

STATE OF NEW MEXICO MICHELLE LUJAN GRISHAM, GOVERNOR Linda M. Trujillo, Superintendent Clay Bailey, Deputy Superintendent

For immediate release

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Judge Grants Preliminary Injunction Against Sawmill Sweet Leaf LLC for Violations of Cannabis Regulations

Business must immediately cease and desist all cannabis activity until formal hearing with the Cannabis Control Division

SANTA FE - Today, Judge Elaine P. Lujan of the Second Judicial District Court in Bernalillo County issued a preliminary injunction against Sawmill Sweet Leaf LLC, located at 1501 Mountain Dr. NW, Albuquerque, NM 87104. After hearing arguments presented by Division Counsel, Robert Sachs, the court found that the business posed a clear and immediate threat to public health and safety and therefore must cease and desist all cannabis activity immediately.

"This decision highlights the importance of adhering to legal regulations and ensuring public safety within the cannabis industry," said New Mexico Regulation and Licensing Department **Superintendent** Linda Trujillo. "It serves as a reminder that businesses must operate within the boundaries of the law to protect consumers and maintain the integrity of the industry."

The ruling comes as a result of a thorough investigation conducted by Cannabis Control Division compliance officers, which uncovered evidence of several serious violations. The CCD found evidence that Sawmill Sweet Leaf LLC was unlawfully selling out-of-state cannabis products and manufacturing cannabis extracts using a closed-loop extraction system without the proper license from the Cannabis Control Division (CCD) or permit from the Construction Industries Division's LP Gas Bureau.

Out-of-state cannabis products are a risk to public health because their origins are unknown, and they have not been tested in accordance with New Mexico law to ensure they do not contain dangerous contaminants or adulterants. Improper operation of a closed-loop extractions systems poses a risk of fire and/or explosion that may result in severe bodily harm or death.

The preliminary injunction prohibits Sawmill Sweet Leaf LLC from engaging in any further cannabis activities until a formal hearing with the CCD occurs and further orders Sawmill Sweet Leaf LLC to comply with all requests for additional information from the CCD. Permanent action against the licensee may include fines, suspension, or revocation. A Notice of Contemplated Action against Sawmill Sweet Leaf LLC was issued on July 31 and can be found <u>here</u>.

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The New Mexico Regulation and Licensing Department, which houses the Cannabis Control Division, regulates more than 500,000 individuals and businesses in 35 industries, professions, and trades across the state. Its goal is to ensure that New Mexicans receive quality services from qualified individuals and businesses while also ensuring a fair and prompt administrative process. To learn more, visit rld.nm.gov.

