

*I Mina'trentai Singko Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
32-35 (COR)	C.E. Ridgell Tina Rose Muña Barnes Joe S. San Agustin Régine Biscoe Lee Telo T. Taitague Jose "PEDO" Terlaje	AN ACT TO ADD A NEW CHAPTER 8 TO TITLE 11 GUAM CODE ANNOTATED KNOWN AS THE "GUAM CANNABIS INDUSTRY ACT OF 2019," RELATIVE TO REGULATING THE USE, PRODUCTION, SALE, AND TAXATION OF MARIJUANA; ADDING A NEW CHAPTER 9 TO DIVISION 1, TITLE 11 GCA, RELATIVE TO CREATING THE CANNABIS CONTROL BOARD; DECLASSIFYING MARIJUANA AS A SCHEDULE I CONTROLLED SUBSTANCE AND REDEFINING REFERENCES TO IT IN THE GUAM UNIFORM CONTROLLED SUBSTANCES ACT.	1/31/19 2:40 p.m.						

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*  
2019 (FIRST) REGULAR SESSION

Bill No. 32-35 (COR)

Introduced by:

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T.M. Barnes  
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AN ACT TO ADD A NEW CHAPTER 8 TO TITLE 11 GUAM CODE ANNOTATED KNOWN AS THE “*GUAM CANNABIS INDUSTRY ACT OF 2019*,” RELATIVE TO REGULATING THE USE, PRODUCTION, SALE, AND TAXATION OF MARIJUANA; ADDING A NEW CHAPTER 9 TO DIVISION 1, TITLE 11 GCA, RELATIVE TO CREATING THE CANNABIS CONTROL BOARD; DECLASSIFYING MARIJUANA AS A SCHEDULE I CONTROLLED SUBSTANCE AND REDEFINING REFERENCES TO IT IN THE GUAM UNIFORM CONTROLLED SUBSTANCES ACT.

2019 JAN 31 PM 2:40  
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1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2       **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that in the interest of enhancing revenue for public purposes with the creation of a  
4 new industry, enhancing individual freedom, and promoting the efficient use of law  
5 enforcement resources the use of cannabis should be legal for persons twenty-one  
6 (21) years of age or older and the production and sale of cannabis should be regulated  
7 for public health, welfare, safety, and taxation purposes.

8       It is the intent of *i Liheslaturan Guåhan* that the use, sale, and production of  
9 cannabis should be regulated so that:

- 1 (a) Individuals will have to show proof of age before purchasing cannabis;
- 2 (b) Selling, distributing, or transferring marijuana to individuals under  
3 twenty-one (21) years of age remains illegal *except* that nothing in this Act is  
4 intended to or *shall* be construed as prohibiting or restricting the possession or  
5 medical use of cannabis by qualified patients as permitted by Public Law 32-237;
- 6 (c) Driving under the influence of cannabis remains illegal;
- 7 (d) Legitimate, taxpaying business people will conduct sales of cannabis;
- 8 (e) Cannabis produced and sold by regulated businesses will be tested,  
9 packaged, labeled, and tracked, subject to additional regulations to prevent access  
10 by individuals under the age of twenty-one (21) to ensure that consumers are  
11 informed and protected and so that cannabis is not diverted outside of Guam to states  
12 or jurisdictions where it is illegal.

13 **Section 2. A new Chapter 8 is hereby added to Title 11 GCA to read:**

14 **“CHAPTER 8**

15 **GUAM CANNABIS INDUSTRY ACT**

16 **§ 8101. Title.**

17 **§ 8102. Definitions.**

18 **§ 8103. Personal use of cannabis.**

19 **§ 8104. Restrictions on personal cultivation, penalty.**

20 **§ 8105. Public consumption banned, penalty.**

21 **§ 8106. False Identification, penalty.**

22 **§ 8107. Cannabis accessories authorized.**

23 **§ 8108. Lawful operation of cannabis-related facilities.**

24 **§ 8109. Cannabis Control Board.**

25 **§ 8110. Rulemaking.**

26 **§ 8111. Cannabis establishment registrations.**

27 **§ 8112. Employers, driving, minors, and control of property.**

1        **§ 8113. Excise Tax on Cannabis.**

2        **§ 8114. Monthly Statements and Payments.**

3        **§ 8115. Federal Law, applicability.**

4        **§ 8116. Prior Duties, Penalties and Proceedings.**

5        **§ 8117. Contracts.**

6                **§ 8101. Title.** This Chapter *shall* be known and may be cited as  
7        “The Guam Cannabis Industry Act of 2019.”

8                **§ 8102. Definitions.** As used in this Chapter:

9                (a) Board means the Cannabis Control Board referenced by § 8109  
10        of this Act.

11                (b) Cannabis means all parts of the plant of the genus *cannabis*,  
12        whether growing or not, the seeds thereof, the resin extracted from any part  
13        of the plant, and every compound, manufacture, salt, derivative, mixture, or  
14        preparation of the plant, its seeds, or its resin, including cannabis or marijuana  
15        concentrate. “Cannabis” does not include the mature stalks of the plant, fiber  
16        produced from the stalks, oil, or cake made from the seeds of the plant,  
17        sterilized seed of the plant which is incapable of germination, or the weight of  
18        any other ingredient combined with marijuana to prepare topical or oral  
19        administrations, food, drink, or other products.

20                (c) Cannabis accessories means any equipment, products, or  
21        materials of any kind that are used, intended for use, or designed for use in  
22        planting, propagating, cultivating, growing, harvesting, composting,  
23        manufacturing, compounding, converting, producing, processing, preparing,  
24        testing, analyzing, packaging, repackaging, storing, vaporizing, or containing  
25        marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into  
26        the human body.

1           (d) Cannabis concentrate means any cannabis product or subset of  
2 cannabis produced by extracting cannabinoids from cannabis.

3           (e) Cannabis cultivation facility means an entity licensed to  
4 cultivate, prepare, and package cannabis and sell cannabis to retail cannabis  
5 stores, to cannabis product manufacturing facilities, and to other licensed  
6 cannabis cultivation facilities but not to consumers.

7           (f) Cannabis establishment means a cannabis cultivation facility,  
8 cannabis testing facility, a cannabis product manufacturing facility, or a retail  
9 cannabis store.

10          (g) Cannabis flower or flower means the inflorescence(s) of the  
11 mature pistillate (female) cannabis plant.

12          (h) Cannabis-infused product means any product that is comprised  
13 of cannabis concentrate or cannabis plant material and other ingredients and  
14 is intended for use or consumption other than by smoking or vaporizing,  
15 including ingestible cannabis-infused products, topical cannabis-infused  
16 products, transdermal cannabis-infused products, and transmucosal cannabis-  
17 infused products.

18          (i) Cannabis product means a finished product intended for human  
19 consumption or use that is comprised partially or completely of cannabis. This  
20 term is used generally to refer to one or more of the following: cannabis  
21 flower, cannabis concentrates, and cannabis-infused products.

22          (j) Cannabis product category means a defined group of cannabis  
23 products that are in the same form. Cannabis flower, cannabis concentrates,  
24 and cannabis-infused products are all cannabis product categories, though the  
25 latter category may be further broken down into sub-categories such as  
26 ingestible cannabis-infused products and non-ingestible cannabis-infused  
27 products.

1           (k) Cannabis product manufacturing facility means an entity  
2 licensed to purchase cannabis from licensed cannabis cultivation facilities; to  
3 manufacture, prepare, and package cannabis products; and to sell cannabis  
4 and cannabis products to other cannabis product manufacturing facilities and  
5 to retail cannabis stores but not to consumers. Nothing herein shall be  
6 construed to prohibit a cannabis product manufacturing facility from  
7 purchasing cannabis or cannabis products from other cannabis product  
8 manufacturing facilities.

9           (l) Cannabis testing facility means an entity licensed to analyze and  
10 certify the safety and potency of cannabis. Only a licensed cannabis testing  
11 facility may collect and transport cannabis or cannabis samples to and from a  
12 cannabis testing facility.

13           (m) Consumer means a person twenty-one (21) years of age or older  
14 who purchases cannabis or marijuana products for personal use only but not  
15 for resale to others.

16           (n) Consumption means the act of ingesting, inhaling, or otherwise  
17 introducing cannabis or marijuana into the human body including through the  
18 use of topicals, ointments, or tinctures.

19           (o) Department means the Guam Department of Revenue and  
20 Taxation.

21           (p) Ingestible cannabis-infused product or ingestible means a  
22 product that contains cannabis and at least one other ingredient, is intended  
23 for use or consumption other than by inhalation, is intended to be taken into  
24 the body, and is one of the following:

25               (1) edible cannabis-infused product or edible which is an  
26 ingestible cannabis-infused product that is intended to be taken by  
27 mouth, swallowed, and is primarily absorbed through the

1 gastrointestinal tract. Edible cannabis-infused products may be  
2 psychoactive when used as intended. Without limitation, edible  
3 cannabis-infused products may be in the form of a food, beverage,  
4 capsule, or tablet; or

5 (2) *transmucosal cannabis-infused product or transmucosal*  
6 which is an ingestible cannabis-infused product that is intended to be  
7 placed in a body cavity and absorbed through the mucosal lining of that  
8 cavity and may be psychoactive when used as intended. Transmucosal  
9 cannabis-infused products include but are not limited to cannabis-  
10 infused tinctures, anal suppositories, lozenges, and nasal sprays.

11 (q) *Non-ingestible cannabis-infused product or non-ingestible*  
12 means a product that contains cannabis and at least one (1) other ingredient,  
13 is intended for use or consumption other than by inhalation, is intended for  
14 external use only, and is one of the following:

15 (1) *topical cannabis-infused product or topical* which is a  
16 non-ingestible cannabis-infused product that produces a non-  
17 psychoactive effect when used as intended. Topical cannabis-infused  
18 products include but are not limited to cannabis-infused creams, salves,  
19 bath soaks, and lotions; or

20 (2) *transdermal cannabis-infused product or transdermal*  
21 which is a non-ingestible cannabis-infused product that contains at least  
22 one (1) skin-permeation-enhancing ingredient to facilitate absorption  
23 through the skin into the bloodstream and may be psychoactive when  
24 used as intended. Transdermal cannabis-infused products include but  
25 are not limited to cannabis-infused adhesive patches that are applied to  
26 the skin surface.

1           (r) Retail cannabis store means an entity licensed to purchase  
2 cannabis and to sell cannabis and cannabis products to consumers. Nothing  
3 herein shall be construed to prohibit a licensed retail cannabis store to  
4 purchase, sell, or transfer cannabis and cannabis products to another licensed  
5 retail cannabis store.

6           (s) Unreasonably impracticable means that the measures necessary  
7 to comply with this part require such a high investment of risk, money, time,  
8 or any other resource or asset that the operation of a cannabis establishment  
9 is not worthy of being carried out in practice by a reasonably prudent  
10 businessperson.

11           (t) Marijuana means cannabis as defined in subsection (b) above.  
12 For purposes of this Act, the terms marijuana and cannabis shall carry the  
13 same meaning and shall be used interchangeably.

14           § 8103. Personal use of cannabis. Notwithstanding any other  
15 provision of law except as provided in this chapter, the following acts by  
16 persons twenty-one (21) years of age or older are lawful and shall not be a  
17 criminal or civil offense under Guam law or be a basis for seizure or forfeiture  
18 of assets under Guam law.

19           (a) Possessing, using, displaying, purchasing, or transporting  
20 cannabis accessories; one (1) ounce or less of cannabis; eight (8) grams or less  
21 of cannabis concentrate; or any cannabis-infused products containing eight  
22 hundred (800) mg or less of tetrahydrocannabinol;

23           (b) Possessing, growing, processing, or transporting no more than  
24 six (6) cannabis plants, with three (3) or fewer being mature, flowering plants  
25 and possession of the cannabis produced by the plants on the premises where  
26 the plants were grown, provided that the growing takes place in an enclosed,



1 locked place, is not conducted openly or publicly, and is not made available  
2 for sale.

3 (c) Transferring one (1) ounce or less of cannabis and immature  
4 cannabis plants; eight (8) grams or less of cannabis concentrate; or any  
5 cannabis-infused products containing eight hundred (800) mg or less of  
6 tetrahydrocannabinol to a person who is twenty-one (21) years of age or older  
7 without remuneration;

8 (d) Consumption of cannabis except that absent regulations  
9 otherwise promulgated by the Cannabis Control Board, nothing in this  
10 Chapter shall permit the consumption of marijuana in public; and

11 (e) Assisting another person who is twenty-one (21) years of age or  
12 older in any of the acts described in paragraphs (a) through (d) of this section  
13 if such assistance is provided for a non-commercial purpose.

14 (f) The provisions of § 8103 of this Chapter do not apply to cannabis  
15 establishments as defined in this Chapter.

16 **§ 8104. Restrictions on personal cultivation, penalty.** The  
17 personal cultivation of cannabis described in § 8103(b) of this Chapter is  
18 subject to the following terms:

19 (a) Cannabis cultivation for personal use may only occur inside a  
20 private residence, inside an accessory structure to a private residence located  
21 upon the grounds of a private residence, or within a fully enclosed, locked  
22 outdoor space on the grounds of a private residence, provided that:

23 (1) cultivation takes place within a closet, room, greenhouse,  
24 or other fully enclosed area that is equipped with a lock or other security  
25 device that allows access only to persons authorized to access the area;  
26 and

1                   (2) no more than six (6) plants are possessed, cultivated, or  
2                   processed at a single residence or upon the grounds of that residence, at  
3                   one time;

4                   (b) Cannabis cultivation for personal use may only occur on property  
5                   lawfully possessed by the cultivator or with the consent of the person in lawful  
6                   possession of the property;

7                   (c) Cannabis plants shall be cultivated in a location where the plants  
8                   are not visible from any public location;

9                   (d) A person who cultivates cannabis shall take reasonable  
10                  precautions to ensure the plants are secure from unauthorized access; and

11                  (e) A person who violates this section while otherwise acting in  
12                  compliance with § 8103(b) of this Chapter is guilty of a violation punishable  
13                  by a fine of up to Five Hundred Dollars (\$500).

14                  **§ 8105. Public consumption banned, penalty.** It is unlawful to  
15                  consume cannabis openly and in public, unless otherwise permitted by  
16                  regulations duly promulgated and enacted by the Cannabis Control Board. A  
17                  person who violates this section is guilty of a violation punishable by a fine  
18                  of up to One Hundred Dollars (\$100).

19                  **§ 8106. False Identification, penalty.**

20                  (a) A person who is under twenty-one years (21) of age may not  
21                  present or offer to a licensed cannabis establishment or the cannabis  
22                  establishment's agent or employee any written or oral evidence of age that is  
23                  false, fraudulent, or not actually the person's own, for the purpose of:

24                         (1) Purchasing, attempting to purchase, or otherwise  
25                         procuring or attempting to procure cannabis or cannabis products; or

26                         (2) Gaining access or attempting to gain access to a cannabis  
27                         establishment.

1                   (3) A person who violates this Section is guilty of a violation  
2                   punishable by a fine of up to Five Hundred Dollars (\$500).

3                   (b) A licensee, his agent or employee shall not sell, give, nor permit  
4                   to be sold, given, or served any cannabis or cannabis products to any person  
5                   under twenty-one (21) years of age. For the purpose of preventing any  
6                   violation of this Section, any licensee or her/his agent or employee may refuse  
7                   to sell or serve cannabis or cannabis products to any person who is unable to  
8                   produce adequate written evidence that she or he has reached the age of  
9                   twenty-one (21) years. In any criminal prosecution or proceeding for the  
10                   suspension or revocation of any license and based upon a violation of this  
11                   Section, proof that the defendant licensee or her/his agent or employee  
12                   demanding and was shown, before furnishing any cannabis or cannabis product  
13                   to a minor, an identification card or other bona fide documentary evidence of  
14                   majority of such person shall be a defense to such prosecution or proceeding  
15                   for the suspension or revocation of any license, unless it is demonstrated that  
16                   a reasonable person would have determined that the identification exhibited  
17                   was altered or did not accurately describe the person to whom the cannabis or  
18                   cannabis product was sold or served. Every person who violates this Section  
19                   shall be guilty of a petty misdemeanor.

20                   **§ 8107. Cannabis accessories authorized.** Notwithstanding any  
21                   other provision of law, it is lawful and shall not be an offense under Guam  
22                   law or be a basis for seizure or forfeiture of assets for persons twenty-one (21)  
23                   years of age or older to manufacture, possess, or purchase cannabis  
24                   accessories or to distribute or sell cannabis accessories to a person who is  
25                   twenty-one (21) years of age or older.

26                   **§ 8108. Lawful operation of cannabis-related facilities.**

1           (a) Notwithstanding any other provision of law the following acts  
2 when performed by a retail cannabis store with a current, valid registration or  
3 a person twenty-one (21) years of age or older who is acting in her or his  
4 capacity as an owner, employee, or agent of a retail cannabis store, are lawful  
5 and shall not be an offense under Guam law or be a basis for seizure or  
6 forfeiture of assets under Guam law:

7           (1) Possessing, displaying, storing, or transporting cannabis,  
8 cannabis products, or cannabis accessories, except that such items may  
9 not be displayed in a manner that is visible to the general public from a  
10 public right-of-way;

11           (2) Delivering or transferring cannabis or cannabis products  
12 to a cannabis testing facility;

13           (3) Receiving cannabis or cannabis products from a cannabis  
14 cultivation facility or cannabis product manufacturing facility;

15           (4) Purchasing cannabis from a cannabis cultivation facility;

16           (5) Purchasing cannabis or cannabis products from a cannabis  
17 product manufacturing facility; and

18           (6) Delivering, distributing, or selling cannabis, cannabis  
19 products, or cannabis accessories to consumers.

20           (b) Notwithstanding any other provision of law, the following acts,  
21 when performed by a cannabis cultivation facility with a current, valid  
22 registration or a person twenty-one (21) years of age or older who is acting in  
23 her or his capacity as an owner, employee, or agent of a cannabis cultivation  
24 facility, are lawful and shall not be an offense under Guam law or be a basis  
25 for seizure or forfeiture of assets under Guam law:

26           (1) Cultivating, harvesting, processing, packaging,  
27 transporting, displaying, storing, or possessing cannabis;

1                   (2) Delivering or transferring cannabis to a cannabis testing  
2                   facility;

3                   (3) Delivering, distributing, or selling cannabis to a cannabis  
4                   cultivation facility, a cannabis product manufacturing facility, or a  
5                   retail cannabis store;

6                   (4) Receiving or purchasing cannabis from a cannabis  
7                   cultivation facility;

8                   (5) Receiving cannabis seeds or immature cannabis plants  
9                   from a person twenty-one (21) years of age or older.

10                  (c) Notwithstanding any other provision of law, the following acts,  
11                  when performed by cannabis product manufacturing facility with a current,  
12                  valid registration or a person twenty-one (21) years of age or older who is  
13                  acting in her or his capacity as an owner, employee, or agent of a cannabis  
14                  product manufacturing facility, are lawful and shall not be an offense under  
15                  Guam law or be a basis for seizure or forfeiture of assets under Guam law:

16                   (1) Packaging, processing, transporting, manufacturing,  
17                   displaying, or possessing cannabis or cannabis products;

18                   (2) Delivering or transferring cannabis or cannabis products  
19                   to a cannabis testing facility;

20                   (3) Delivering or selling cannabis or cannabis products to a  
21                   person or establishment authorized to possess, use, display, purchase,  
22                   or transport cannabis or cannabis products.

23                  (d) Notwithstanding any other provision of law, possessing,  
24                  cultivating, processing, repackaging, storing, transporting, displaying,  
25                  transferring, or delivering cannabis when performed by a cannabis testing  
26                  facility with a current, valid registration or a person twenty-one (21) years of  
27                  age or older who is acting in her or his capacity as an owner, employee or

1 agent of a cannabis testing facility, are lawful and shall not be an offense  
2 under Guam law or be a basis for seizure or forfeiture of assets under Guam  
3 law.

4 (e) Notwithstanding any other provision of law, it is lawful and shall  
5 not be an offense under Guam law or be a basis for seizure or forfeiture of  
6 assets under Guam law to lease or otherwise allow the use of property owned,  
7 occupied, or controlled by any person, corporation or other entity for any of  
8 the activities conducted lawfully in accordance with paragraphs (a) through  
9 (d) of this section.

10 (f) Nothing in this Section prevents the imposition of penalties upon  
11 cannabis establishments for violating this Chapter or rules adopted by the  
12 Board referenced by § 8109 of this Chapter.

13 **§ 8109. Cannabis Control Board.** I Liheslaturan Guåhan shall  
14 create a Cannabis Control Board which shall assume the power, duties, and  
15 authority to promulgate rules and regulations necessary to enforce this Act.

16 **§ 8110. Rulemaking.**

17 (a) Not later than one (1) year after the effective date of this Act, the  
18 Board shall prescribe forms and adopt such rules and regulations necessary  
19 for implementation of this chapter. Such regulations shall not prohibit the  
20 operation of cannabis establishments either expressly or through regulations  
21 that make their operation unreasonably impracticable. Such regulations shall  
22 include:

23 (1) Procedures and grounds for the issuance, renewal,  
24 suspension, denial, and/or revocation of a registration to operate a  
25 cannabis establishment;

26 (2) A schedule of application, registration, and renewal fees  
27 provided that application fees shall not exceed Five Thousand Dollars

1 (\$5,000) with this upper limit adjusted annually for inflation, unless the  
2 Board determines a greater fee is necessary to carry out its  
3 responsibilities under this Chapter;

4 (3) Qualifications for registration that are directly and  
5 demonstrably related to the operation of a cannabis establishment or  
6 security requirements for cannabis establishments including for the  
7 transportation and storage of cannabis by cannabis establishments;

8 (4) Requirements to prevent the sale or diversion of cannabis  
9 and cannabis products to persons under the age of twenty-one (21);

10 (5) Labeling and packaging requirements for cannabis and  
11 cannabis products sold or distributed by a cannabis establishment;

12 (6) Health and safety regulations and standards for the  
13 manufacture of cannabis products and the cultivation of cannabis;

14 (7) Reasonable restrictions on the advertising and display of  
15 cannabis and cannabis products;

16 (8) Reasonable restrictions on the quantity of cannabis and  
17 cannabis products purchased at any one time by a consumer so as to  
18 effectually prevent the resale of cannabis items;

19 (9) Implementation of a “seed to sale” tracking system;

20 (10) Civil penalties for the failure to comply with regulations  
21 made pursuant to this Chapter; and

22 (11) Any other rules the Board considers necessary for the  
23 administration of the Guam Cannabis Industry Act and implementation  
24 and enforcement of this Chapter.

25 (b) In order to ensure that individual privacy is protected, the Board  
26 shall not require a consumer to provide a retail cannabis store with personal  
27 information other than government-issued identification to determine the

1 consumer's age, and a retail cannabis store shall not be required to acquire or  
2 record personal information about consumers.

3 **§ 8111. Cannabis establishment registrations.**

4 (a) Each application or renewal application for a registration to  
5 operate a cannabis establishment shall be submitted to the Board. A renewal  
6 application may be submitted up to ninety (90) days prior to the expiration of  
7 the cannabis establishment's registration.

8 (b) The Board shall begin accepting and processing applications to  
9 operate cannabis establishments no later than ninety (90) days after the  
10 regulations prescribed in § 8110 of this Act become effective. Upon receipt of  
11 an application for licensure, the Board shall not unreasonably delay the  
12 processing, approval, or rejection of the application, or if the application is  
13 approved, the issuance of the license.

14 (c) The Board shall issue an annual registration to the applicant  
15 within sixty (60) days after receiving an application or thirty (30) days after  
16 receiving a renewal application, unless the Board finds the applicant is not in  
17 compliance with regulations enacted pursuant to § 8110 of this Act.

18 (d) Upon denial of an application, the Board shall notify the  
19 applicant in writing of the specific reason for its denial and of the applicant's  
20 right to seek administrative and judicial review as provided for under the  
21 Guam Administrative Adjudication Law.

22 (e) Every cannabis establishment registration shall specify the  
23 location where the cannabis establishment will operate and shall have defined  
24 boundaries. A separate registration is required for each location at which a  
25 cannabis establishment operates. The Board may require reasonable  
26 restrictions for the operation of a licensed cannabis establishment.



1           (f) Cannabis establishments and books and records maintained and  
2 created by cannabis establishments are subject to inspection by the Board with  
3 reasonable notice to the owner or agent of the business.

4           **§ 8112. Employers, driving, minors, and control of property.**

5           (a) Nothing in this Chapter shall be construed or interpreted to  
6 amend, repeal, affect, restrict, or preempt the rights and obligations of public  
7 and private employers to maintain a drug and alcohol free workplace; require  
8 an employer to permit or accommodate the use, consumption, possession,  
9 transfer, display, transportation, sale, or growth of cannabis in the workplace;  
10 or affect the ability of employers to have policies prohibiting the use of  
11 marijuana by employees and prospective employees in the workplace.

12           (b) Nothing in this Chapter is intended to affect the ability of  
13 employers to enact and enforce workplace policies restricting the use or  
14 consumption of cannabis by employees in the workplace.

15           (c) Nothing in this Chapter is intended to impair, restrict, or diminish  
16 the ability of a government agency to prohibit or restrict any of the actions or  
17 conduct otherwise permitted under this Chapter within a building owned,  
18 leased, or occupied by the government agency.

19           (d) Nothing in this Chapter is intended to allow driving under the  
20 influence of cannabis or to supersede laws related to driving under the  
21 influence of cannabis.

22           (e) Nothing in this Chapter is intended to permit the transfer of  
23 cannabis, with or without remuneration, to a person under the age of twenty-  
24 one (21) years.

25           (f) Nothing in this Chapter shall prohibit a person, employer, school,  
26 hospital, recreation, or youth center, correction facility, corporation, or any  
27 other entity who occupies, owns, or controls private property from prohibiting

1 or otherwise regulating the possession, consumption, use, display, transfer,  
2 distribution, sale, transportation, or growing of cannabis on or in that property.

3 **§ 8113. Excise Tax on Cannabis.**

4 (a) A Guam excise tax is imposed on the sale or transfer of cannabis  
5 from a cannabis cultivation facility to a retail cannabis store or cannabis  
6 product manufacturing facility. Every cannabis cultivation facility shall pay a  
7 Guam excise tax at the rate of fifteen percent (15%) on the dollar value of  
8 cannabis that is sold or transferred from a cannabis cultivation facility to a  
9 retail cannabis store or cannabis product manufacturing facility. Provided  
10 further, no such excise tax shall be levied upon cannabis intended for sale as  
11 medicinal cannabis.

12 (b) The Department of Revenue and Taxation shall establish  
13 procedures for the collection of all excise taxes levied.

14 (c) The Board may exempt certain parts of the cannabis plant from  
15 the excise tax described in subsection (a) or may establish an alternate rate or  
16 tax structure in accordance with the rules and regulations promulgated in  
17 accordance with this Act.

18 **§ 8114. Monthly Statements and Payments.**

19 (a) Each cannabis cultivation facility shall send a statement by mail  
20 or electronically to the Department on or before the last day of each calendar  
21 month. The statement must contain an account of the amount of cannabis sold  
22 or transferred to retail cannabis stores and cannabis product manufacturing  
23 facilities in Guam during the preceding month, setting out:

24 (1) The total number of ounces, including fractional ounces  
25 sold or transferred;

26 (2) The names and addresses of each buyer and transferee; and



1        **§ 9101. Short Title.** This Act shall be known as the “Cannabis Control  
2 Board Act of 2019”.

3        **§ 9102. Cannabis Control Board, established.** There is hereby  
4 established a “Cannabis Control Board” (hereinafter the ‘Board’) within the  
5 Department of Revenue and Taxation.

6        **§ 9103. Members; term.** The Board shall have a membership of five (5)  
7 members who are appointed by and serve at the pleasure of *i Maga'hågan Guåhan*.

8        (a) One (1) member shall be the Director of the Department of Revenue  
9 and Taxation, or his designee;

10        (b) one (1) member shall be the Director of the Department of Agriculture,  
11 or his designee;

12        (c) one (1) member shall represent the Guam Business Community;

13        (d) and two (2) members shall represent the General Public. At least one  
14 (1) member from the General Public shall possess a medical cannabis card.

15        Each member shall serve a term of four (4) years.

16        **§ 9104. Qualifications of Members.** Each member shall be a citizen of  
17 the United States of America or a permanent resident of Guam for at least one (1)  
18 year immediately preceding the appointment; be at least twenty-one (21) years of  
19 age; not have been convicted of a crime, other than traffic offenses, that involves  
20 moral turpitude; and, must not be an applicant for, or hold a license to conduct any  
21 activities under the Board’s supervision and regulation.

22        **§ 9105. Meetings of Board; quorum; chairperson, vice chairperson.**  
23 The Board shall meet at least monthly, and may meet more frequently as its duties  
24 require. A quorum shall consist of at least three (3) members being present for the  
25 conduct of all official business. At its initial meeting, a quorum being present, the  
26 members shall select their chairperson and vice chairperson.

1        § 9106. Staff Support. The Department of Revenue and Taxation *shall*  
2 provide staff support for the Board.

3        § 9107. Duties of Board. The Board *shall* have all of the powers and  
4 duties specified in this Act, and also the powers necessary or proper to enable it to  
5 carry out the purposes of this Act and the purposes of the “Guam Cannabis Industry  
6 Act of 2019.” The jurisdiction, supervision, powers and duties of the Board shall  
7 extend to any person who buys, sells, produces, possesses, transports, or delivers any  
8 cannabis items within Guam. The Board shall be responsible for:

9            (a) Conducting hearings pertaining to the violation of this Chapter or  
10 regulations promulgated hereby; including hearings for the purpose of approving  
11 cannabis licenses and other business allowed under this Chapter;

12            (b) Promulgating such rules and regulations as may be necessary to fulfill  
13 the intent, policies and purposes of this Chapter;

14            (c) Levying fines and penalties for the violation of provisions of this  
15 Chapter and the regulations promulgated by the Board;

16            (d) Requiring and demanding access to, for the purposes of inspecting,  
17 examining, photocopying, and/or auditing, all papers, books, and records of a  
18 licensed cannabis business on its premises or elsewhere as practical, including  
19 inspecting the gross income produced by a cannabis establishment and verification  
20 of their income, and all other matters affecting the enforcement of the Board’s policy  
21 or as required pursuant to this Chapter;

22            (e) The types of licenses or permits to be covered by the cannabis license  
23 and its structure, including onsite ingestion, application of topicals, and smoking or  
24 vaping in a manner consistent with Chapter 90 of Title 10 GCA;

25            (f) Regulating the testing, purchase, sale, production, processing,  
26 transportation, and delivery of cannabis and cannabis products to be sold to

1 consumers by a retail cannabis store in accordance with the provisions of this Act  
2 and the provisions of Chapter 8, Title 11 GCA.

3 (g) Granting, refusing, suspending or canceling licenses for the sale,  
4 processing, or production of cannabis items, or other licenses in regard to cannabis  
5 items, and to permit, in its discretion, the transfer of a license of any person;

6 (h) Investigating and aiding in the prosecution of every violation of Guam  
7 statutes relating to cannabis items, and cooperating in the prosecution of offenders  
8 before the Superior Court for Guam;

9 (i) Adopting such regulations as are necessary and feasible for carrying out  
10 the intent and provisions of this Act and to amend or repeal such regulations;

11 (j) Exercising all powers incidental, convenient or necessary to enable it  
12 to administer or carry out the provisions of this Act and the provisions of Chapter 8,  
13 Title 11 GCA;

14 (k) Regulating and prohibiting any advertising by manufacturers,  
15 processors, wholesalers or retailers of cannabis items by newspapers, letters,  
16 billboards, radio, television or otherwise;

17 (l) Regulating the use of cannabis items for scientific, pharmaceutical,  
18 manufacturing, mechanical, industrial and other purposes;

19 (m) Adopting separate regulations as are necessary and feasible for the  
20 public display and use of cannabis items at exhibitions promoting cannabis as an  
21 alternative to pharmaceuticals;

22 (n) Adopting separate regulations as are necessary and feasible for the  
23 development of a hemp program for strains of cannabis that exceed three tenths  
24 percent (0.3%) on a dry weight basis of any part of the cannabis plant, or per volume  
25 or weight of cannabis product, or the combined percent of delta-9-  
26 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the cannabis  
27 plant regardless of moisture content;

1           (o) Conducting an annual summit with the Department of Revenue and  
2 Taxation, the Department of Agriculture, the Department of Public Health and  
3 Social Services, the Guam Police Department, the Department of Land Management  
4 and other stakeholders in the government and private sectors to discuss the  
5 regulation of cannabis in Guam;

6           (p) Prescribing forms and adopting such rules and regulations as the Board  
7 deems necessary for the implementation and administration of this Act no later than  
8 one (1) calendar year following the Board’s initial meeting;

9           **§ 9108. Limitations on Board Jurisdiction.** The Board shall not  
10 regulate personal cultivation of cannabis as may be allowed by Guam statute. The  
11 Board has no power to purchase, own, sell, or possess any cannabis items.

12           **§ 9109. Cannabis Control Fund, created.** There is hereby created,  
13 separate and apart from all other funds, the ‘Cannabis Control Fund.’ All fees, fines,  
14 penalties and other charges resulting from the licensing and enforcement of adult  
15 cannabis use on Guam shall be deposited into this Fund. Expenditures of the Fund  
16 shall be by appropriation from *i Liheslaturan Guåhan*. The Director of the  
17 Department of Revenue and Taxation shall report on a quarterly basis to the *Speaker*  
18 of *i Liheslaturan Guåhan* the revenues collected and expended from this Fund and  
19 post the same on the Department’s website.”

20           **Section 4.** Item (23) of §§ (c) of Appendix “A” of Chapter 67, Title 9 GCA  
21 is repealed and thereby declassifies marijuana as a Schedule 1 Controlled Substance.  
22 Any reference by the Guam Controlled Substances Act to marijuana, such as  
23 “marihuana,” “tetrahydrocannabinol,” “cannabis,” and derivatives thereof shall be  
24 deemed repealed, null, and void upon passage of this Act.

25           “~~[(23)marijuana]~~”

26           **Section 5. § 67.401.2, Chapter 67, Title 9 GCA is amended to read:**

1           **“§ 67.401.2. Illegal Possession; Defined and Punishment.** (a) It is unlawful  
2 for any person knowingly or intentionally to possess a controlled substance, unless  
3 such substance was obtained directly from, or pursuant to, a valid prescription or  
4 order of a practitioner while acting in the course of his professional practice, or  
5 except as otherwise authorized by the Act.

6           (b) Any person who violates Subsection (a) with respect to: (1) any  
7 controlled substance except marijuana *shall* be guilty of a felony of the third degree.  
8 (2) any person under the age of twenty-one years possessing more than one (1) ounce  
9 of marijuana *shall* be guilty of a petty misdemeanor. (3) any person under the age of  
10 twenty-one years possessing one (1) ounce or less of marijuana *shall* be guilty of a  
11 violation and punished by a fine of One Hundred Dollars (\$100.00).

12           (c) A person who commits a crime under Title 9 GCA §§ 67.401.2(b)(2)  
13 or (3) within the Drug-Free School Zone *shall* be guilty of a misdemeanor.

14           (d) A person who commits a crime under §§ 67.401.1 or 67.401.2(b)(1)  
15 within the Drug-Free School Zone *shall* be guilty of the same class of felony had the  
16 offense been committed outside the Drug-Free School Zone.

17           (e) A person who knowingly fails to report any violation of this Chapter  
18 within the Drug Free-School Zone is guilty of a misdemeanor.”

19           **Section 6. § 67.401.4(f), Article 4, Title 9 GCA is *amended* to read.**

20           “(f) If he is guilty of an offense involving a controlled substance listed in  
21 Schedule I or II of this Act which is not a narcotic drug or a controlled substance in  
22 Schedule III of this Act and if he has been convicted of one (1) or more prior offenses  
23 punishable under the provisions of Subsection (e) of this Section, a felony under any  
24 provision of this Act, any law of the United States, a state or foreign jurisdiction  
25 relating to narcotic drugs, [~~marijuana, or~~] depressant or stimulant substances and one  
26 (1) or more of the convictions are final, he *shall* be sentenced to a term of  
27 imprisonment of not more than ten (10) years and, in addition, may be fined not



1 more than Thirty Thousand Dollars (\$30,000.00). The sentence *shall* include a  
2 special parole term of at least two (2) years in addition to such term of  
3 imprisonment.”

4 **Section 6. § 67.401.4(h), Article 4, Title 9 GCA is amended to read.**

5 “(h) If he is guilty of an offense involving a controlled substance listed in  
6 Schedule IV of this Act and if he has been convicted of a felony under a provision  
7 of this Act; or a law of the United States, a state or foreign jurisdiction relating to  
8 narcotic drugs, [~~marijuana, or~~] depressant or stimulant substances, and such  
9 convictions are final, then he *shall* he sentenced to a term of imprisonment of not  
10 more than six (6) years and, in addition, may be fined not more than Twenty  
11 Thousand Dollars (\$20,000.00). The sentence *shall* include a special parole term of  
12 at least two (2) years in addition to such term of imprisonment. Imposition or  
13 execution of such sentence *shall not* be suspended and probation *shall not* be  
14 granted.”

15 **Section 7. § 67.401.4(j), Article 4, Title 9 GCA is amended to read.**

16 “(j) If he is guilty of an offense involving a controlled substance listed in  
17 Schedule V of this Act and if he has been convicted of a felony under a provision of  
18 this Act, or a law of the United States, a state or foreign jurisdiction relating to  
19 narcotic drugs, [~~marijuana, or~~] depressant or stimulant substances, and such  
20 convictions are final, then he *shall* be sentenced to a term of imprisonment of not  
21 more than two (2) years or a fine of not more than Ten Thousand Dollars  
22 (\$10,000.00), or both. Imposition or execution of such sentence *shall not* be  
23 suspended and probation *shall not* be granted.

24 **Section 8. § 67.401.4(k), Article 4, Title 9 GCA is repealed in its entirety.**

25 ~~“(k) Notwithstanding the provisions of this Section, any person who is  
26 guilty of an offense pursuant to § 67.401.1(a) of this Act by distributing less than~~

1 one (1) pound of marijuana for no remuneration *shall* be sentenced as provided in §  
2 67.412 of this Act.”

3 **Section 9. § 67.401.5, Article 4, Title 9 GCA is *amended* to read.**

4 “§ 67.401.5. Any person who is guilty of an offense pursuant to § 67.402(a)  
5 of this Act may, in addition to imprisonment for felony of the third degree, be fined  
6 not more than Twenty-five Thousand Dollars (\$25,000.00) except that if any person  
7 commits such offense after previously being convicted of one (1) or more prior  
8 offenses involving § 67.402(a) of this Act, or for a felony under any other provision  
9 of this Act or other law of the United States, state or foreign jurisdiction relating to  
10 narcotic drugs, [~~marijuana, or~~] depressant or stimulant substances, and one (1) or  
11 more of the convictions have become final, such person may, in addition to  
12 imprisonment for felony of the third degree, be fined not more than Fifty Thousand  
13 Dollars (\$50,000.00).”

14 **Section 10. § 67.401.6, Article 4, Title 9 GCA is *amended* to read.**

15 “§ 67.401.6. Any person who is guilty of an offense pursuant to § 67.403(a)  
16 of this Act may, in addition to imprisonment for felony of the third degree, be fined  
17 not more than Thirty Thousand Dollars (\$30,000.00); is except that if any person  
18 commits such offense after previously being convicted of one (1) or more offenses  
19 pursuant to § 67.403(a) of this Act or for any felony under any other provision of  
20 this Act or other law of the United States, state or foreign jurisdiction relating to  
21 narcotic drugs, [~~marijuana, or~~] depressant or stimulant substances, and one (1) or  
22 more of the convictions have become final, such person *shall* be sentenced to a term  
23 of imprisonment of not more than eight (8) years and, in addition, may be fined not  
24 more than Sixty Thousand Dollars (\$60,000.00).”

25 **Section 11. § 67.411(b), Article 4, Title 9 GCA is *amended* to read.**

26 “(b) For purposes of this Section, a person *shall* be considered convicted of  
27 a second or subsequent offense if, prior to the commission of such offense, he was

1 convicted of one (1) or more felonies under any provision of this Act or law of the  
2 United States, a state or foreign jurisdiction relating to narcotic drugs, [~~marijuana~~  
3 ~~or~~] depressant or stimulant drugs.”

4 **Section 12. § 67.412(a), Article 4, Title 9 GCA is amended to read.**

5 “(a) Whenever any person who has not previously been convicted of an  
6 offense under this Act or under any statute of the United States or of any State  
7 relating to narcotic drugs, [~~marijuana or~~] stimulant, depressant or hallucinogenic  
8 drugs, pleads guilty to or is found guilty of possession of a controlled substance  
9 under § 67.401.2 (a), the Court, without entering a judgment of guilt and with the  
10 consent of the accused, may defer further proceedings and place him on probation  
11 upon terms and conditions. Upon violation of a term or condition, the Court may  
12 enter an adjudication of guilty and proceed as otherwise provided. Upon fulfillment  
13 of the terms and conditions, the Court *shall* discharge such person and dismiss the  
14 proceedings against him. Discharge and dismissal under this Section *shall* be without  
15 Court adjudication of guilt and *shall not* be deemed a conviction for purposes of  
16 disqualifications or disabilities imposed by law upon conviction of a crime.  
17 Discharge and dismissal under this Section may occur only once with respect to any  
18 person.”

19 **Section 13.** Nothing in this Act *shall* be construed or interpreted to amend,  
20 repeal, affect, restrict, or preempt laws pertaining to Guam Public Laws 32-237, 34-  
21 125, and 34-165.

22 **Section 14. Severability.** If any provision of this Act or its application to any  
23 person or circumstance is found to be invalid or contrary to law, such invalidity *shall*  
24 *not* affect other provisions or applications of this Act that can be given effect without  
25 the invalid provision or application, and to this end the provisions of this Act are  
26 severable.

1           **Section 15. Effective Date.** This Act *shall* become effective immediately  
2 upon enactment.