



Darryl Cotton <151darrylcotton@gmail.com>

PRA request — investigative report and licensing records concerning the CCTT falsification investigation described in the November 19, 2021 DCC exit email

2 messages

Darryl Cotton <151darrylcotton@gmail.com>
To: publicrecords@cannabis.ca.gov

Wed, Aug 26, 2026 at 9:13 AM

Background and basis for this request

On November 19, 2021, a DCC/CalCannabis special investigator assigned to Mendocino County sent a resignation or exit email to Director Nicole Elliott. That email was produced by the Department under the California Public Records Act and was reported by the *Los Angeles Times* on March 3, 2025. In it, the investigator states that he or she “personally led the investigation, wrote an extensive investigative report, as well as gave Compliance leadership powerpoint briefings on 2 companies using nursery licenses to falsify CCTT records for 75,977 plants that were grown illegally and then inverted into the CCTT system via falsified CCTT transfers after obtaining state licenses,” and that “[a]n application site for 1 of these companies contained 20 tons of unlicensed cannabis.” The email further states that “the location eradicated by law enforcement received state licenses weeks later,” and that no citation or license action was ever taken.

This request seeks the Department’s own records concerning that investigation and the licensing decisions described. Because the Department has already publicly released the email itself, the existence and general subject matter of these records is established on the public record.

Item 1 — The investigative report and briefings

1. The **investigative report** referenced in the November 19, 2021 exit email, concerning two companies alleged to have used nursery licenses to falsify CCTT/METRC records for approximately 75,977 plants, together with all exhibits, attachments, photographs, and appendices.
2. All **PowerPoint or other briefing materials** presented to Compliance leadership concerning that investigation, and any agenda, calendar entry, sign-in sheet, or notes reflecting when those briefings occurred and who attended.
3. All **case files, activity logs, inspection reports, and enforcement case records** associated with that investigation, including the assigned case, incident, or complaint number.
4. Any **supervisory review, routing, transmittal, closure memorandum, or disposition record** for that investigation.

Item 2 — Identification of the licensees and the site

5. Records **sufficient to identify** the two companies described in Item 1, and the application site described as containing approximately 20 tons of unlicensed cannabis, including license numbers, application numbers, premises addresses, and legal entity names.
6. Records sufficient to identify the **law enforcement eradication or search warrant** at the site described, including the date, the participating agencies, and any DCC or CalCannabis report generated from it.

Item 3 — Application and ownership records for the identified licensees

For each license and application identified in Item 2:

7. The **complete application file**, including all applications, amendments, supplements, and correspondence.
8. All **owner disclosures** submitted under Business and Professions Code § 26051.5, including the identity of every person disclosed as an owner under each subdivision of § 26001(ap).
9. All **financial interest holder disclosures** submitted under California Code of Regulations, title 4, § 15004, and all ownership and organizational-structure documents submitted under § 15003.
10. All **criminal history background check records, Live Scan results, and convictions-review determinations** conducted in connection with those applications, together with records showing which disclosed persons were and were not background-checked.
11. All **license issuance, renewal, denial, suspension, or revocation decisions** for those licenses, and any staff analysis or recommendation underlying them.
12. Any record reflecting the Department's or CalCannabis's **awareness of the eradication or the investigation** at the time the licenses were issued or renewed.

Item 4 — Track-and-trace records

13. All **CCTT/METRC transfer records, manifests, adjustments, reversals, corrections, and audit-trail exports** associated with the licenses identified in Item 2, for the period of the alleged falsification.
14. Any **CCTT/METRC audit, reconciliation, or data-integrity review** conducted by the Department or its contractor concerning those licenses.
15. Any Department policy, procedure, or guidance governing **correction or reversal of falsified CCTT entries**, and any record of such correction being applied — or a statement that none was.

Item 5 — The “no source” / amnesty program

16. All **policy documents, memoranda, directives, guidance, training materials, and email instructions** concerning the practice referred to in the exit email as “no source approval,” “no-source entry,” or an amnesty or transition program permitting cannabis of unverified origin to be entered into CCTT/METRC, for the period January 1, 2019 through December 31, 2022.
17. Records sufficient to show the **volume and value** of cannabis entered under that practice, including any record supporting or derived from the approximately **\$90 million** figure reported in connection with the exit email.
18. Any **log, tracking sheet, or approval record** identifying the licensees who received such approvals and the persons who granted them.
19. Any record reflecting **who authorized** the practice, when it was adopted, and when and by whom it was discontinued.

Item 6 — Eradication-to-licensure pattern

20. For the period January 1, 2019 through December 31, 2022, any record — including a list, report, spreadsheet, database export, or analysis — identifying applicants or licensees who were the **subject of a search warrant, eradication, or enforcement action** and who were **subsequently issued a State cannabis license**.
21. Any **internal analysis, audit, or correspondence** concerning that pattern, including any assessment of its effect on licensing decisions.

Item 7 — The Director's response and the referral

22. The **complete email chain** containing the November 19, 2021 exit email, including Director Elliott's reply requesting further information regarding the allegation of a potential violation of state law, any response from the investigator, and any internal forwarding or discussion of that email through December 31, 2022.

23. All records concerning the Department's or the **Business, Consumer Services and Housing Agency's referral** of any allegation arising from that email to the California Department of Justice or the Office of the Attorney General, including the referral itself, transmittal correspondence, and any record specifying **which allegation or allegations were referred**.

24. All records the Department **received from or sent to** the Department of Justice or the Office of the Attorney General concerning that review, including notice of its closure in February 2022.

25. Any record of **enforcement, discipline, citation, or license action taken as a result of** the investigation described in Item 1 — or, if none exists, a statement to that effect under Government Code § 7922.540.

Anticipated objections

I raise the following in advance so that the Department need not restate them and so that any dispute is narrowed early:

- **Segregability.** Government Code § 7922.525 requires that any reasonably segregable portion of a record be released after deletion of exempt material. A blanket withholding of an entire file is not a permissible response where redaction would suffice.
- **Express exemption required.** Government Code § 7922.540 requires that any denial state the **express provision** of law relied upon. A general assertion of confidentiality or of "investigatory records" without a section citation and a record-by-record application is not responsive.
- **Investigatory records.** To the extent the Department relies on Government Code § 7923.600, that exemption is directed to concrete investigations and does not extend categorically to underlying **licensing, application, ownership, background-check, or track-and-trace records**, which are created in the ordinary course of the Department's licensing function rather than compiled for a law enforcement investigation. Items 3, 4, 5, and 6 are directed to that ordinary-course licensing material.
- **Deliberative process.** Any reliance on Government Code § 7922.000 requires the Department to demonstrate on the facts that the public interest in nondisclosure clearly outweighs the public interest in disclosure. Given that the Department has already released the exit email, and given the substantial public interest in whether licenses were issued to operators the Department itself had investigated, I ask that the Department state its balancing on the record.
- **Withholding log.** If any record is withheld in whole or in part, please provide a log identifying the record by date, author, recipient, and general subject, and the exemption claimed for each.

Preservation demand

I request that the Department **preserve and refrain from destroying, purging, overwriting, or transferring** all records within the scope of this request, including electronic mail, CCTT/METRC data, backup media, and departed employees' mailboxes and network storage, pending completion of this request and any follow-on request or proceeding. This request is made with the expectation that these records may be relevant to contemplated legal proceedings.

Scope and clarification

This request seeks existing records maintained in the ordinary course of business. It does not seek reporter notes, confidential source identities, records protected by the attorney-client privilege, or the personal identifying information of the individual who authored the November 19, 2021 email, whose identity may be redacted from the records produced. If any portion of this request is unclear or is considered overly broad, please contact me so that I can narrow or clarify it rather than deny it. If responsive records are maintained electronically, I prefer electronic delivery in native format with metadata intact.

Requester information

- **Name:** Darryl Cotton
- **Email:** 151darrylcotton@gmail.com
- **Phone:** 619-954-4447
- **Address:** 6176 Federal Blvd., San Diego, CA 92114

Darryl Cotton
619.954.4447

Public Records@Cannabis <publicrecords@cannabis.ca.gov>
To: Darryl Cotton <151darrylcotton@gmail.com>

Fri, Sep 4, 2026 at 9:29 AM

Greetings Darryl,

Thank you for contacting the Department of Cannabis Control (DCC). The DCC is in receipt of your request pursuant to the California Public Records Act. Specifically, you requested the following:

➤ Item 1 — The investigative report and briefings

- The investigative report referenced in the November 19, 2021, exit email, concerning two companies alleged to have used nursery licenses to falsify CCTT/METRC records for approximately 75,977 plants, together with all exhibits, attachments, photographs, and appendices.
- All PowerPoint or other briefing materials presented to Compliance leadership concerning that investigation, and any agenda, calendar entry, sign-in sheet, or notes reflecting when those briefings occurred and who attended.
- All case files, activity logs, inspection reports, and enforcement case records associated with that investigation, including the assigned case, incident, or complaint number.
- Any supervisory review, routing, transmittal, closure memorandum, or disposition record for that investigation.

➤ Item 2 — Identification of the licensees and the site

- Records sufficient to identify the two companies described in Item 1, and the application site described as containing approximately 20 tons of unlicensed cannabis, including license numbers, application numbers, premises addresses, and legal entity names.
 - Records sufficient to identify the law enforcement eradication or search warrant at the site described, including the date, the participating agencies, and any DCC or CalCannabis report generated from it.
- **Item 3 — Application and ownership records for the identified licensees**
- For each license and application identified in Item 2:
 - The complete application file, including all applications, amendments, supplements, and correspondence.
 - All owner disclosures submitted under Business and Professions Code § 26051.5, including the identity of every person disclosed as an owner under each subdivision of § 26001(ap).
 - All financial interest holder disclosures submitted under California Code of Regulations, title 4, § 15004, and all ownership and organizational-structure documents submitted under § 15003.
 - All criminal history background check records, Live Scan results, and convictions-review determinations conducted in connection with those applications, together with records showing which disclosed persons were and were not background-checked.
 - All license issuance, renewal, denial, suspension, or revocation decisions for those licenses, and any staff analysis or recommendation underlying them.
 - Any record reflecting the Department's or CalCannabis's awareness of the eradication or the investigation at the time the licenses were issued or renewed.
- **Item 4 — Track-and-trace records**
- All CCTT/METRC transfer records, manifests, adjustments, reversals, corrections, and audit-trail exports associated with the licenses identified in Item 2, for the period of the alleged falsification.
 - Any CCTT/METRC audit, reconciliation, or data-integrity review conducted by the Department or its contractor concerning those licenses.
 - Any Department policy, procedure, or guidance governing correction or reversal of falsified CCTT entries, and any record of such correction being applied — or a statement that none was.
- **Item 5 — The “no source” / amnesty program**
- All policy documents, memoranda, directives, guidance, training materials, and email instructions concerning the practice referred to in the exit email as “no source approval,” “no-source entry,” or an amnesty or transition program permitting cannabis of unverified origin to be entered into CCTT/METRC, for the period January 1, 2019, through December 31, 2022.
 - Records sufficient to show the volume and value of cannabis entered under that practice, including any record supporting or derived from the approximately \$90 million figure reported in connection with the exit email.
 - Any log, tracking sheet, or approval record identifying the licensees who received such approvals and the persons who granted them.
 - Any record reflecting who authorized the practice, when it was adopted, and when and by whom it was discontinued.
- **Item 6 — Eradication-to-licensure pattern**
- For the period January 1, 2019, through December 31, 2022, any record — including a list, report, spreadsheet, database export, or analysis — identifying applicants or licensees who were the subject of a search warrant, eradication, or enforcement action and who were subsequently issued a State cannabis license.
 - Any internal analysis, audit, or correspondence concerning that pattern, including any assessment of its effect on licensing decisions.
- **Item 7 — The Director's response and the referral**
- The complete email chain containing the November 19, 2021, exit email, including Director Elliott's reply requesting further information regarding the allegation of a potential violation of state law, any response from the investigator, and any internal forwarding or discussion of that email through December 31, 2022.
 - All records concerning the Department's or the Business, Consumer Services and Housing Agency's referral of any allegation arising from that email to the California Department of Justice or the Office of the Attorney General, including the referral itself, transmittal correspondence, and any record specifying which allegation or allegations were referred.
 - All records the Department received from or sent to the Department of Justice or the Office of the Attorney General concerning that review, including notice of its closure in February 2022.

- Any record of enforcement, discipline, citation, or license action taken as a result of the investigation described in Item 1 — or, if none exists, a statement to that effect under Government Code § 7922.540.

The DCC is in the process of gathering, collecting, and reviewing records for applicable exemptions to determine if your request seeks any disclosable records, and will require an additional 14 days to make such a determination.

Regards,

Lullette McManus

Supervisor I

Legal Affairs Division

844-61-CA-DCC (844-612-2322)
www.cannabis.ca.gov



Department of
Cannabis Control
CALIFORNIA

Integrity • Fairness • Innovation • Knowledge • Collaboration • Support

From: Darryl Cotton <151darrylcotton@gmail.com>

Sent: Wednesday, August 26, 2026 9:14 AM

To: Public Records@Cannabis <publicrecords@cannabis.ca.gov>

Subject: PRA request — investigative report and licensing records concerning the CCTT falsification investigation described in the November 19, 2021 DCC exit email

*****CAUTION*** THIS EMAIL ORIGINATED OUTSIDE THE DEPARTMENT OF CANNABIS CONTROL!**

DO NOT: Click links or open attachments unless you know the content is safe.
NEVER: Provide credentials on websites via a clicked link in an Email.

[Quoted text hidden]