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New Mexico Regulation and Licensing Department revokes licenses at two Torrance County cannabis farms

Bliss Farm and Native American Agricultural Development Company must immediately stop all commercial cannabis activity, pay large fines

SANTA FE – The Cannabis Control Division (CCD) of the New Mexico Regulation and Licensing Department announced today it has revoked the licenses of two cannabis producers for exceeding plant count limits, not utilizing the state's mandatory track and trace system and unsafe conditions, among other violations. Bliss Farm and Native American Agricultural Development Company (NAADC), located just miles from one another in Torrance County near Estancia, have been ordered to immediately stop all commercial cannabis activity. In addition to revocation, the companies must each pay \$1 million in fines for their illegal activity. The fines will be remitted to the State Treasurer and are to be deposited by law in the Current School Fund.

"The illicit activity conducted at both of these farms undermines the good work that many cannabis businesses are doing across the state," said **Clay Bailey, Acting Superintendent of the New Mexico Regulation and Licensing Department**. "The excessive amount of illegal cannabis plants and other serious violations demonstrates a blatant disregard for public health and safety, and for the law."

Bliss Farm:

Upon inspection of Bliss Farm, CCD compliance officers discovered multiple alarming violations including numbers of cannabis plants far exceeding the allowable limits under the Cannabis Regulation Act, not utilizing the state's mandatory track and trace system, unpermitted structures, unsanitary conditions of the production facility, pests, and more. In total, Bliss Farm was cited for 17 violations. The farm's large number of cannabis plants on site and evidence of a recent harvest without records entered into the track and trace system led the division to conclude the plants were transferred or sold illicitly. View the final decision and order here.

The CCD filed a Notice of Contemplated Action against Bliss Farm on August 14, 2023. The business requested a hearing on the matter which was set for October 19, 2023. At the hearing, the farm's attorney stated that all violations had been remedied. However, upon returning to the facility, compliance officers did not see any evidence that the violations were fixed. The hearing

officer agreed to revocation and the imposition of fines which were set by the CCD after determining the appropriate amount.

Native American Agricultural Development Company:

Native American Agricultural Development Company (NAADC) was cited for eight violations, including exceeding the allowable number of cannabis plants under the Cannabis Regulation Act, improper security measures, no chain of custody procedures, and ill-maintained grounds with trash and pests throughout. Like Bliss Farm, CCD compliance officers also saw evidence of a recent harvest at NAADC, but no plants had ever been entered into the mandatory track and trace system. View the final decision and order <u>here</u>.

The CCD filed a Notice of Contemplated Action against NAADC on October 12, 2023. The hearing on the matter was conducted on November 22, 2023. At that time, representatives from NAADC and the CCD were given the opportunity to present their cases. The hearing officer agreed with the state's recommendation to revoke NAADC's license and impose a fine.

"Compliance within the industry is the CCD's main priority and our office is committed to ensuring New Mexicans have access to safe cannabis products," said **Todd Stevens, Cannabis Control Division Director**. "The team worked diligently on both of these cases to determine the appropriate action for violations at a scale we hadn't seen before. The outcomes were justified under the law based on the egregious conduct of these individuals and I hope this serves as a reminder to those who might be violating the laws and rules the state has put forth."

The CCD has revoked six licenses to date and has levied more than \$2.3 million in fines related to illegal activity.

To file a complaint against a cannabis business, please visit <u>rld.nm.gov/cannabis/report-a-violation</u>.

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About NMRLD:

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