

*I Mina'Trentai Kuáattro 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)	Joe S. San Agustin Dennis G. Rodriguez, Jr.	AN ACT TO AMEND SUBSECTION (k) AND ADD NEW SUBSECTIONS (ee) AND (ff) TO § 122503, TO AMEND §122508, ADD A NEW SUBSECTION (d)(7) TO § 122509 AND A NEW SUBSECTION (e)(7) TO § 122509, REPEAL AND REENACT SUBSECTION (a)(6) of § 122510, AND TO AMEND SUBSECTION (e) OF § 122510, 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.						

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

Bill No. 69-34 (COR)

Introduced by:

JOE S. SAN AGUSTIN<sup>34</sup>  
DENNIS G. RODRIGUEZ JR. <sup>35</sup>

2017 APR -5 PM 3:33  
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AN ACT TO AMEND SUBSECTION (k) AND ADD NEW SUBSECTIONS (ee) AND (ff) TO § 122503, TO AMEND §122508, ADD A NEW SUBSECTION (d)(7) TO § 122509 AND A NEW SUBSECTION (e)(7) TO § 122509, REPEAL AND REENACT SUBSECTION (a)(6) of § 122510, AND TO AMEND SUBSECTION (e) OF § 122510, 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) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013”.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent.

3 *I Liheslaturan Guåhan* finds that the “Joaquin (KC) Concepcion, II  
4 Compassionate Cannabis Use Act of 2013 as amended by Public Law No. 33-220,  
5 did not involve the Department of Revenue and Taxation (DRT) in the process of  
6 issuing licenses and charging fees for the cultivation of cannabis for medical  
7 purposes. It is also desirable to speed up the process of making medical cannabis  
8 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 temporary Certified Permits to persons and businesses in the process of  
5 completing all of the necessary features of their applications with the Department  
6 of Public Health and Social Services to enter this business.

7 **Section 2.** Subsection (k) of § 122503 (Definitions) of Article 25, Chapter  
8 12, Division 1, Title 10, Guam Code Annotated, is *amended*, and all references  
9 throughout Section 2 of Public Law No. 33-220 to “Department” shall be changed  
10 by the Compiler of Laws to read “DPHSS” as follows, consistent with the  
11 amended definition:

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

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

16 “(ee). *Business License* means a Business License issued by the Department  
17 of Revenue and Taxation.”

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, to read:

20 “(ff) *DRT* means Department of Revenue and Taxation and Department of  
21 Revenue and Taxation means DRT”

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

1           **“§122508. License Classification.** Licenses for medical cannabis  
2 business are non-transferable. All licensed medical cannabis businesses permitted  
3 in this Act *shall* retain at least fifty-one percent (51%) ownership by legal residents  
4 of Guam who have maintained continuous legal residential address or addresses on  
5 Guam for a period of no less than three (3) years prior to the application for a  
6 medical cannabis business license. The DPHSS *shall* issue the following types of  
7 medical cannabis business licenses:

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

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

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

17           (d) Commercial Manufacturing Facility License;

18           (e) Dispensary License; ~~and~~

19           (f) Medical Cannabis Testing Laboratory License; and

20           (g) Medical Cannabis Dispensary License.

21 The DRT Business License Section, shall issue the following types of Business  
22 Licenses:

- 1           (1) Commercial Cultivation Business License;
- 2           (2) Commercial Manufacturing Facility Business License;
- 3           (3) Medical Cannabis Testing Laboratory Business License; or
- 4           (4) Medical Cannabis Dispensary Business License.”

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

8           “(7) DRT Business License Fees:

- 9                   (A) \$1,000 for a Commercial Cultivation Business License;
- 10                   (B) \$1,000 for a Commercial Manufacturing Facility Business  
11 License;
- 12                   (C) \$1,000 for a Medical Cannabis Testing Laboratory Business  
13 License;
- 14                   (D) \$1,000 for a Medical Cannabis Dispensary Business  
15 License.”

16           **Section 7.** A new Subsection (e)(7) (**Annual License Renewal**) is added  
17 to § 122509 (Fees) of Article 25, Chapter 12, Division 1, Title 10, Guam Code  
18 Annotated, to read:

19           “(7) DRT Business License Fees:

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

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

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

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

6 **Section 8.** Subsection (a)(6) of § 122510 (**Application and Licensing**  
7 **Process for Medical Cannabis Business**) is *repealed and reenacted* to read:

8 “(6) upon filing the DPHSS's application and licensing process for Medical  
9 Cannabis Business in accordance with this Act, the DPHSS shall issue a  
10 Conditional Permit for the applicant to present to the DRT. Upon receiving the  
11 Conditional Permit from the DPHSS, the DRT shall issue the applicant a Business  
12 License in accordance with this Act. The DRT is charged with the registration of  
13 business entities, issuance of general business licenses such as Sales and Services  
14 under the Guam Uniform Commercial Code.

15 After the applicant has obtained a Business License from DRT and later  
16 completes their application with the DPHSS, the applicant shall provide proof to  
17 DPHSS that the proposed facility is registered with the DRT and has a business  
18 license and Business Privilege Tax Number with the DRT;”

19 **Section 9.** Subsection (e) of § 122510 (**Application and Licensing Process**  
20 **for Medical Cannabis Business**) is *amended* to read:

21 “(e) Upon receiving a Business License from the DRT, the DPHSS shall  
22 issue a license if the application is complete and in accordance with this Act. The  
23 certificate shall include the following; Conditional Permit including the following:

- 1 (1) the medical cannabis business'
  - 2 (A) legal name;
  - 3 (B) physical address; and
  - 4 © phone number;
- 5 (2) the responsible official's
  - 6 (A) name;
  - 7 (B) mailing address;
  - 8 © email address;
  - 9 (D) phone number;
- 10 (3) a random alphanumeric identification number;
- 11 (4) the date of issue;
- 12 (5) the date of expiration;
- 13 (6) the date the licensed medical cannabis business must reapply; and
- 14 (7) any other information the Department deems necessary.

15 When the licensing process is complete and in accordance with the all  
16 requirements of DPHSS and DRT, the DPHSS shall issue a license in accordance  
17 with this Act to replace the Conditional Permit previously issued, thus completing  
18 the Medical Cannabis Application and Licensing Process.”

19

1           **Section 10. Severability.** If any provision of this Act or its application to  
2 any person or circumstance is found to be invalid or contrary to law, such  
3 invalidity shall not affect other provisions or applications of this Law which can be  
4 given effect without the invalid provisions or application, and to this end the  
5 provisions of this Act are severable.

6           **Section 11. Effective Date.** This Act shall become immediately effective  
7 upon enactment, and further provided, no government of Guam funding is  
8 authorized that does not follow the provisions and methodologies provided  
9 pursuant to this Act.