

**THE DISTRICT OF COLUMBIA  
ALCOHOLIC BEVERAGE AND CANNABIS BOARD**

In the Matter of:	)	
	)	
3659 Georgia Avenue, Inc.	)	Case No.: 24-CMP-00025
t/a W&S Liquor & Deli	)	License No.: ABRA-122985
	)	Order No: 2024-397
Order to Cease and Desist	)	
	)	
at premises	)	
3659 Georgia Avenue, N.W.	)	
Washington, D.C. 20010	)	
	)	

**BEFORE:** Donovan Anderson, Chairperson  
James Short, Member  
Silas Grant, Jr., Member

**PARTIES:** 3659 Georgia Avenue, Inc., t/a W&S Liquor & Deli, Respondent

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**CEASE AND DESIST ORDER**

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**INTRODUCTION**

On May 15, 2024, the Alcoholic Beverage and Cannabis Board (Board) reviewed compelling evidence that 3659 Georgia Avenue, Inc., t/a W&S Liquor & Deli, (“Respondent” or “W&S”) illegally stored and offered cannabis products for sale and illegally possessed more cannabis than what is permitted by law in violation of D.C. Code §§ 25-313(a), 25-314, 25-317, 25-823(a)(1)-(2), 25-822(a)(2), and 48-904.1(a)(1)(A)-(B). Based on this illegal activity, the Respondent is ordered to cease and desist the sale, storage, and distribution of cannabis products.

The Board further reminds the public that current law prohibits the commercial sale of all cannabis products, even if classified as hemp products under federal law, unless the seller holds a medical cannabis license issued by the Board. Furthermore, the law strictly prohibits the sale of cannabis products by alcohol licensees; therefore, no alcohol licensee in the District may sell, possess, or distribute cannabis, or products containing tetrahydrocannabinol (THC), cannabidiol (CBD), or any other substances derived from cannabis or cannabis products defined as hemp under federal law.

The Board notes that the separation of cannabis products from alcohol products supports the public welfare by reducing the number and severity of incidents caused by driving while intoxicated, and discouraging the simultaneous use of alcohol and cannabis, which may be harmful. Moreover, unregulated products containing cannabis or substances derived from cannabis classified as hemp lack adequate testing and labeling, and exposes the public to other harms (e.g., exposure to pesticides, false potency and ingredient labeling, packaging attractive to minors, etc.). As a result, alcohol licensees caught distributing cannabis and similar products should expect the Board to take enforcement action against such activities.

## FINDINGS OF FACT

The following statements represent the Board’s findings of fact based on the evidentiary record. In reaching its determination, the Board considered the evidence, the testimony of the witnesses, the arguments of the parties, and all documents comprising the Board’s official file. The Board credits all testimony and evidence identified or cited below unless otherwise stated.

1. The Alcoholic Beverage and Cannabis Board (Board) issued a Retailer’s Class A License to 3659 Georgia Avenue, Inc., t/a W&S Liquor & Deli, designated ABRA License No. 122985, at premises 3659 Georgia Avenue, N.W., Washington D.C. *Case Report No. 24-CMP-00024* (May 2, 2024). There is no indication in ABCA’s records that the Respondent is a licensed medical cannabis business.

2. On May 2, 2024, Alcoholic Beverage and Cannabis Administration (ABCA) Investigator Mark Ruiz entered the establishment to conduct a regulatory inspection. *Id.* at 1. Inside, he observed Wild Hemp Hempettes (Exhibit # 1); Premium CBD Gummies containing 120mg CBD per pouch (Exhibit # 2); Delta 8 THC strawberry cough vape (Exhibit # 3); Stoney Shorties THC-A Caviar Pre-Rolls containing Premium THC-A Flower (Exhibit # 4); vape cartridges containing THC-O 1000 MG Hybrid and Delta 8 THC (Exhibit # 5); CBD & Delta 8 product (Exhibit # 6); additional gummies and Canabzy disposable vape cartridges containing Delta \* Live resin, THCA, THC-JD, and THC-P and Cannabis Infused cookies (Exhibit # 7, Exhibit # 8, and Exhibit # 9); Blaze Pre-Rolls containing Delta 8 (Exhibit # 10) openly displayed for sale, containing bar codes, and other packaging indicative of commercial products. *Id.* at 1-2.

3. The District of Columbia Department of Health (DOH) previously advised in a 2018 guidance that “THC and CBD are legally considered Cannabis and hashish.” *Letter from LaQuandra S. Nesbitt, Director, D.C. Department of Health*, at 2 (Jul. 31, 2018). An opinion issued by the District of Columbia Office of the Attorney General in 2021, affirms DOH’s position, and indicates that federal exemptions for hemp products did not legalize hemp derived CBD products in the District of Columbia. *Legal Analysis – Whether CBD is Cannabis, District of Columbia Office of the Attorney General*, AL-21-222, 2-3 (Apr. 28, 2021). Likewise, under the same reasoning, other substances that may be derived from hemp, such as Delta 8 THC, have also not currently been legalized based on the reasoning provided in the memorandum. *See, e.g., id.* This means that under District law, products containing cannabis, hemp derived CBD, Delta 8 THC, or other substances derived from cannabis or cannabis classified as hemp cannot be commercially sold in the District of Columbia under the District of Columbia Uniform

Controlled Substances Act of 1981 (effective Aug. 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.02 et seq.) unless an appropriate medical cannabis license is obtained, as such products remain classified as cannabis or hashish.

## CONCLUSIONS OF LAW

4. Title 25 of the District of Columbia (D.C.) Official Code (Title 25) provides the Board with the authority to order any individual or licensee to immediately cease “. . . violating any provision of . . . [Title 25 when] the violation has caused, or may cause, immediate and irreparable harm to the public . . . .” D.C. Official Code § 25-829(a).

### **I. THE RESPONDENT IS ILLEGALLY SELLING CANNABIS PRODUCTS AND POSSESSES MORE CANNABIS THAN PERMITTED BY LAW.**

5. The record further shows that the Respondent is illegally selling a variety of cannabis products in violation of various District laws. Under D.C. Code § 25-822(a)(2), it is a revocable offense for a licensee to:

knowingly permit[, in the licensed establishment (A) the illegal sale, or negotiations for sale, or the use, of any controlled substance identified in the [Controlled Substances Act] CSA, or (B) the possession, other than for personal use, or sale, or negotiations for sale, of drug paraphernalia in violation of the CSA or Chapter 11 of Title 48. Successive sales, or negotiations for sale, over a continuous period of time shall be deemed evidence of knowing permission;

D.C. Code § 25-822(a)(2). District law legalizing cannabis solely permits an individual 21 years of age or older to possess no more than “2 ounces or less” and only allows transfers to other persons “without remuneration.” D.C. Code § 48-904.1(a)(1)(A)-(B). Otherwise, such cannabis possession, use, or sale remains in violation of the District’s Controlled Substances Act (CSA). D.C. Code § 48-904.1(a)(1A)(A)(i). Finally, as a condition of licensure, D.C. Official Code §§ 25-823(a)(1) and (a)(2) require compliance with the District’s Controlled Substance Act. D.C. Code § 25-823(a)(1)-(2).

6. In this case, the Respondent is not licensed as a medical cannabis business and holds an alcohol license. *Supra*, at ¶ 1. The investigator saw various cannabis products offered for sale and it is irrelevant under District law whether the products are derived from cannabis or cannabis classified as hemp under federal law. *Supra*, at ¶ 2. The investigator further observed that the store possessed more cannabis than permitted under the law and observed the products being offered for sale, based on the presence of bar codes, the product labels and packaging, and the manner of display in the store. *Id.* Therefore, the Respondent’s present operations violate various prohibitions on alcohol licensees possessing and selling cannabis and other District law related to the possession and gifting of cannabis.

### **II. THE CONTINUED OPERATION OF THE PREMISES FOR UNLICENSED PARTIES CREATES IRREPERABLE HARM TO THE PUBLIC.**

7. The Board finds that the continued operation of unlicensed business causes irreparable harm to the public by allowing the facilitators to maintain a continuing nuisance that threatens the safety and welfare of the public.

8. The Board further notes that all violations of Title 25 are deemed nuisances pursuant to § 25-805. D.C. Official Code § 25-805; *see also Com. ex rel. Preate v. Danny's New Adam & Eve Bookstore*, 625 A.2d 119, 122 (1993) (It is well-settled that even a lawful business may be enjoined from operation if it is shown that, under the particular circumstance, its operation constitutes a public nuisance); *Camp v. Warrington*, 227 Ga. 674, 674, (1971) (“where it is made to appear with reasonable certainty that irreparable harm and damage will occur from the operation of an otherwise lawful business amounting to a continuing nuisance, equity will restrain the construction, maintenance or operation of such lawful business.”). In this case, permitting the proprietors to continue to illegally operate in a new location without approval would allow them to maintain and benefit from the operation of a continuing nuisance. The Board is convinced that the circumvention of the licensing process threatens the health, safety, and welfare of the public. The misuse of alcohol encourages crime, disorder, and other antisocial behavior. The licensing process further ensures that locations are appropriate for the neighborhood where they are located and will not place an undue burden on the community. D.C. Code § 25-313. Therefore, the sale of alcohol cannot be allowed to occur at the new location until an appropriate alcohol license is obtained.

9. Finally, the illegal sale and distribution of cannabis products further endangers the public. As noted above, the separation of cannabis products from alcohol products supports the public welfare by reducing the number and severity of driving while intoxicated incidents, and discouraging the simultaneous use of alcohol and cannabis, which may be harmful. Moreover, unregulated products containing cannabis or substances derived from hemp lack adequate testing and labeling, which puts consumers at risk and is harmful to the public (e.g., exposure to pesticides, false potency and ingredient labeling, packaging attractive to minors, etc.). As a result, under these facts, a cease-and-desist order is warranted.

## ORDER

Therefore, the Board, on this 15th day of May 2024, hereby orders the Respondent to **CEASE AND DESIST** the sale, possession, and distribution of all cannabis and hemp derived cannabis products.

**IT IS FURTHER ORDERED**, pursuant to D.C. Official Code § 25-801(e), that ABRA refer this matter to the Office of the Attorney General for the District of Columbia (OAG) for prosecution. The Board further requests that OAG seek the enforcement of this Order in the Superior Court of the District of Columbia under D.C. Official Code §§ 25-829(f) (cease and desist orders) and 25-805 (nuisance) should it be deemed necessary.

Please be **ADVISED** that a copy of this Order is being forwarded to the Metropolitan Police Department to ensure compliance. If it is found that you are continuing to sell, serve, or

permit the consumption of alcoholic beverages without approval from the Board, you and all other persons involved may be subject to both civil and criminal penalties.

ABCA shall serve notice by certified mail or personal delivery on the parties.

District of Columbia  
Alcoholic Beverage and Cannabis Board

eSigned via SeamsDocx.com  
*Donovan Anderson*  
Key: ac43cb09b69d5f09e4b730603d1dccc8

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Donovan Anderson, Chairperson

eSigned via SeamsDocx.com  
*James Short*  
Key: 547ae373f820de6ac8d1b332d42040e

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James Short, Member



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Silas Grant, Jr., Member

You have the right to request a hearing before the Board conducted in accordance with subchapter I of Chapter 5 of Title 2. Pursuant to D.C. Official Code § 25-829(b)(1), you may submit a written request to the Board for a hearing within fifteen (15) days of service of this Order. Additionally, you also have the option of submitting a written request to the Board for an expedited hearing pursuant to D.C. Official Code § 25-829(c)(1) within ten (10) days of service of this Order. Please note that if you fail to request a hearing, this Order shall be deemed final. D.C. Official Code § 25-829(d).

If you request a hearing, you may appear personally at the hearing, and you and the establishment, may be represented by legal counsel. You have the right to produce witnesses and evidence on your behalf and to cross-examine witnesses. You may examine evidence produced, and have subpoenas issued on your behalf to require the production of witnesses and evidence.

All hearings are conducted in the English language. If you, any corporate officer, or any witnesses to be called are deaf, have a hearing impediment, or cannot readily understand or communicate the spoken English language, an application may be made to the Board for the appointment of a qualified interpreter.

Your failure to appear at the time and place set for the hearing, if requested, either in person or through counsel, or both, will not preclude the Board from proceeding in this matter. Should you have any questions, contact ABRA Adjudication Specialist Danette Walker at 202-442-4418.

Finally, pursuant to section 11 of the District of Columbia Administrative Procedure Act, Pub. L. 90-614, 82 Stat. 1209, District of Columbia Official Code § 2-510 (2001), and Rule 15 of the District of Columbia Court of Appeals, any party adversely affected has the right to appeal this Order by filing a petition for review, within thirty (30) days of the date of service of this Order, with the District of Columbia Court of Appeals, 500 Indiana Avenue, N.W., Washington, D.C. 20001. However, the timely filing of a Motion for Reconsideration pursuant to 23 DCMR § 1719.1 stays the time for filing a petition for review in the District of Columbia Court of Appeals until the Board rules on the motion. *See* D.C. App. Rule 15(b).