven because the “evidence established Rivera and George shared log-in credentials.” (*Id.* at p. 10, ¶ 11; see also Code Regs., tit. 4, § 15048(c).)

ALJ Ghaly reviewed the Department’s disciplinary guidelines and determined that failure to report the burglaries in violation of rule 15036 constituted a Tier 3 violation, calling for a “recommended minimum penalty” of “stayed revocation with a 45-day suspension, a fine or a

combination of suspension and a fine” and a “maximum penalty” of “license revocation.” (Proposed Decision, at p. 11, ¶¶ 13-14.) All other violations fell under Tier 2, with a “recommended minimum penalty” of “stayed revocation with a 15 to 30-day suspension, a fine or a combination of suspension and a fine,” and a “maximum recommended penalty” of “license revocation.” (*Ibid.*)

While acknowledging that the guidelines allow both aggravating and mitigating factors, ALJ Ghaly concluded that “nothing in the record supports a basis for leniency.” (*Id.* at pp. 11-12, ¶¶ 15-16.) ALJ Ghaly emphasized that, given Rivera’s “lax attitude toward running [appellant’s] business and his uncorroborated excuses,” “the maximum penalty, license revocation, is the only appropriate outcome for this matter.” (*Id.* at p. 12, ¶ 16.)

ALJ Ghaly also awarded costs to the Department totaling \$30,841.75 pursuant to section 26031.1(a) of the Business and Professions Code, finding no grounds to reduce the amount. (*Id.* at p. 13, ¶¶ 17-19, applying criteria in *Zuckerman v. State Bd. of Chiropractic Examiners* (2002) 29 Cal.4th 32, 45.)

The Department adopted ALJ Ghaly’s Proposed Decision in its entirety as its Final Decision on December 11, 2025. (Final Decision, at p. 1.) The Final Decision went into effect the same day. (*Ibid.*)

On December 12, 2025, appellant filed a timely Form 6003 (Notice of Appeal) with this Panel. (App. Notice of Appeal (Dec. 12, 2025), at p. 1.) Pursuant to Panel rule 6014, the filing of the Notice of Appeal automatically stayed the effect of the Department decision pending the final order of this Panel. (Code Regs., tit. 16, § 6014.) However, on December 16, 2025, the Department filed a Motion to Vacate Stay. (Dept. Motion to Vacate Stay (Dec. 16, 2025).) On December 23, 2025, following briefing on the Motion, this Panel granted the Department’s Motion. (Panel Order Vacating Stay (Dec. 23, 2025).)

On appeal, appellant raises numerous objections to the Department’s decision, including: (1) that the Department “did not proceed in the manner required by law when the ALJ denied . . . Rivera’s request to reschedule the hearing in order to retain an attorney” (App.Br., at p. 3); (2) that as a result of the denial, appellant was unable to present “all evidence regarding mitigation of the license revocation penalty” (*Id.* at pp. 13-17); and (3) that as a further result of the denial, the Department “exceeded its discretion” when it imposed a penalty of license revocation. (See *id.* at p. 16; see also App. Reply Br., at p. 9.) Appellant requests various forms of relief, including that this Panel grant it a “reasonable time” to retain an attorney in order to either seek a stipulated settlement or schedule a rehearing. (App.Br., at p. 9.)

## JURISDICTION AND STANDARD OF REVIEW

This Panel is limited in both its jurisdiction and scope of review. Generally, the Panel may hear appeals only under a limited set of circumstances.

After proceedings pursuant to Section 26031, 26031.5, or 26058 or Chapter 2 (commencing with Section 480) or Chapter 3 (commencing with Section 490) of Division 1.5 [of the Business and Professions Code], any person aggrieved by the decision of the department denying the person's application for any license, denying the person's renewal of any license, placing any license on probation, imposing any condition on any license, imposing any fine on any license or licensee, assessing any penalty on any license, or canceling, suspending, revoking, or otherwise disciplining any license as provided for under this division, may appeal the department's written decision to the panel.

(Bus. & Prof. Code, § 26043(a).)

Where the Panel does have jurisdiction, its scope of review is constrained. "The panel shall review the decision subject to such limitations as may be imposed by the Legislature." (Bus. & Prof. Code, § 26043(b).) Moreover, the Panel "shall not receive evidence in addition to that considered by the department." (*Ibid.*) Finally,

(c) Review by the panel of a decision of the department shall be limited to the following questions:

- (1) Whether the department has proceeded without or in excess of its jurisdiction.
- (2) Whether the department has proceeded in the manner required by law.
- (3) Whether the decision is supported by the findings.
- (4) Whether the findings are supported by substantial evidence in light of the whole record.

(Bus. & Prof. Code, § 26043(c).)

Substantial evidence is relevant evidence that a reasonable mind might accept as adequate to support a conclusion. (*County of San Diego v. Assessment Appeals Bd. No. 2* (1983) 148 Cal.App.3d 548, 555, quoting *Hosford v. State Personnel Bd.* (1977) 74 Cal.App.3d 302, 307.) It is evidence of "ponderable legal significance . . . reasonable in nature, credible, and of solid value." (*County of San Diego, supra*, at p. 555, quoting *Ofsevit v. Trustees of the Cal. State Univ. & Colleges* (1978) 23 Cal.3d 773, fn. 9.) This Panel's review of the evidence,

however, is strictly limited: “The findings and conclusions of the department on questions of fact are conclusive and final and are not subject to review. Those questions of fact shall include ultimate facts and the findings and conclusions of the department.” (Bus. & Prof. Code, § 26047.) This Panel may not reweigh conflicting evidence but instead will consider whether the Department’s findings are supported by such evidence in light of the whole record. (*Kirby v. Alcoholic Bev. Control Appeals Bd.* (1970) 7 Cal.App.3d 126, 129; *Reimel v. Alcoholic Bev. Control Appeals Bd.* (1967) 255 Cal.App.2d 40, 43.)

The Panel also considers whether any procedural error or evidentiary ruling prejudiced the appellant. Reversal is not warranted unless the appellant affirmatively demonstrates that an error resulted in prejudice. (Cal. Const., art. VI, § 13; Code Civ. Proc., § 475; *Reimel v. House* (1969) 268 Cal.App.2d 780, 787; *Citizens for Open Govt. v. City of Lodi* (2012) 205 Cal.App.4th 296, 308.) The burden is on the party seeking reversal to show that it is reasonably probable a more favorable result would have been reached absent the alleged error. (*City of Oakland v. Public Employees’ Retirement System* (2002) 95 Cal.App.4th 29, 51-52; *Thornbrough v. Western Placer Unified School Dist.* (2013) 223 Cal.App.4th 169, 200.)

This standard imposes a high threshold. This Panel will not overturn a decision simply because different inferences could be drawn from the evidence. The question is not whether the Panel would have reached the same result, but whether the Department’s findings are supported by substantial evidence.

Finally, “the penalty imposed by an administrative agency is a matter vested in the discretion of such agency,” which “will not be disturbed unless there has been a clear abuse of discretion.” (*Martin v. Alcoholic Bev. Control Appeals Bd. of Cal.* (1959) 52 Cal.2d 287, 291.) An abuse of discretion occurs only when the penalty is so disproportionate to the offense that it shocks the conscience and suggests an absence of honest judgment. (*Deegan v. City of Mountain View* (1999) 72 Cal.App.4th 37, 46.)

## **ANALYSIS**

### **I. Denial of Continuance Request**

Appellant first argues that the Department “did not proceed in the manner required by law” when it denied Hector Rivera’s request for a continuance in “order to retain an attorney.” (App.Br., at p. 3.) Appellant contends that the denial was improper because appellant is organized as an LLC, and, “[w]ith limited exceptions, a corporation cannot appear in court in propria persona or through an officer or agent who is not an attorney.” (App.Br., at p. 6, citing *Merco Constr. Engineers, Inc. v. Municipal Ct.* (1978) 21 Cal.3d 724, 727, 729.) Appellant further argues that the Administrative Procedure Act, with limited exceptions, precludes

representation by a layperson in hearings where “formal procedures” are required. (App.Br., at pp. 7-12.) According to appellant, this is “not surprising” since proceedings conducted pursuant to the Administrative Procedures Act “have many of the attributes of civil trials and, therefore, can reasonably be said to call for ‘the application of legal knowledge and technique.’” (App.Br., at pp. 11-12, quoting *Baron v. City of Los Angeles* (1970) 2 Cal.3d 535, 543.)

In response, the Department counters that appellant has forfeited review of its continuance request because, pursuant to section 11524 of the Government Code, any such challenge must be made before the Superior Court within ten working days of the denial. (Dept.Br., at pp. 15-16, citing Gov. Code, § 11524(c).) The Department further contends that, under the Court of Appeal’s holding in *Caressa*, “a non-lawyer may represent a corporate entity at an [a]dministrative [h]earing,” and that “Rivera’s representation of Appellant at the administrative hearing is not grounds for reversal.” (Dept.Br., at p. 16, citing *Caressa v. Alcoholic Bev. Control Appeals Bd.* (2002) 99 Cal.App.4th 1094.) It argues that Rivera, appellant’s principal, “chose to, and was legally permitted to, represent appellant.” (Dept.Br., at pp. 16-18.)

In its reply, appellant differentiates its own case from the facts in *Caressa*, arguing that “Caressa elected to be represented by its president” while appellant made no such election with regard to Rivera. (App. Reply Br., at p. 8, citing *Caressa*, *supra*, at p. 105.) It also argues that that section 11524 does not bar review of the continuance denial before this Panel because it “preserve[d] the issue for an administrative appeal instead of seeking judicial review.” (App. Reply Br., at p. 7.)

As an initial matter, appellant waived its right to appeal this issue. As the Department points out, Government Code section 11524, subdivision (c), sets a time limit for appealing continuance denials:

In the event that an application for a continuance by a party is denied by an administrative law judge of the Office of Administrative Hearings, and the party seeks judicial review thereof, *the party shall, within 10 working days of the denial, make application for appropriate judicial relief in the superior court or be barred from judicial review thereof as a matter of jurisdiction. . . .*

(Gov. Code, § 11524(c), emphasis added.) Moreover, this subdivision makes clear that appellate review of the denial of a continuance lies exclusively with the Superior Court.<sup>1</sup>

---

<sup>1</sup> The lone exception to this provision is the Department of Alcoholic Beverage Control. (See Gov. Code, § 11524(c).) However, administrative hearings on accusations filed by the Department of Alcoholic Beverage Control are typically heard by administrative law judges appointed by the director of the Department of Alcoholic Beverage Control, and not by the Office of Administrative Hearings. (See Bus. & Prof. Code, § 24300(e).) No such

It is undisputed that appellant did not seek review before the Superior Court within ten working days of ALJ Ghaly's denial of its request for a continuance. (See generally App.Br; App. Reply Br.)

Appellant instead asserts a distinction between "judicial review" and an administrative appeal before this Panel, and contends that it "preserve[d] the issue for an administrative appeal" rather than seeking review of the denial before the Superior Court. (See App. Reply Br., at p. 7.) However, it cites no authority in support of such a distinction, and this Panel has been unable to locate any. (See *ibid.*) Therefore, appellant forfeited any appeal of the denial of its continuance request when it failed to seek review before the Superior Court within ten working days of ALJ Ghaly's ruling, as required by section 11524(c). (See Gov. Code, § 11524(c).)

However, even if appellant did not forfeit review of the denial, it has not shown that ALJ Ghaly's denial of the continuance request constituted an abuse of discretion.

Section 11524 provides that continuances may be granted only for good cause: "When an administrative law judge of the Office of Administrative Hearings has been assigned to the hearing, no continuance may be granted except by him or her or by the presiding judge of the appropriate regional office of the Office of Administrative Hearings, for good cause shown." (Gov. Code, § 11524(a).) Generally, a party "shall apply for the continuance within 10 working days" after it discovers the circumstances giving rise to its request. (Gov. Code, § 11524(b).) However, "[a] continuance may be granted for good cause after the 10 working days have lapsed if the party seeking the continuance is not responsible for and has made a good faith effort to prevent the condition or event establishing the good cause." (*Ibid.*)

"Good cause" is a somewhat amorphous legal standard, adaptable to the circumstances of the case. What constitutes "good cause" is the same for administrative hearings as it is for judicial proceedings. (See *Bussard v. Dept. of Motor Vehicles* (2008) 164 Cal.App.4th 858, 864.) In the context of civil litigation, however, the California Supreme Court has stated that "[t]he concept of good cause should not be enshrined in legal formalism; it calls for a factual exposition of a reasonable ground for the sought order." (*Waters v. Superior Ct. of Los Angeles Co.* (1962) 58 Cal.2d 885, 893; see also *U.S. Postal Service v. Cal. Unemployment Ins. Appeals Bd.* (1976) 63 Cal.App.3d 506, 514 [citing *Waters* in appeal from administrative decision finding good cause for late filing].)

The standard for review of a denial is abuse of discretion. "[U]nless the refusal of the

---

exception exists for proceedings on actions taken by the Department of Cannabis Control, which are conducted by the Office of Administrative Hearings and therefore unequivocally fall under this provision of law. (See generally Gov. Code, § 11524.)

hearing officer to grant a continuance was an abuse of discretion, there was no denial of due process.” (*Givens v. Dept. of Alcoholic Bev. Control* (1959) 176 Cal.App.2d 529, 532; see also *Dresser v. Bd. of Med. Quality Assurance* (1982) 130 Cal.App.3d 506, 518.) Since there are many variables to consider when granting or denying a continuance, the judge’s discretion is necessarily broad. (*Arnett v. Office of Admin. Hearings* (1996) 49 Cal.App.4th 332, 343.) The “power to determine when a continuance should be granted is within the discretion of the court, and there is no right to a continuance as a matter of law.” (*Mahoney v. Southland Mental Health Associates Med. Group* (1990) 223 Cal.App.3d 167, 170; see also *Cooper v. Bd. of Med. Examiners* (1975) 49 Cal.App.3d 931, 944; *Savoy Club v. Bd. of Supervisors* (1970) 12 Cal.App.3d 1034, 1038.) The ALJ’s ruling “will be upheld unless a clear abuse is shown, amounting to a miscarriage of justice.” (*Mahoney, supra*, at p. 170.)

Here, there is no such miscarriage of justice. The Department served appellant with the Notice of Hearing five months prior to the hearing. (See Notice of Hearing, Administrative Record (AR), at pp. A27-A30; see also RT at p. 9.) At hearing, Rivera confirmed receipt of that Notice. (RT at p. 9.) The Notice informed appellant, in relevant part:

You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel.

[¶ . . . ¶]

CONTINUANCES: Under section 11524 of the Government Code . . . no continuance may be granted except by . . . the presiding Administrative Law Judge for good cause. When seeking a continuance, a party shall apply for the continuance within ten (10) working days following the time the party discovered or reasonably should have discovered the event or occurrence which establishes good cause for the continuance. A continuance may be granted for good cause after the ten (10) working days have lapsed only if the party seeking the continuance is not responsible for and has made a good faith effort to prevent the condition or event establishing the good cause.

Continuances are not favored. If you need a continuance, immediately write or call the Office of Administrative Hearings.

(Notice of Hearing, AR, at pp. A28-A29.) Appellant was thus on notice that it could hire an attorney, if desired, or appear at the hearing without one, and that any continuance request must be timely.

Although the Notice of Hearing language is not legally binding, it establishes that Rivera, appellant's principal, "discovered or reasonably should have discovered" appellant's need for counsel five months in advance of the hearing. (See Gov. Code, § 11524(b); see also RT at p. 9.) That timeframe far exceeds the 10 days contemplated in the statute. While section 11524 does permit a continuance for good cause "if the party seeking the continuance is not responsible for and has made a good faith effort to prevent the condition or event establishing the good cause," this Panel can identify nothing in the record justifying the delay in this case.

Appellant, however, also argues the continuance should have been granted because appellant, as a corporate entity, "cannot appear in court in propria persona or through an officer or agent who is not an attorney." (App.Br., at p. 6.) Appellant admits that "[t]here is no actual statutory law in California stating that corporations must be represented by an attorney in Court," but directs this Panel instead to "a long-standing common law rule that is very well established in the case law." (*Ibid.*)

In *Caressa*—a case discussed by both parties in their respective briefs—the Court of Appeal addressed an analogous set of facts. (See generally *Caressa, supra*.) There, the Department of Alcoholic Beverage Control (ABC) "revoked the license following an administrative hearing at which Caressa, a corporation, was represented by its president, who stipulated to" certain facts alleged in the Accusation. (*Id.* at p. 1096.) Caressa then appealed ABC's decision to the Alcoholic Beverage Control Appeals Board, which affirmed the decision. (*Id.* at p. 1100.)

Afterward, Caressa filed a petition for writ of review with the Court of Appeal. Caressa argued that ABC "proceeded without or in excess of its jurisdiction by permitting . . . Caressa's nonattorney president[] to represent Caressa at the administrative hearing on the accusation." (*Id.* at pp. 1099-1100.)

The Court of Appeal observed that the question, "whether a corporate licensee appearing as a party in an adjudicatory administrative hearing is entitled to be represented by a nonattorney officer of that corporation," was "a matter of first impression in this state." (*Id.* at p. 1101.) The court further noted a "split in case law" among other jurisdictions. (*Ibid.*)

The court first acknowledged that "[a]s a general rule, it is well established in California that a corporation cannot represent itself in a court of record either in propria persona or through an officer or agent who is not an attorney." (*Ibid.*, citing *Merco Constr. Engineers, supra*, at p. 727; *Vann v. Shileh* (1975) 54 Cal.App.3d 192, 199; *Paradise v. Nowlin* (1948) 86 Cal.App.2d 897, 898.)

The court noted, however, that “[a]s an exception to the foregoing general rule, corporations may be represented in small claims courts by certain persons who are not members of the State Bar.” (*Caressa, supra*, at p. 1102, citing *Merco Constr. Engineers, supra*, at p. 720.) The court characterized this exception as motivated by expedience: “This exception to the general rule is consistent with the purpose of providing quick, impartial, and inexpensive adjudication of disputes in small claims courts under rules of procedure and evidence that are less stringent and complicated than those that apply in more formal courts of record.” (*Caressa, supra*, at p. 1102.)

The court then pointed out a distinction it described as “critical”: “the general rule prohibiting corporations from being represented in court by individuals who are not licensed attorneys applies to proceedings in ‘courts of record.’” (*Ibid.*) The court cited language in the California Constitution identifying which tribunals are courts of record: “The judicial power of this State is vested in the Supreme Court, courts of appeal, and superior courts, all of which are courts of record.” (*Ibid.*, citing Cal. Const., art. VI, § 1.) Based on this definition, the court concluded that “an administrative tribunal is not a ‘court of record’ as defined by . . . the California Constitution.” (*Caressa, supra*, at p. 1103.)

The court thus held that “the general common law rule requiring corporations to be represented by counsel in proceedings before courts of record . . . does not extend to proceedings before administrative agencies and their tribunals.” (*Ibid.*) In reaching this holding, the court pointed out that expectations in the administrative setting—as in small claims court—are considerably less exacting than those of a court: “[T]hose problems which are likely to arise when a lay[person] serves as the legal representative for a corporation in a proceeding in a court of record are greatly minimized in the more informal setting of a proceeding in a court which is not of record.” (*Ibid.*, quoting *Eckles v. Atlanta Tech. Group, Inc.* (1997) 267 Ga. 801.)

Here, appellant offers two factual distinctions from *Caressa*: first, that appellant, as a corporation, did not choose to be represented by a non-attorney officer, and second, that it did not stipulate to the facts alleged in the Accusation. (App.Br., at p. 13; see also App. Reply Br., at p. 8.)

It is undisputed, however, that the Department served the Accusation and related documents on appellant with Rivera listed as the owner (AR at pp. A1-A23), and that Rivera signed and returned the Notice of Defense on appellant’s behalf (AR at p. A24). If Rivera’s lay representation was not in appellant’s best interest, then it is unclear who, if not Rivera, was able to retain counsel on its behalf in advance of the hearing.

Moreover, while it is true that appellant did not expressly stipulate to the facts alleged in the Accusation, Rivera acknowledged the fact of the violations in his closing statement:

You know, we are trying to do our best. Daniel and I obviously did break some rules. Obviously, we didn't—or we didn't follow the rules according to, you know, how they work. But we are trying to do the best we can, and we are doing a good job currently.

(RT at p. 120.) Even on appeal—with the aid of counsel—appellant does not challenge the factual basis of the Accusation but instead seeks to mitigate the penalty by assigning accountability to its management company. (See App.Br., at pp. 13-17; see also Part II, *infra*.)

Finally, there is no indication that the court's opinion in *Caressa* was limited to the specific set of facts before it. In addressing a matter of first impression, *Caressa* established a new binding precedent. Although the court discusses *Caressa*'s specific facts in concluding that ABC did not abuse its discretion in selecting the penalty (*Caressa, supra*, at p. 1104), the court's holding with regard to lay representation is broadly stated and applicable to “administrative proceedings” generally. (See *id.* at p. 1103.) Accordingly, there is no reason for the Panel to limit or qualify the holding in *Caressa* in the instant appeal.

## **II. Mitigating Evidence**

Appellant next contends that because it was not granted a continuance to retain an attorney, it was unable to present mitigating evidence. (App.Br., at p. 13; App. Reply Br., at p. 6.) The evidence in question consists of several documents related to a default civil judgment against appellant's management company, issued by the Superior Court of Los Angeles County and awarding appellant significant damages for fraud and breach of contract. (App.Br., at pp. 13; Exhs. D-E.)

Appellant explains that it could not have presented this evidence at the administrative hearing before ALJ Ghaly because the default judgment was not issued until after the administrative hearing had concluded. (*Ibid.*; see also App. Reply Br., at p. 6.) According to appellant, “[t]he default judgment is relevant to the hearing to show the acts, omissions, and failures of” the management company acting on appellant's behalf, and that the management company's failures are not imputed to appellant. (App. Reply Br., at p. 6.) It argues,

If [appellant's] request for the assistance of an attorney had been granted by the ALJ, the attorney would have requested the continuance or reconvening of the hearing until after default judgment . . . in order that said default judgment could be produced to the [c]omplainant through [d]iscovery and entered into evidence after proper foundation and authentication at the

hearing, which only a California [l]icensed attorney is trained to do.

(App.Br., at p. 13; see also App. Reply Br., at p. 6.) In other words, appellant contends that the ALJ did not find mitigation because Rivera “was not a qualified professional.” (App. Reply Br., at p. 6.)

In response, the Department argues first that appellant could, in fact, “have filed the bulk of those documents at the administrative hearing.” (Dept.Br., at p. 12.) It writes,

Appellant presents no evidence that Appellant could not have presented the cross-complaint, the management agreement, or the request for court judgment, at the administrative hearing in this case. Indeed, the Opening Brief does not explain why Appellant did not present, or even so much as mention, these documents at the hearing.

(Dept.Br., at p. 12.)

The Department further argues that the documents are irrelevant. (Dept.Br., at p. 13.) Among other things, the Department directs this Panel to language in the agreement between appellant and its management company that states, in relevant part, “The purpose of this Agreement is to establish Manager as an authorized Consultant and to manage the Commercial Distribution Operations of Lucky 13 (but not other commercial cannabis activities in which the Company engages) and to set forth the respective duties, . . .” (Dept.Br., quoting App.Br., Exh. D, at p. 10.) Moreover, according to the Department, “Appellant provides no evidence whatsoever that it sued the manager for causing Appellant damages by violating Department regulations requiring retailers, like Appellant, to report burglaries, to report sales or donations, or to reconcile inventory. Rather, Appellant’s alleged damages pertained to start-up costs and rent.” (Dept.Br., at p. 14.)

The Department also notes that this Panel “shall not receive evidence in addition to that considered by the [D]epartment.” (Dept.Br., at p. 12, citing Bus. & Prof. Code, § 26043(b).) It argues that appellant “did not present any of these documents” at the administrative hearing, and the Panel should “therefore not receive these documents.” (Dept.Br., at p. 12.)

Section 26044 of the Business and Professions Code states:

In appeals where the panel finds that there is relevant evidence which, in the exercise of reasonable diligence, could not have been produced or which was improperly excluded at the hearing before the department, it may enter an order remanding the matter to the department for reconsideration in the light of that evidence.

(Bus. & Prof. Code, § 26044(a).) This provision does not permit the Panel itself to weigh new evidence as part of its adjudication of an appeal. (See *ibid.*) Rather, it permits the Panel—under limited circumstances—to remand the case to the Department to reconsider the matter in light of the new evidence. (See *ibid.*)

Panel rule 6009 outlines the procedures for seeking remand in light of new evidence:

(a) A party may file a motion to remand the case back to the [Department] in accordance with Business and Professions Code section 26044 on the grounds that there is relevant evidence which, in the exercise of reasonable diligence, could not have been produced at the underlying hearing. In support of the motion, the party shall submit the following in the form of a declaration of affidavit:

- (1) The substance of the newly discovered evidence;
- (2) Its relevancy and the part of the record to which it pertains;
- (3) Names of witnesses to be produced, if any, and their expected testimony;
- (4) The nature of any exhibits to be introduced, if any; and
- (5) A detailed statement of the reasons why such evidence could not, with due diligence, have been discovered and produced at the underlying hearing. Merely cumulative evidence shall not constitute a valid ground for remand.

(Code Regs., tit. 16, § 6009(a)(1)-(5).)

While appellant does not explicitly employ the term “remand,” it is clear that is the remedy it seeks. It writes,

Appellant respectfully request[s] this Honorable Panel GRANT Appellee’s reasonable time (45 days) to:

[¶ . . . ¶]

2. Schedule a new or resumption of the hearing to allow Appellant the opportunity to exercise its evidentiary rights, to allow Discovery and the submission of evidence necessary to support Appellant’s case.

(App.Br., at p. 18.)

Appellant, however, has not filed a formal motion seeking remand—and more

importantly for purposes of this Panel's determination, it has also not filed an affidavit or declaration in support of its request, as required by rule 6009. (See generally App.Br.; see also Code Regs., tit. 16, § 6009(a).) Without a sworn statement, this Panel lacks the information it needs to determine whether remand is appropriate.

However, even if this Panel chooses to overlook the formal shortcomings in appellant's remand request, it is not clear that the default judgment documents are relevant. (See Evid. Code, § 210; see also Code Regs., tit. 16, § 6009.) Section 210 of the Evidence Code states, "'Relevant evidence' means evidence, including evidence relevant to the credibility of a witness or hearsay declarant, having any tendency in reason to prove or disprove a disputed fact that is of consequence to the determination of the action." (Evid. Code, § 210.) In order to merit remand, appellant would need to show this Panel that the default judgment has some probative value with regard to the violations alleged in the Accusation.

As the Department points out, the management company's contract is expressly limited to the operations under appellant's distribution license, not its retail license, and excludes any other operations. (Dept.Br., at p. 13, citing App.Br., Exh. D, at p. 10.) The language of the agreement states, in relevant part:

C. The purpose of this Agreement is to establish Manager *as an authorized consultant and to manage the commercial distribution operations of Lucky 13 (but no other commercial cannabis activities in which [Lucky 13] engages)*. . . .

(App.Br., Exh. D, at p. 10, emphasis added.) Based on the contractual language, the management company was hired solely to oversee appellant's distribution operations and therefore could not have caused the violations alleged against appellant's retail license.

Appellant acknowledges this language but counters that the management company's "acts, omissions, or failures" "were not within the scope of their employment or office." (App.Br., at pp. 16-17; App. Reply Br., at p. 5.) It directs the Panel's attention to Department rule 15000.5, which 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.

(App.Br., at pp. 16-17, citing Code Regs., tit. 4, § 15000.5.) Appellant claims it was "damaged" by its "justifiable reliance" on the management company's intentional misrepresentations.

(App.Br., at p. 17.) Appellant’s brief implies—but does not directly claim—that the violations alleged in the Accusation were also a result of its reliance on those misrepresentations.

As the Department points out, however, “[a]ppellant’s claims in the civil lawsuit were brought against the management company via a cross-complaint for breach of contract and fraud.” (Dept.Br., at p. 13.) Rivera testified at the administrative hearing that the lawsuit arose because the management company “st[ole] all the money that [he] had raised for the business,” and “fraudulently” took a “loan out on the company. And [he] was getting sued by [the lender].” (RT at p. 96.) As a result, appellant alleged significant monetary damages “for management start-up costs,” “for rent to be paid by management,” for “investor cash contributions . . . for management start-up costs,” and “for premises rent, and unknown other damages to be determined.” (App.Br., at pp. 15-16, Exh. D, at p. 7.)

On their face, none of appellant’s claims or damages against its management company relate to the conduct alleged in the Department’s Accusation. Although the default judgment establishes that the management company is liable for fraud and breach of its contract to manage appellant’s distribution operations, appellant has not demonstrated how evidence of a default judgment in that litigation is relevant to the facts underlying the Department’s causes of discipline against its retail license.

Finally, even assuming evidence of the lawsuit and default judgment is relevant, appellant does not explain why it could not, with due diligence, have produced at least some of these documents at the administrative hearing.

It is true that appellant could not have produced the final default judgment since it was issued after the hearing was complete. (See App.Br., at p. 13; App. Reply Br., at p. 6.) However, it is undisputed that the remaining documents—the management services agreement, the cross-complaint, and the request for entry of default—predate the administrative hearing.<sup>2</sup> (See App.Br., Exhs. A, D-E.) Rivera, in fact, alluded to the state of the litigation in his testimony:

ADMINISTRATIVE LAW JUDGE: Did you—did you ever make a complaint against the management company or report them to law enforcement?

[RIVERA]: Yes. So we have a civil lawsuit against them, and I should be getting a default judgment because we can’t locate them. We have exhausted every avenue.

---

<sup>2</sup> The management services agreement is dated August 20, 2022 (App.Br., Exh. A); the cross-complaint was filed on January 10, 2024 (App.Br., Exh. D); and the request for default was filed on January 8, 2025 (App.Br., Exh. E). The administrative hearing in the present case took place on October 21, 2025. (Proposed Decision, at p. 1.)

(RT at p. 105.) Despite Rivera’s apparent certainty that a default judgment was forthcoming, appellant did not offer any documentary evidence of the lawsuit into evidence. (See generally AR.)

Appellant’s remand request is unavailing. This Panel may only remand a case if it “finds that there is relevant evidence which, in the exercise of reasonable diligence, could not have been produced or which was improperly excluded at the hearing before the department.” (Bus. & Prof. Code, § 26044.) Panel rules require that the appellant submit a declaration or affidavit describing the relevance of the new evidence and offering a “detailed statement” as to why the evidence could not have been produced at the hearing. (Code Regs., tit. 16, § 6009.) Appellant has submitted neither a formal motion to remand nor a supporting affidavit or declaration, and has not otherwise made the required showing.

### **III. Penalty**

Appellant raises two arguments aimed at the penalty imposed.

First, appellant argues that the Department did not initially request an immediate revocation. (App.Br., at p. 16.) Appellant points to the Department’s closing statement at the administrative hearing:

[Department Counsel:] In terms of the appropriate level of discipline, [the Department] submits that the Court should impose a license revocation, with revocation stayed; a suspension of 30 days; a fine; and payment of full costs of investigation and enforcement.

[The Department] submits that this is an appropriate level of discipline for the proven violations.

[¶ . . . ¶]

[ALJ Ghaly:] Mr. Beasley, may I just ask you: Your recommended penalty is revocation, stayed, and what?

[Department Counsel]: A 30-day suspension.

(RT at p. 116.) Second, appellant argues that the Department “exceeded its discretion” when ordering revocation since “Rivera was unable” to offer evidence “regarding mitigating and rehabilitating factors” at the hearing. (App. Reply Br., at p. 9.)

The Department responds that it “considered the Disciplinary Guidelines and correctly found that the first, second, third, and fifth causes for discipline were each ‘Tier 2’ violations,

and that the fourth cause for discipline is a 'Tier 3' violation." (Dept.Br., at p. 19.) It also notes that "revocation is a level of discipline that falls within the recommended range for a 'Tier 2' or a 'Tier 3' violation." (*Ibid.*) Since revocation was "within the Disciplinary Guidelines' range for any one of the proven violations," the Department argues this Panel "should not find that the Department abused its discretion in imposing revocation." (*Ibid.*)

This Panel's scope of review includes "[w]hether the department has proceeded without or in excess of its jurisdiction" and "[w]hether the department has proceeded in the manner required by law." (Bus. & Prof. Code, § 26043(c)(1)-(2).) In assigning a penalty, the Department is therefore "bound to exercise legal discretion, which is, in the circumstances, judicial discretion." (*Martin v. Alcoholic Bev. Control Appeals Bd.* (1965) 55 Cal.2d 867, 875.) Judicial discretion "is not a capricious or arbitrary discretion, but an impartial discretion, guided and controlled in its exercise by fixed legal principles." (*Bailey v. Taaffe* (1866) 29 Cal. 422, 424.)

The standard of review for a penalty is therefore abuse of discretion. (*Landau v. Med. Bd.* (1998) 81 Cal.App.4th 191, 217-218; see also *Skelly v. State Personnel Bd.* (1975) 15 Cal.3d 194, 217.) "[I]t is well settled that in reviewing the penalty imposed by an administrative body, neither a trial court nor an appellate court is free to substitute its own discretion as to the matter." (*Nightingale v. State Personnel Bd.* (1972) 7 Cal.3d 507, citing *MacFarlane v. Dept. of Alcoholic Bev. Control* (1958) 51 Cal.2d 84, 91.) Moreover, a reviewing court may not "substitute its own discretion" in order to "interfere with the imposition of a penalty by an administrative tribunal because in the court's own evaluation of the circumstances the penalty appears to be too harsh." (*Lake v. Civ. Service Com.* (1975) 47 Cal.App.3d 224, 228; see also *Collins v. Bd. of Med. Examiners* (1972) 29 Cal.App.3d 439, 446.) "If reasonable minds might differ as to the propriety of the penalty imposed, this fact serves to fortify the conclusion that the administrative body acted within the area of its discretion." (*Harris v. Alcoholic Bev. Control Appeals Bd.* (1965) 62 Cal.2d 589, 594; *Marino v. City of Los Angeles* (1973) 34 Cal.App.3d 461, 464.)

This Panel may therefore only review whether the penalty of revocation represented a valid exercise of the Department's discretion under the law. It may not substitute an alternative penalty.

Department rule 17814 states, "In reaching a decision on a disciplinary action . . . the Department shall consider the disciplinary guidelines . . . which are hereby incorporated by reference." (Code Regs., tit. 4, § 17814.) The rule allows for deviation "where the Department in its sole discretion determines that the facts of the particular case warrant such a deviation (e.g., the presence of mitigating factors, the age of the case, or evidentiary

problems).” (*Ibid.*)

The Department’s Disciplinary Guidelines are divided into tiers depending on the severity of the violation. Each tier is then assigned a recommended maximum and minimum penalty. According to the Disciplinary Guidelines,

Tier 2 discipline is recommended for

- Violations with a serious potential for harm
- Violations which involve greater risk and disregard of public safety

(Dept. Disciplinary Guidelines (Jul. 2022) (“Disciplinary Guidelines”), at p. 8.) The minimum penalty for a Tier 2 violation is “Revocation stayed, 15 to 30-day suspension, a fine . . . , or a combination of a suspension and fine.” (*Ibid.*) The maximum penalty for a Tier 2 violation is “Revocation.” (*Ibid.*)

Tier 2 violations established in this case include all violations described in the first, second, third, and fifth causes for discipline, specifically violations of rule 15051(a)(1) (first cause); rule 15047.2(b) (second cause); rule 15049(b)(8) (third cause); and rule 15048(c) (fifth cause). (*Ibid.*; see also Proposed Decision, at pp. 8-10, ¶¶ 5-11.)

Tier 3 violations, on the other hand, represent an elevated risk of harm. According to the Disciplinary Guidelines,

Tier 3 discipline is recommended for:

- Knowing or willfully violating laws or regulations pertaining to commercial cannabis activity.
- Fraudulent acts relating to the licensee’s commercial cannabis business.

(Disciplinary Guidelines, at p. 11.) The minimum penalty for a Tier 3 violation is “Revocation stayed, 45-day suspension, a fine . . . , or a combination of a suspension and fine.” (*Ibid.*) The maximum penalty for a Tier 3 violation is “Revocation.” (*Ibid.*)

The fourth cause for discipline established in this case—a violation of rule 15036—constitutes a Tier 3 violation. (*Id.* at p. 12; see also Proposed Decision, at p. 10, ¶ 10.)

ALJ Ghaly reviewed these Penalty Guidelines in addition to several factors she deemed relevant to the penalty determination:

Nature and gravity of the act(s), violations, offenses, or crime(s) under consideration. [Appellant's] failure to accurately and timely report its transactions and missing inventory, timely report two burglaries to law enforcement and the Department, and to maintain and use individual log-ins for each of its METRC users undermined not only the cited regulations but the safeguards of the Department's regulatory scheme. These laws and regulations are intended to allow cannabis and cannabis products to be tracked and controlled, a primary objective of the Department's. As such, these acts of misconduct are deemed extremely serious.

Actual or potential harm to the public or consumers. [Appellant] lost control of its own product by failing to report the burglaries and giving away some of its products and selling some without appropriately tracking the transactions. As such, it is impossible to know whether there was any harm to the products' ultimate consumers but there is at least potential harm.

Prior disciplinary and/or administrative record. [Appellant] has no history of prior discipline but its relatively short tenure gives this factor little weight.

Number and/or variety of current violations. As alleged, [appellant's] transgressions were violations of multiple regulations.

Evidence of Mitigation and Rehabilitation. Rivera, as [appellant's] owner, described certain personal and business reasons for why [appellant] did not comply with its legal responsibilities but little information about improvements or other indicators that these issues are not likely to arise again. Moreover, Rivera did not express any understanding of the importance of abiding by the law in operating a cannabis business. His failure to take even the most self-evident, common sense steps to account for the cannabis products, such as promptly reporting burglaries, raises significant concerns about whether he can run such a highly regulated business at all.

(Proposed Decision, at pp. 11-12, ¶ 15, emphasis in original.) ALJ Ghaly continued, "Considering the Guidelines' factors for disposition, nothing in the record supports a basis for leniency." (*Id.* at p. 12, ¶ 16.) In fact, she emphasized that Rivera's "lax attitude" in running appellant's business and "uncorroborated excuses" only reinforce finding that license revocation "is the only appropriate outcome for this matter." (*Ibid.*)

It is true that ALJ Ghaly imposed a stronger penalty than what the Department recommended at the hearing. The Department requested a stayed revocation, but ALJ Ghaly instead imposed an immediate revocation. (See Final Decision, at p. 1; Proposed Decision, at p. 13.) That ALJ Ghaly ultimately assigned a stronger penalty than the Department sought, however, does not mean there was an abuse of discretion. Indeed, if "reasonable minds might

differ as to the propriety of the penalty imposed, this fact serves to fortify the conclusion that the administrative body acted within the area of its discretion.” (*Harris, supra*, at p. 594.)

The only evidence in mitigation consisted of Rivera’s testimony regarding its management company’s alleged misconduct and the resulting lawsuit. (Proposed Decision, at p. 6, ¶ 13; RT at pp. 95-96, 105-111; see also Part II, *supra*.) ALJ Ghaly found, however, that “there was no evidence about what steps, if any, Rivera took to address its many transgressions once Rivera discovered that the management company was not properly running [appellant’s] operation.” (Proposed Decision, p. 6, ¶ 13.) Accordingly, she found no grounds for leniency and imposed the maximum penalty. (Proposed Decision, at p. 12, ¶ 16.)

A penalty of revocation falls well within the Department’s Disciplinary Guidelines for any one of the violations at issue. Because a penalty of revocation is clearly within the Department’s discretion for any one of the multiple violations at issue in this case, a penalty of revocation was a valid exercise of the Department’s discretion.

### **ORDER**

The Panel finds appellant’s arguments unpersuasive. Appellant waived its right to appeal the continuance denial, and the Panel is jurisdictionally barred from considering this issue now. Even if the Panel could review the denial, the Department acted within its discretion when it found that appellant had failed to show good cause for a continuance. Case law establishes that corporations may be represented by a layperson before an administrative body. Moreover, appellant has not established grounds to remand this case to the Department for the consideration of its mitigation evidence. Finally, appellant has not shown that a penalty of revocation constitutes an abuse of discretion.

Therefore, this Panel affirms the Department’s decision in full.<sup>3</sup>

DR. DIANDRA BREMOND, CHAIRPERSON  
JIM WOOD, MEMBER  
CATHRYN RIVERA, MEMBER  
CANNABIS CONTROL APPEALS PANEL  
**ISSUED: July 23, 2026**

---

<sup>3</sup> This final order is filed in compliance with Business and Professions Code section 26044(b), and it shall become effective 30 days following the date of the filing of this order as provided by section 26045(e). Any party, before this final order becomes effective, may apply to the appropriate court of appeal, or the California Supreme Court, for a writ of review of this final order in accordance with Business and Professions Code section 26045 et seq. Service on the Panel pursuant to California Rules of Court (Rule 8.25) should be directed to: 400 R Street, Suite 320, Sacramento, CA 95811 and/or electronically to: [appeals@ccap.ca.gov](mailto:appeals@ccap.ca.gov).