

NOVEMBER 2021 EXIT EMAIL — A REQUEST FOR INFORMATION

*An eradication, the state licences that followed it weeks later, and what
the track-and-trace system was supposed to catch*
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WHAT I AM ASKING

I am trying to identify one specific enforcement event in California, somewhere between roughly 2019 and 2021. Everything below comes from a document the state released under the Public Records Act, from reporting already published, and from a published Court of Appeal decision. I am not asking anyone to share anything confidential and I am not asking anyone to speculate. If the answer is “no idea,” that is useful too — it tells me to stop looking this way.

Please forward this to anyone who might recognise it. Nothing in it is sensitive and everything in it is already public.

WHERE THIS COMES FROM

In [November 2021 a state cannabis investigator sent a resignation letter \(“exit-email”\)](#) to the Director of the Department of Cannabis Control. The Department released that letter under the Public Records Act, and the Los Angeles Times reported on it in March 2025. One passage describes an investigation the writer personally led.

THE PASSAGE, VERBATIM

“I 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. An application site for 1 of these companies contained 20 tons of unlicensed cannabis. Despite the egregious and overwhelming evidence against these companies, the location eradicated by law enforcement received state licenses weeks later. No citation or any license action has ever been taken against the companies that falsified CCTT records...”

WHAT THAT DESCRIBES, IN PLAIN TERMS

- Two companies holding NURSERY licences.
- Roughly 75,977 plants grown without a licence, then brought into the state track-and-trace system through transfers the investigator describes as falsified — after the companies had obtained state licences.
- One of the two had an APPLICATION SITE holding about 20 tons of unlicensed cannabis.
- ★ A location was ERADICATED BY LAW ENFORCEMENT, and then received STATE LICENCES weeks later.
- No citation and no licence action was ever taken.

★ WHY THIS CONNECTS TO HNHPC

The same letter refers to “the current lawsuit we face regarding ‘burner distros’.” That is HNHPC, Inc. v. Department of Cannabis Control, filed September 2021 — two months before the letter — naming the Department and its Director, and alleging an “exponential rise of ‘burner distributors’ ... that conceal and launder State-grown cannabis.”

In August 2023 the Court of Appeal reversed and held, in a published opinion, that Business and Professions Code section 26067(b)(2) imposes a ministerial duty: the track-and-trace database “shall be designed to flag irregularities for the department to investigate,” and “the Department did not have discretion to disregard the express flagging mandate.” The trial court had found compliance on the strength of the Department’s METRC contracts. The Court of Appeal rejected that: the duty was not to enter into a contract but to establish a database that actually flags. (No. G061298, Fourth Appellate District, Division Three — [read the opinion.](#))

Which is why the 75,977 plants matter beyond one bad operator. Plants grown illegally and then inverted into track-and-trace through falsified transfers are precisely the irregularity the system was required to flag. The investigation that was supposed to follow is the one the letter says produced no citation and no licence action — and an appellate court reached the structural version of that conclusion, on a separate record, eighteen months before the letter was ever reported.

WHAT HAPPENED AFTERWARDS — AS REPORTED

All of the following was published by the Los Angeles Times in March 2025 and is attributed there to spokespeople for the agencies involved. I state it as reported and draw no conclusion from it.

- The Department’s parent agency, the Business, Consumer Services and Housing Agency, requested an investigation by the Attorney General’s office.
- ★ The review was NOT assigned to the Department of Justice’s Bureau of Investigations, which has a team that examines public corruption. It went instead to the Employment and Administrative Mandate Section, which defends state agencies in civil employment matters.
- The case was closed in February 2022 after interviews of five people.
- None of the three state agencies would provide records of the investigation. Reasons given for withholding included the confidentiality of records involving the governor’s office.
- ★ The parent agency would not say which of the allegations had been referred, but said the Justice Department “found THE ALLEGATION to be unsubstantiated” — singular.
- Other Department employees interviewed by the Times, speaking anonymously for fear of reprisal, said they had heard the same remarks described in the letter.

So far as I can find, the 75,977-plant investigation itself has never been written about by anyone — not the plants, not the two nursery-licensed companies, not the 20-ton site, and not the licensing that followed the eradication.

WHAT I DO NOT KNOW — AND THIS MATTERS

The letter does not say where any of it happened. The writer handled cases in one northern county, and I assumed for a while that the eradication was there. The letter does not say so. The companies, the application site and the eradication could be anywhere in the state, and I would rather widen the search than keep looking in the wrong place.

The plant count will not be in any press release. 75,977 is an internal track-and-trace figure from an unpublished report. What was reported at the time of an eradication would be whatever was counted in the field — a different number. Searching on 75,977 finds nothing, and that is expected rather than suspicious.

★ **The identifying fact is the SEQUENCE, not either half.** Large eradications happen and get reported. Licences get issued and are public. What is unusual — and what someone would remember — is a site being raided and then licensed a few weeks afterwards.

★ THE QUESTIONS

Any one of these would help. None requires anyone to name a confidential source or share a document.

- **1. The sequence.** Do you remember an eradication — anywhere in California, not necessarily the Emerald Triangle — where the site was licensed or approved within weeks afterwards? That is the single most useful thing anyone could tell me.
- **2. The 20 tons.** Twenty tons of unlicensed product at one site is a very large seizure. Does that ring a bell, by location, year, or operator?
- **3. Nursery licences as the route.** The two companies are described as using NURSERY licences to move illegal plants into track-and-trace. Nurseries deal in immature plants at high counts, which makes them the obvious place to inflate. Did that pattern show up in what you saw at the time?
- **4. The “no source” entries.** The same letter describes field staff being directed to allow track-and-trace entries with no traceable legal source — roughly \$90 million worth over about eight months, into late 2021. Was that visible from the operator side? Anyone competing legally would have noticed product arriving with no provenance.
- **5. ★ HNHPC, after the reversal.** Did anything actually change? The Court of Appeal held the flagging mandate was not discretionary. Whether the database was ever made to flag irregularities is a question the opinion does not answer, and someone who has watched the agency since would know.
- **6. The enforcement numbers.** The letter says that of more than 2,900 annual interactions, “5 or fewer cases generated by investigators result in any legal action,” and that of roughly 70 investigator and supervisor positions statewide only 9 were in the Emerald Triangle. Does that match what licensed operators experienced?
- **7. Who would know.** If this is not your corner of the state, is there someone whose recollection of that period would be better than mine? I am happy to be pointed rather than answered.

WHAT I AM NOT ASKING

I am not asking who wrote the letter. I know, and I am not saying. The name was removed from the public copy by the newspaper that reported it, and I have kept it out of this document and everything else I have written. The identity is not the point here, and nothing I am asking about depends on it.

I am not asking anyone to accuse anyone. I am trying to identify a public enforcement event and a public licensing decision. Both are matters of record somewhere; I simply have not found them yet.

HOW TO REACH ME

Anything about the eradication, the licences, the companies or the track-and-trace question — **email, Facebook PM, or post it in my group** [The Very Public City and County Regulation Watch](#), where someone else may recognise it too.

⚠ **Anything touching the letter’s author, please by email only — not in the group.** A name posted in a public group does not come back, and I would rather not be the reason it travels.