

ADMINISTRATIVE HEARINGS DIVISION

April 21, 2022

STIPULATED SETTLEMENT AGREEMENT FOR MARIJUANA LICENSE APPLICANT

1. Augusto Aranha
dba **CJ OPERATOR**

(Application for a Marijuana
Producer License)

ORS 475C.037(2) states, in relevant part:

The Commission may refuse to issue a license or may issue a restricted license to an applicant under the provisions of ORS 475C.001 to 475C.525 if the Commission makes a finding that the applicant: ***

(f) Does not have a good record of compliance with ORS 475C.001 to 475C.525 or any rule adopted under ORS 475C.001 to 475C.525.

Commission staff proposes to issue the requested license with the following restrictions:

1. Licensee will not allow MATTHEW PORTNOFF to take any part in the operation or management of the business or to provide any services to the business.
2. Licensee will not allow MATTHEW PORTNOFF to be an employee or agent of the business or otherwise act in a representative capacity on behalf of the business.
3. Licensee will not allow MATTHEW PORTNOFF to be present on the licensed premises at any time.

Note: Applicant was issued a Notice of Proposed License Restrictions dated March 15, 2022. Applicant accepts the imposition of the listed restrictions and wishes to dispose of this licensing matter by settlement agreement.

SYNOPSIS: Applicant Augusto Aranha requests a marijuana producer license at a premises currently owned by and previously operated by a company under the control of Matthew Portnoff. That gives Mr. Portnoff a financial interest in this application. Mr. Portnoff accepted responsibility for three Category I, two Category II, and two Category III violations arising from incidents in 2019, including diversion of marijuana from the licensed premises, and he surrendered his license in a settlement ratified by the Commission on September 24, 2021. Because a person with a financial interest in the application has a poor record of compliance, the Commission could deny this application. Instead, under the settlement, Mr. Aranha will be issued the license he requested subject to the above-stated three restrictions, in order to ensure that Mr. Portnoff has no involvement in or control over the new licensee or his business.

(continue **CJ OPERATOR**)

TERMS OF AGREEMENT

1. The Commission will issue Applicant a Marijuana Producer License with the listed restrictions after this agreement is ratified and after Staff determine that the application is complete.
2. Applicant accepts the imposition of the listed restrictions on the license identified in this agreement without any conditions or reservations.
3. Applicant waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183), to judicial review, and to otherwise challenge this agreement or the Final Order resulting from it.
4. This agreement is conditioned on the final approval of the Commission and will be reviewed by the Commissioners at a commission meeting. If the Commission does not accept and approve this agreement in its entirety, it is deemed null and void, and Applicant's hearing rights, if any, will be restored. If the Commission accepts and approves this agreement in its entirety, Applicant withdraws any request for hearing.