

I Mina'Trentai Kuåttro Na Liheslaturan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
69-34 (COR) As corrected by the Prime Sponsor.	Joe S. San Agustin Dennis G. Rodriguez, Jr.	AN ACT TO <i>AMEND</i> § 122503(k); TO <i>ADD</i> NEW §§ 12503 (ee) AND 12503(ff); TO <i>AMEND</i> §122508;TO <i>ADD</i> NEW §§ 122509 (d)(7) AND 122509 (e)(7), TO <i>AMEND</i> THE FIRST PARAGRAPH AND TO <i>ADD</i> A NEW PARAGRAPH AT THE END OF § 122510(a), AND TO <i>AMEND</i> THE INTRODUCTORY SENTENCE OF § 122510(e) , ALL OF ARTICLE 25, CHAPTER 12, DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES (DPHSS) TO ISSUE CONDITIONAL PERMITS AND THE DEPARTMENT OF REVENUE AND TAXATION (DRT) TO COLLECT FEES AND ISSUE BUSINESS LICENSES FOR THE COMMERCIAL CULTIVATION, MANUFACTURING, LABORATORY TESTING, AND DISPENSARY ACTIVITIES FOR MEDICINAL CANNABIS, TO FURTHER IMPLEMENT THE “JOAQUIN (KC) CONCEPTION, II COMPASSIONATE CANNABIS USE ACT OF 2013”.	4/5/17 3:33 p.m. AS CORRECTED 4/28/17 2:34 p.m.						

MINA' TRENTAI KUATTRO NA LIHESLATURAN GUAHAN
2017 (FIRST) Regular Session

Bill No. 69-34 (COR)

As Corrected by the Primary Sponsor

Introduced by:

JOE S. SAN AGUSTIN 
DENNIS G. RODRIGUEZ JR. 

AN ACT TO AMEND § 122503(k); TO ADD NEW §§ 12503 (ee) AND 12503(ff); TO AMEND §122508; TO ADD NEW §§ 122509 (d)(7) AND 122509 (e)(7), TO AMEND THE FIRST PARAGRAPH AND TO ADD A NEW PARAGRAPH AT THE END OF § 122510(a), AND TO AMEND THE INTRODUCTORY SENTENCE OF § 122510(e), ALL OF ARTICLE 25, CHAPTER 12, DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES (DPHSS) TO ISSUE CONDITIONAL PERMITS AND THE DEPARTMENT OF REVENUE AND TAXATION (DRT) TO COLLECT FEES AND ISSUE BUSINESS LICENSES FOR THE COMMERCIAL CULTIVATION, MANUFACTURING, LABORATORY TESTING, AND DISPENSARY ACTIVITIES FOR MEDICINAL CANNABIS, TO FURTHER IMPLEMENT THE “JOAQUIN (KC) CONCEPTION, II COMPASSIONATE CANNABIS USE ACT OF 2013”.

2017 APR 28 PM 2:34 

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent.

I Liheslaturan Guåhan finds that the “Joaquin (KC) Conception, II Compassionate Cannabis Use Act of 2013 as amended by Public Law No. 33-220, did not involve the Department of Revenue and Taxation (DRT) in the process of issuing business licenses and charging fees for the cultivation of cannabis for medical purposes. It is also desirable to speed up the process of making medical cannabis available for the patients who require it.

1 It is the intention of *I Liheslaturan Guåhan* to speed up the process of
2 licensing and charging fees for the cultivation of cannabis for medical purposes
3 and to this purpose the role of the DRT is added to the current process in order to
4 issue business licenses to persons and businesses who obtain temporary conditional
5 permits from DPHSS and who are in the process of completing all of the necessary
6 features of their applications with the Department of Public Health and Social
7 Services to enter this business.

8 **Section 2.** § 122503k (Definitions) of Article 25, Chapter 12, Division 1,
9 Title 10, Guam Code Annotated, is *amended*, and all references throughout Article
10 25 of Chapter 12, Division 1, Title 10 of the Guam Code Annotated to
11 “Department” shall be changed by the Compiler of Laws to read “DPHSS” as
12 follows, consistent with the amended definition:

13 “(k) ~~Department~~ DPHSS means the Department of Public Health and
14 Social Services.”

15 **Section 3.** A new § 122503(ee) (Definitions) is *added* to Article 25 of
16 Chapter 12, Division 1, Title 10, Guam Code Annotated, to read:

17 “(ee). Business License means a business license issued by the DRT.”

18 **Section 4.** A new Subsection (ff) is *added* to 122503 (Definitions) of
19 Article 25, Chapter 12, Division 1, Title 10, Guam Code Annotated, and all
20 references throughout Article 25 of Chapter 12, Division 1, Title 10 of the Guam
21 Code Annotated to “Department of Revenue and Taxation” shall be changed by the
22 Compiler of Laws to read “DRT” as follows, consistent with the *added* definition:

23 “(ff) DRT means the Department of Revenue and Taxation.”

1 **Section 5.** § 122508 of Article 25, Chapter 12, Division 1, Title 10, Guam
2 Code Annotated, is *amended* to read:

3 **“§122508. License Classification.**

4 (a) Licenses for medical cannabis business are non-transferable.

5 (b) All licensed medical cannabis businesses permitted in this Act *shall*
6 retain at least fifty-one percent (51%) ownership by legal residents of Guam
7 who have maintained continuous legal residential address or addresses on
8 Guam for a period of no less than three (3) years prior to the application for a
9 medical cannabis business license.

10 (c) The DPHSS *shall* issue the following types of medical cannabis business
11 licenses:

12 (1) Type 1 Commercial Cultivation License for cultivation of less than or
13 equal to two thousand five hundred (2,500) square feet of canopy on a single
14 premise;

15 (2) Type 2 Commercial Cultivation License for cultivation of two
16 thousand five hundred one (2,501) to five thousand (5,000) square feet of canopy
17 on a single premise;

18 (3) Type 3 Commercial Cultivation License for cultivation of five thousand
19 one (5001) to ten thousand (10,000) square feet of canopy on a single premise;

20 (4) Commercial Manufacturing Facility License;

21 (5) Dispensary License; ~~and~~

22 (6) Medical Cannabis Testing Laboratory License; and

1 (7) Medical Cannabis Dispensary License.

2 d) The DRT Business License Section, shall issue the following types of Business
3 Licenses:

4 (1) Commercial Cultivation Business License;

5 (2) Commercial Manufacturing Facility Business License;

6 (3) Medical Cannabis Testing Laboratory Business License; or

7 (4) Medical Cannabis Dispensary Business License.”

8 **Section 6.** A new § 122509 (d)(7) (relative to Initial Licensing Fees) is
9 *added* to Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to
10 read:

11 “(7) DRT Business License Fees:

12 (A) \$1,000 for a Commercial Cultivation Business License;

13 B) \$1,000 for a Commercial Manufacturing Facility Business
14 License;

15 (C) \$1,000 for a Medical Cannabis Testing Laboratory Business
16 License;

17 (D) \$1,000 for a Medical Cannabis Dispensary Business
18 License.”

19 **Section 7.** A new § 122509 (e)(7) (relative to Annual License Renewal) is
20 *added* to Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to
21 read:

1 “(7) DRT Business License Fees:

2 (A) \$1,000 for a Commercial Cultivation Business License;

3 (B) \$1,000 for a Commercial Manufacturing Facility Business
4 License;

5 (C) \$1,000 for a Medical Cannabis Testing Laboratory Business
6 License;

7 (D) \$ 1,000 for a Medical Cannabis Dispensary Business License.”

8 **Section 8.** The heading of § 122510 of Article 25, Chapter 12, Title 10,
9 Guam Code Annotated, is *amended* to read:

10 "§ 122510. Application for Conditional Permits and Licensing Process for
11 Medical Cannabis Business."

12 **Section 9.** The first paragraph of § 122510(a) of Article 25, Chapter 12,
13 Title 10, Guam Code Annotated, is *amended* to read:

14 "(a) Within thirty (30) days of the ~~passage~~ enactment of this Act ~~Section~~ the
15 ~~Department DPHSS~~ DPHSS shall accept proposed medical cannabis business licenses
16 applications for Permits on a form prescribed by the ~~Department DPHSS~~ DPHSS. The
17 application *shall* be submitted by the authorized responsible official and include:"

18 **Section 10.** The following paragraph is *added* to the end of § 122510(a) of
19 Article 25, Chapter 12, Title 10, Guam Code Annotated, to read:

20 "After an applicant has submitted Items (1), (2), and (3), above to DPHSS,
21 the applicant shall be issued a Conditional Permit by DPHSS which can be
22 presented to the DRT in application for a business license according to the

1 registration requirements of DRT for business entities such as general business
2 license, or Sales and Services under the Uniform Commercial Code. After
3 obtaining a business license, the applicant thereafter *shall* complete items (4)
4 through (15) above and submit to and be reviewed by the DPHSS before being
5 issued a final Permit by DPHSS to operate a cannabis business. The application
6 requirements for a Conditional Permit by DPHSS, followed by a business license
7 issued by DRT, followed by completion of all items in this Subsection and
8 submitted to and reviewed by DPHSS, authorizes the DPHSS to issue a final
9 Permit to operate a cannabis business. The time requirements contained in the
10 remainder of this § 122510 apply after the completion of items (4) through (15) are
11 submitted to DPHSS."

12 **Section 11.** The introductory sentence to § 122510(e) is *amended* to read:

13 "(e) The ~~Department~~ DPHSS shall issue a ~~license~~ final Permit if the
14 application is complete and in accordance with this Act."

15 **Section 12. Severability.** If any provision of this Act or its application to
16 any person or circumstance is found to be invalid or contrary to law, such
17 invalidity shall not affect other provisions or applications of this Law which can be
18 given effect without the invalid provisions or application, and to this end the
19 provisions of this Act are severable.

20 **Section 13. Effective Date.** This Act shall become immediately effective
21 upon enactment, and further provided, no government of Guam funding is
22 authorized that does not follow the provisions and methodologies provided
23 pursuant to this Act.