

1 **BEFORE THE CANNABIS COMPLIANCE BOARD**
2 **STATE OF NEVADA**

3 STATE OF NEVADA, CANNABIS
4 COMPLIANCE BOARD,

Case No. 2021-36

5 Petitioner,

6 vs.

7 LUKE THOMPSON,

8 Respondent.

9
10 **COMPLAINT FOR DISCIPLINARY ACTION**

11 The Cannabis Compliance Board of the State of Nevada (the “CCB”), by and through
12 counsel, Aaron D. Ford, Attorney General of the State of Nevada, L. Kristopher Rath, Esq.,
13 Senior Deputy Attorney General, and Ashley A. Balducci, Esq., Senior Deputy Attorney
14 General, having a reasonable basis to believe that Respondent Luke Thompson
15 (“Thompson” or “Respondent”) has violated provisions of Title 56 of the Nevada Revised
16 Statutes (“NRS”), and the Nevada Cannabis Compliance Board Regulations (“NCCR”),
17 hereby issues its Complaint, stating the CCB’s charges and allegations as follows:

18 **JURISDICTION**

19 1. During all relevant times mentioned in this Complaint, Thompson held and
20 holds, the following cannabis establishment agent registration card (“agent card”):

ID No.	Cannabis Establishment	Application Date
2000003562	Dispensary	9/1/2020

23 2. As set forth below, the events at issue in this CCB Complaint occurred after
24 July 1, 2020, Thompson applied for his agent card on September 1, 2020, and the CCB
25 issued the agent card to Thompson. Therefore, Thompson is subject to the jurisdiction of
26 the CCB and subject to discipline pursuant to NRS 678A through 678D and the NCCR.

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1 3. Pursuant to NRS 678A.500 and 678A.510(1), the CCB's Executive Director
2 has transmitted the details of the suspected violations of Thompson to the Attorney
3 General and the Attorney General has conducted an investigation of the suspected
4 violations to determine whether they warrant proceedings for disciplinary action. The
5 Attorney General has recommended to the Executive Director that further proceedings are
6 warranted, as set forth in this CCB Complaint. The Executive Director has transmitted
7 this recommendation and information to the CCB. Pursuant to NRS 678A.510(2)(b), the
8 CCB has voted to proceed with appropriate disciplinary action under NRS 678A.520
9 through 678A.600, and has authorized service of this CCB Complaint upon Thompson
10 pursuant to NRS 678A.510(1).

11 **FACTUAL ALLEGATIONS**

12 4. CCB incorporates all prior Paragraphs as though fully set forth herein.

13 5. On or about November 24, 2020, Natural Medicine, LLC, a cannabis
14 dispensary establishment licensed by the CCB, transmitted a Cannabis Establishment
15 (CE) Incident Report to the CCB identifying a theft of cannabis product by Thompson, an
16 employee of the dispensary.

17 6. According to the CE Incident Report, on the evening of November 21, 2020,
18 Jordan Caron, another employee of Natural Medicine, LLC, witnessed on live video
19 surveillance Thompson place cannabis product in his right sweatshirt pocket while
20 restocking the retail sales floor. The CE Incident Report also stated that this event was
21 further investigated and determined to be valid on November 24, 2020. The described
22 damage/loss of property in the CE Incident Report was "PRODUCT THEFT/DISTILLATE
23 CARTRIDGE" at an estimated value of loss of \$49.99. The CE Incident Report further
24 indicated floor supervisor, Kory Harris, was a witness to the incident and a report with the
25 Las Vegas Metropolitan Police had been completed. Natural Medicine LLC provided video
26 surveillance of the reported incident to CCB staff.

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1 **VIOLATIONS OF LAW**

2 7. CCB incorporates all prior Paragraphs as though fully set forth herein.

3 8. As to Thompson's agent card, Thompson violated NRS 678B.385(3) for having
4 been electronically recorded by a video monitoring system stealing cannabis or cannabis
5 products. Alternatively, Thompson violated his pledge required by NRS 678B.340(2)(b) and
6 NCCR 5.120(1)(b) by diverting cannabis/cannabis product outside the State's seed-to-sale
7 tracking system to himself, a Category III violation pursuant to NCCR 4.050(1)(a)(18).

8 **DISCIPLINE AUTHORIZED**

9 Pursuant to the provisions of NRS 678A.600, NRS 678B.385, NCCR 4.020, and
10 NCCR 4.030 the CCB has the discretion to impose the following disciplinary actions:

- 11 1. Revoke the agent card;
12 2. Suspend the agent card;
13 3. Impose a civil penalty of not more than \$90,000; and
14 4. Take such other disciplinary action as the CCB deems appropriate.

15 The CCB may order one or any combination of the discipline described above.

16 **RELIEF REQUESTED**

17 Based on the foregoing, counsel for the CCB respectfully requests the CCB impose
18 the penalty of immediate revocation of Thompson's agent card with a nine years and 11
19 months ban to apply for reinstatement of the agent card pursuant to NCCR 4.030(b) and
20 NCCR 4.100. The CCB reserves its rights to seek additional costs incurred as this matter
21 proceeds through hearing and rehearing, if applicable.

22 **NOTICE TO RESPONDENT**

23 **PLEASE TAKE NOTICE**, that Respondent has a right to request a hearing on the
24 charges set forth herein, pursuant to NRS 678A.510 through 678A.590. **Failure to**
25 **demand a hearing constitutes a waiver of the right to a hearing and to judicial**
26 **review of any decision or order of the Board, but the Board may order a hearing**
27 **even if the respondent so waives his or her right.** NRS 678A.520(2)(e).

1 PLEASE TAKE NOTICE, you, as Respondent, **must answer this Complaint**
2 **within 20 days after service of this Complaint**, unless granted an extension. Pursuant
3 to NRS 678A.520(2), in the answer Respondent:

4 (a) Must state in short and plain terms the defenses to each claim asserted.

5 (b) Must admit or deny the facts alleged in the complaint.

6 (c) Must state which allegations the respondent is without knowledge or information
7 form a belief as to their truth. Such allegations shall be deemed denied.

8 (d) Must affirmatively set forth any matter which constitutes an avoidance or
9 affirmative defense.

10 (e) May demand a hearing. **Failure to demand a hearing constitutes a waiver**
11 **of the right to a hearing and to judicial review of any decision or order of**
12 **the Board**, but the Board may order a hearing even if the respondent so waives his
13 or her right.

14 **Failure to answer or to appear at the hearing constitutes an admission by**
15 **the respondent of all facts alleged in the Complaint. The Board may take action**
16 **based on such an admission and on other evidence without further notice to the**
17 **respondent.** NRS 678A.520(3).

18 The Board shall determine the time and place of the hearing as soon as is reasonably
19 practical after receiving the Respondent's answer. The Board may assign a hearing officer
20 to conduct the hearing under NCCR 2.070, 4.095, and 4.110. The Board shall deliver or
21 send by registered or certified mail a notice of hearing to all parties at least 10 days before
22 the hearing. The hearing must be held within 45 days after receiving Respondent's answer
23 unless an expedited hearing is determined to be appropriate by the Board, in which event
24 the hearing must be held as soon as practicable. NRS 678A.520(4).

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1 Respondent's answer and Request for Hearing must be either: mailed via registered
2 mail, return receipt; or emailed to:

3 Tyler Klimas, Executive Director
4 Cannabis Compliance Board
5 555 E. Washington Avenue, Suite 4100
6 Las Vegas, Nevada 89101
7 tklimas@ccb.nv.gov

8 If served by email, Respondent must ensure that it receives an acknowledgement of receipt
9 email from CCB as proof of service.

10 As the respondent, you are specifically informed that you have the right to appear
11 and be heard in your defense, either personally or through your counsel of choice at your
12 own expense. At the hearing, the CCB has the burden of proving the allegations in the
13 Complaint. The CCB will call witnesses and present evidence against you. You have the
14 right to respond and to present relevant evidence and argument on all issues involved. You
15 have the right to call and examine witnesses, introduce exhibits, and cross-examine
16 opposing witnesses on any matter relevant to the issues involved.

17 You have the right to request that the CCB issue subpoenas to compel witnesses to
18 testify and/or evidence to be offered on your behalf. In making this request, you may be
19 required to demonstrate the relevance of the witness's testimony and/or evidence.

20 If Respondent does not wish to dispute the charges and allegations set forth herein,
21 within 30 days of the service of this Complaint, Respondent may surrender his agent card
22 to:

23 Tyler Klimas, Executive Director
24 Cannabis Compliance Board
25 555 E. Washington Avenue, Suite 4100
26 Las Vegas, Nevada 89101

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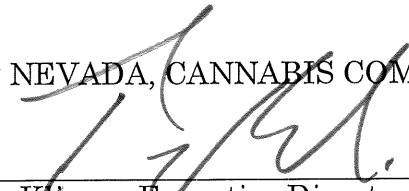
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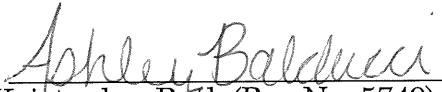
1 YOU ARE HEREBY ORDERED to immediately cease the activity described above
2 which is a violation of Nevada law.

3 DATED: March 23, 2021.

4 STATE OF NEVADA, CANNABIS COMPLIANCE BOARD

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6 By: 
Tyler Klimas, Executive Director
7 555 E. Washington Avenue, Suite 4100
8 Las Vegas, Nevada 89101
(702) 486-2300

9 AARON D. FORD
10 Attorney General

11 By: 
12 L. Kristopher Rath (Bar No. 5749)
Senior Deputy Attorney General
13 Ashley A. Balducci (Bar No. 12687)
Senior Deputy Attorney General
14 555 E. Washington Ave, Suite 3900
Las Vegas, Nevada 89101
15 (702) 486-3420
Attorneys for the Cannabis Compliance Board


DECLARATION AND CERTIFICATE OF SERVICE OF
COMPLAINT FOR DISCIPLINARY ACTION
(Service via Mail)

I, Amber Virkler, hereby certify and affirm that:

1. I am over the age of 18 years old.
2. I am a Board Agent of the Cannabis Compliance Board ("CCB"), as defined in NCR 1.068.
3. Pursuant to NRS 678A.520 and NCCR 4.075, I have served the Respondent herein with the Complaint for Disciplinary Action ("Complaint") in the above captioned matter as follows:

By placing a true and correct copy of the Complaint to be deposited for mailing in the United States Mail in a sealed envelope via registered or certified mail, prepaid in Las Vegas, Nevada, to Respondent's point of contact with the CCB under NCCR 2.050 at Respondent's address on file with the Board as follow:

Name of point of contact served: Luke Thompson

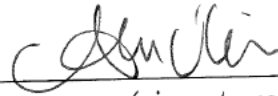
Address on file with CCB: 

Date of Service: March 23, 2021

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 23, 2021

(date)



(signature)