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<th>BILL NO.</th>
<th>SPONSOR</th>
<th>TITLE</th>
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<th>FISCAL NOTES</th>
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<tr>
<td>33GL-16-2301</td>
<td>T. R. Muña Barnes</td>
<td>AN ACT TO REPEAL AND REENACT ARTICLE 24 OF CHAPTER 12, TITLE 10 GUAM CODE ANNOTATED; RELATIVE TO STRENGTHEN THE PROVISIONS OF THE JOAQUIN (&quot;KC&quot;) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013.</td>
<td>06/29/16 4:15 p.m.</td>
<td>06/30/16</td>
<td>Committee on Health, Economic Development, Homeland Security, and Senior Citizens</td>
<td>09/28/16 5:00 p.m.</td>
<td>11/18/16 5:07 p.m.</td>
<td>Fiscal Note Request 07/01/16</td>
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<tr>
<td>33GL-16-2301</td>
<td>T. R. Muña Barnes</td>
<td>AN ACT TO AMEND ARTICLE 25 OF PART 2 OF CHAPTER 12 OF DIVISION 1, TITLE 10 GUAM CODE ANNOTATED, RELATIVE TO STRENGTHENING THE PROVISIONS OF THE &quot;JOAQUIN (KC) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013.&quot;</td>
<td>12/05/16 4:50 p.m.</td>
<td>12/16/16</td>
<td></td>
<td>12/17/16 LAPESED INTO LAW</td>
<td>P.L. 33-220</td>
<td>M&amp;C No. 33GL-16-2301</td>
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Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina' trentai Tres Na Liheslaturan Guahan
155 Hesler Street
Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 343-33 (COR) “AN ACT TO AMEND ARTICLE 25 OF PART 2 CHAPTER 12 OF DIVISION 1, TITLE 10 GUAM CODE ANNOTATED, RELATIVE TO STRENGTHENING THE PROVISIONS OF THE “JOAQUIN (KC) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013,” which lapsed into law on December 17, 2016, as Public Law 33-220.

Senserenamente,

EDDIE BAZA CALVO
I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2016 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA‘LÅHEN GUÅHAN

This is to certify that Bill No. 343-33 (COR), “AN ACT TO AMEND ARTICLE 25 OF PART 2 CHAPTER 12 OF DIVISION 1, TITLE 10 GUAM CODE ANNOTATED, RELATIVE TO STRENGTHENING THE PROVISIONS OF THE “JOAQUIN (KC) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013”,” was on the 2nd day of December 2016, duly and regularly passed.

[Signature]
Judith T. Won Pat, Ed.D.
Speaker

Attested:
[Signature]
Tina Rose Muña Barnes
Legislative Secretary

This Act was received by I Maga’låhen Guåhan this ___ day of ____, 2016, at __:__ o’clock __M.

[Signature]
Assistant Staff Officer
Maga’låhi’s Office

APPROVED:

[Signature]
EDWARD J.B. CALVO
I Maga’låhen Guåhan

Date: DEC 17 2016
Public Law No. 33-220

[Signature]
OFFICE OF THE GOVERNOR
CENTRAL FILES

RECEIVED BY __ DATE 13-5-16
Bill No. 343-33 (COR)
As amended by the Sponsor; and further amended on the Floor.

Introduced by:

T. R. Muña Barnes
T. C. Ada
V. Anthony Ada
FRANK B. AGUON, JR.
Frank F. Blas, Jr.
B. J.F. Cruz
James V. Espaldon
Brant T. McCreadie
Tommy Morrison
R. J. Respicio
Dennis G. Rodriguez, Jr.
Michael F.Q. San Nicolas
Mary Camacho Torres
N. B. Underwood, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO AMEND ARTICLE 25 OF PART 2 CHAPTER 12 OF DIVISION 1, TITLE 10 GUAM CODE ANNOTATED, RELATIVE TO STRENGTHENING THE PROVISIONS OF THE “JOAQUIN (KC) CONCEPCION, II COMPASSIONATE CANNABIS USE ACT OF 2013.”

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. Recognizing that the Supreme Court of Guam, in: In Re: Request of I Mina’Trentai Dos Na Liheslaturan Guåhan Relative to the Power of the Legislature to Prescribe by Statute the Conditions and Procedures Pursuant to Which the Right of Referendum of the People of Guam Shall
Be Exercised, 2014 Guam 24, effectively paved the way for the legalization of medical marijuana in the Territory by allowing the Legislature to submit the question, “Shall the ‘Joaquin (KC) Concepcion II Compassionate Cannabis Use Act of 2013’ that provides for the medical use of cannabis be allowed?” on the ballot in the November 2014 Guam General Election.

I Lihelsluran Guåhan finds that on November 4, 2014, at a general election duly held in the Territory of Guam, the people of Guam voted to legalize the use of medical marijuana through the “Joaquin (KC) Concepcion, II Compassionate Cannabis Use Act of 2013.” In an effort to strengthen the provisions of said Act, I Lihelslura (the Legislature), after extensive deliberations with the people, finds that the following revisions better and more fully effectuate the intent of the law to alleviate symptoms caused by debilitating medical conditions and their medical treatments.

Section 2. Article 25 of Part 2, Chapter 12 of Division 1, Title 10, Guam Code Annotated, is hereby amended to read:

"ARTICLE 25

THE JOAQUIN (KC) CONCEPCION II

COMPASSIONATE CANNABIS USE ACT OF 2013

§ 122501. Title.

§ 122502. Purpose of Act.

§ 122503. Definitions.

§ 122504. Exemption from Criminal and Civil Penalties for the Medical Use of Cannabis.

§ 122505. Prohibitions, Restrictions, and Limitations on the Medical Use of Cannabis - Criminal Penalties.

§ 122506. Medical Cannabis Regulation Commission Created - Duties."
§ 122507. Department Protocols; Registry Identification Cards.

§ 122508. License Classification.

§ 122509. Fees.

§ 122510. Application and Licensing Process for Medical Cannabis Business.

§ 122511. Permit to Operate.

§ 122512. Operation Standards.

§ 122513. Storage of Cannabis.

§ 122514. Transport of Cannabis.

§ 122515. Labeling and Packaging.

§ 122516. Inspections.

§ 122517. Expiration and Renewal of License and Permit to Operate.

§ 122518. Suspension of Permit to Operate and Revocation of License.

§ 122519. Chain of Custody Form.

§ 122520. Loss of Cannabis.

§ 122521. Destruction and Disposal of Cannabis.

§ 122522. Cessation of Business Operations.

§ 122523. Compassionate Cannabis Use Fund.

§ 122524. Registry Card Optional.

§ 122525. Confidential Database.

§ 122526. Written Certification.

§ 122527. Dispensing Medical Cannabis.

§ 122528. Testing Laboratories for Medical Cannabis.

§ 122529. Record Keeping.
§ 122501. Title. This Act shall be known and shall be cited as the “The Joaquin (KC) Concepcion, II Compassionate Cannabis Use Act of 2013.”

§ 122502. Purpose of Act. The purpose of this Act is to allow the beneficial use of medical cannabis in a regulated system for alleviating symptoms caused by debilitating medical conditions and their medical treatments.

§ 122503. Definitions. As used in this Act:

(a) Allowable amount means an amount of cannabis, in any form approved by the Department, possessed by a qualified patient or collectively possessed by a qualified patient and the qualified patient’s primary caregiver to be no more than reasonably necessary to ensure the uninterrupted availability of cannabis that is derived solely from an intrastate source. The allowable amount shall consist of an amount not to exceed two and a half (2.5) ounces of dried or prepared cannabis purchased from a dispensary. The qualified patient may request for an increased allowable amount of medical cannabis from the Department on a Department provided form; provided, that the qualified patient provides a valid reason for legitimate need supported by a practitioner’s recommendation.

The allowable amount shall be reviewed by the Medical Cannabis Regulation Commission.

(b) Batch means a specific processed product produced by a medical cannabis commercial manufacturing facility that is produced at the same time, in the same facility, using the same method, and the same ingredients or extraction methods.

(c) Bona fide patient-practitioner relationship means the practitioner shall:
(1) review the medical history of the qualified patient;
(2) provide information and explain to the qualified patient about the benefits and risks of medical cannabis;
(3) perform or have performed an appropriate examination of the qualified patient, either physically or by the use of instrumentation and diagnostic equipment through which images and medical records may be transmitted electronically; except for medical emergencies, the examination of the patient shall have been performed by the practitioner himself or by a consulting practitioner prior to issuing a recommendation for medical cannabis; and
(4) initiate additional interventions and follow-up care.

d) Cannabis means all parts of the plant of the genus cannabis, whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including cannabis concentrate. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other products.

e) Canopy means the surface area utilized to produce mature marijuana plants calculated in square feet and measured using the outside boundaries of any area that includes mature marijuana plants, including all of the space within the boundaries.

f) Chain of custody form means a form, approved by the Department, to track the movement of medical cannabis as it is transferred from business to business.
(g) *Commercial cultivation facility* means a licensed business that plants, grows, harvests, dries, cures, grades, and trims medical cannabis for qualified patients.

(h) *Commercial manufacturing facility* means a licensed person or licensed organization that conducts the production, preparation, or compounding of manufactured medical cannabis, as described in this Act, or prepared medical cannabis.

(i) *Crop* means a specific complete harvest of medical cannabis grown from one (1) or more seeds or cuttings that are planted of the same genetic strain, that are planted and grown in the same facility using the same exact methods at the same time.

(j) *Debilitating medical condition* means:

(1) cancer;

(2) glaucoma;

(3) multiple sclerosis;

(4) damage to the nervous tissue of the spinal cord, with objective neurological indication of intractable spasticity;

(5) epilepsy;

(6) positive status for human immunodeficiency virus or acquired immune deficiency syndrome;

(7) admitted into hospice care in accordance with rules promulgated under this Act;

(8) post-traumatic stress disorder;

(9) rheumatoid arthritis or similar chronic autoimmune inflammatory disorders; or
(10) any other medical condition, medical treatment or disease for which the qualified patient’s practitioner has determined that the use of medical cannabis may provide relief.

(k) Department means the Department of Public Health and Social Services.

(l) Designated courier means a responsible official or employee of a licensed medical cannabis business who is twenty-one (21) years of age or older and who has not entered a plea of guilty to, a plea of no contest to, been found guilty of, or been convicted of a felony offense. Designated couriers shall be designated by the licensed medical cannabis business to possess and transport cannabis for medicinal purposes. Designated couriers shall apply for a registry identification card.

(m) Dispensary means a licensed facility where medical cannabis, prepared medical cannabis, medical cannabis products, or paraphernalia are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization by local ordinance, medical cannabis and prepared medical cannabis as part of a retail sale.

(n) Felony offense means:

(1) a violent crime that was classified as a felony in the jurisdiction where the person was convicted;

(2) a violation of a state or federal controlled substance law that was classified as a felony in the jurisdiction where the person was convicted, but does not include:

(A) an offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed ten (10) or more years earlier; or
an offense involving conduct that would be immune from arrest, prosecution, or penalty under the Act except that the conduct occurred before the effective date of the Act or was prosecuted by an authority other than Guam; and

(3) a crime involving fraud, dishonest dealing, or moral turpitude that is or was formerly classified as a felony in the jurisdiction where the person was convicted.

(o) Enclosed, locked location means an area that is completely enclosed by solid, ten (10)-foot walls, constructed of metal, concrete, or stone on all sides or windows exclusive of doors and passage ways and away from public view.

(p) Gross weight means the weight of medical cannabis, prepared medical cannabis, or medical cannabis product that includes the weight of the packaging.

(q) Hospice care means palliative care for the terminally and seriously ill provided in a hospital, nursing home, or private residence.

(r) Licensed medical cannabis business means any person or association of persons within Guam that the Department determines to be qualified to laboratory test, cultivate, manufacture, or dispense medical cannabis pursuant to this Act, and that is licensed by the Department to do so. No practitioner providing written certification for the medical use of cannabis shall own or be employed by a licensed medical cannabis business.

(s) Licensed possessor means any person or association of persons within Guam that the Department determines to be qualified to produce, possess, distribute, dispense, acquire, cultivate, process, transfer, transport, sell, administer, or conduct laboratory testing of cannabis pursuant to this Act and that is licensed or approved by the Department.
(t) *Lot* means the flowers from one (1) or more medical cannabis plants of the same strain, in a quantity that weighs five (5) pounds or less, or the leaves or other plant matter from one or more medical cannabis plants, other than full female flowers, in a quantity that weighs fifteen (15) pounds or less.

(u) *Medical cannabis product* means a product infused with medical cannabis or prepared medical cannabis intended for use or consumption such as, but not limited to, edibles and topical products.

(v) *Medical use* means the acquisition, cultivation, possession, processing, (including development of related products such as food, tinctures, aerosols, oils, or ointments), transfer, transportation, sale, distribution, dispensing, or administration, or laboratory testing of cannabis, as well as the possession of cannabis paraphernalia, for the benefit of qualified patients in the treatment of debilitating medical conditions, or the symptoms thereof.

(w) *Paraphernalia* means accessories, devices, and other equipment that is necessary or used to assist or facilitate in the consumption of medical cannabis.

(x) *Practitioner* means a person licensed in Guam to prescribe and administer drugs that are subject to the Guam Uniform Controlled Substances Act. A practitioner *shall not* be a doctor of veterinary medicine or practice veterinary medicine.

(y) *Prepared medical cannabis* means cannabis manufactured or processed and intended for use or consumption through means such as, but not limited to, extracts, oils, tinctures, and suppositories.

(z) *Primary caregiver* means a resident of Guam who is at least twenty-one (21) years of age who is registered with the Department, and who
has been designated by the qualified patient as being necessary to assist the
qualified patient in the medical use of cannabis in accordance with the
provisions of this Act, and who so agrees to assist the qualified patient.
Primary caregivers are prohibited from consuming cannabis obtained for the
personal, medical use of the qualified patient.

(aa) *Qualified patient* means a resident of Guam who has been
diagnosed by a practitioner as having a debilitating medical condition and has
received written certification for the medical use of cannabis.

(bb) *Responsible official* means:

(1) a president, vice-president, secretary, or treasurer of the
corporation in charge of a principal business function, or any other
person who performs similar policy or decision-making functions for
the corporation;

(2) a general partner or sole proprietorship;

(3) for a public agency: a principal executive officer, ranking
elected official, or an authorized representative as approved by the
Director. For the purposes of these rules and regulations, a principal
executive officer of a federal agency includes the chief executive
officer, commanding officer, or equivalent rank or position, who has
responsibility for the overall operations of a principal unit of the
agency;

(4) a responsible official *shall not* have been convicted in any
state or jurisdiction of the United States, including the Commonwealth
of the Northern Mariana Islands, for the manufacture or delivery of a
controlled substance in Schedule I or Schedule II; and

(5) a responsible official *shall* be registered with the
Department and hold a registry identification card.
(cc) *Weight* means the net weight of medical cannabis, prepared medical cannabis, and medical cannabis product in ounces without any packaging.

(dd) *Written certification* means a statement in a qualified patient’s medical records or a statement signed by a qualified patient's practitioner that, in the practitioner's professional opinion, the qualified patient has a debilitating medical condition and the practitioner believes that the potential health benefits of the medical use of cannabis would likely outweigh the health risks for the qualified patient. The qualified patient’s practitioner shall keep a copy of the written certification on file and provide it upon request by the Department or authorized law enforcement personnel. A written certification shall:

1. be valid for no more than one (1) year from the date of issuance;
2. include a signed declaration by the qualified patient’s practitioner affirming a bona fide practitioner-patient relationship;
3. *not* include the qualified patient’s medical condition or any other information relating to the condition; and
4. contain all of the following information:
   (A) the qualified patient’s full name;
   (B) the qualified patient’s date of birth;
   (C) the qualified patient’s address; and
   (D) the practitioner’s:
      (i) first name; middle name, if applicable; last name; and suffix, if applicable;
      (ii) Guam Board of Medical Examiners license number, including an identification of the physician
license type or the practitioner’s license number from
their appropriate licensing or regulatory board and the
identification of the practitioner’s license type;
(iii) office address on file with the practitioner’s
licensing board;
(iv) telephone number on file with the practitioner’s
licensing board;
(v) e-mail address; and
(vi) authenticated signature.

§ 122504. Exemption from Criminal and Civil Penalties for the
Medical Use of Cannabis.

(a) A qualified patient is presumed to be engaged in the medical use
of cannabis and shall not be subject to arrest, prosecution or penalty in any
manner for the possession of or the medical use of cannabis if the qualified
patient possesses a quantity of cannabis that does not exceed the allowable
amount, is acting in accordance with all of the requirements of this Act, and
is in possession of a written certification.

(b) A qualified patient’s primary caregiver is presumed to be
engaged in the medical use of cannabis and shall not be subject to arrest,
prosecution or penalty in any manner for the possession of cannabis for
medical use by the qualified patient if the primary caregiver possesses a
quantity of cannabis that does not exceed the allowable amount; provided, that
the primary caregiver is assisting in the registered qualified patient’s medical
use of cannabis pursuant to this Act, and is acting in accordance with all of
the requirements of this Act.

(c) Subsection (a) of this Section shall not apply to a qualified
patient under the age of eighteen (18) years, unless:
(1) the qualified patient’s practitioner has explained the potential risks and benefits of the medical use of cannabis to the qualified patient, and to a parent, guardian or person having legal custody of the qualified patient; and

(2) a parent, guardian or person having legal custody consents in writing to:

(A) allow the qualified patient’s medical use of cannabis;

(B) serve as the qualified patient’s primary caregiver;

and

(C) control the dosage and the frequency of the medical use of cannabis by the qualified patient.

(d) A qualified patient or a primary caregiver shall be granted the full legal protections provided in this Section if the qualified patient or primary caregiver is in possession of a written certification.

(e) A practitioner shall not be subject to arrest or prosecution, penalized in any manner or denied any right or privilege for recommending the medical use of cannabis or providing written certification for the medical use of cannabis pursuant to this Act.

(f) A licensed possessor or employee of a licensed medical cannabis business shall not be subject to arrest, prosecution or penalty, in any manner, for the production, possession, distribution, dispensing, acquisition, cultivation, processing, transferring, transporting, selling, or laboratory testing of cannabis or medical cannabis paraphernalia in compliance with this Act, provided, that they are registered and certified or authorized by the Department and are acting in accordance with this Act.
(g) Any property interest that is possessed, owned or used in connection with the medical use of cannabis, or acts incidental to such use, shall not be harmed, injured or destroyed while in the possession of state or local law enforcement officials. Any such property interest shall not be forfeited under any local law providing for the forfeiture of property except as provided in the Special Assets Forfeiture Fund, 10 GCA §§ 79101 - 79105. Cannabis, paraphernalia or other property seized from a qualified patient or primary caregiver in connection with the claimed medical use of cannabis shall be returned immediately upon the determination by a court or prosecutor that the qualified patient or primary caregiver is entitled to the protections of the provisions of this Act, as may be evidenced by a failure to actively investigate the case, a decision not to prosecute, the dismissal of charges or acquittal.

(h) A person shall not be subject to arrest or prosecution for a cannabis-related offense for simply being in the presence of the medical use of cannabis as permitted under the provisions of this Act.

(i) An operator or worker of a facility approved by the Department to conduct laboratory testing shall not be subject to arrest, prosecution or penalty, in any manner, or denied any right or privilege for possession, acquisition, transferring, transporting, selling, or laboratory testing of cannabis, prepared medical cannabis, or medical cannabis product for medical use pursuant to this Act.

(j) The Department shall be authorized to acquire, possess, store, and laboratory test cannabis for medical use pursuant to this Act; and the employees of the Department shall not be subject to arrest or prosecution for acquiring, possessing, storing, and/or conducting laboratory tests of cannabis for medical use pursuant to this Act.
(k) A person may raise an affirmative defense if the person is found to be in possession of medical cannabis but can show legitimate need for medical cannabis or if the person has a qualifying debilitating medical condition under the provisions set forth by this Act.

(l) No qualifying patient or primary caregiver under this Act shall be denied custody of, visitation with, or parenting time with a minor, and there shall be no presumption of neglect or child endangerment, for conduct allowed under this Act; provided, that this Subsection shall not apply if the qualifying patient’s or primary caregiver’s conduct created a danger to the safety of the minor, as established by a preponderance of the evidence.

§ 122505. Prohibitions, Restrictions, and Limitations on the Medical Use of Cannabis - Criminal Penalties.

(a) Participation in the medical use of cannabis by a qualified patient or primary caregiver does not relieve the qualified patient or primary caregiver from:

(1) criminal prosecution or civil penalties for activities not permitted by this Act;

(2) liability for damages or criminal prosecution arising out of the operation of a vehicle while under the influence of cannabis; or

(3) criminal prosecution or civil penalty for possession or use of cannabis:

(A) in a school bus or public vehicle;

(B) on school grounds or property;

(C) in the workplace of the qualified patient’s or primary caregiver’s employment; or

(D) at a public park, recreation center, youth center or other public place.
(b) A person who makes a fraudulent representation to a law
enforcement officer about the person’s participation in a medical use of
cannabis program to avoid arrest or prosecution for a cannabis-related offense
is guilty of a petty misdemeanor.

(c) If a licensed possessor or employee of a licensed medical
cannabis business sells, distributes, dispenses or transfers cannabis to a person
not permitted to participate in the medical use of cannabis under this Act, or
obtains or transports cannabis outside Guam in violation of federal law, the
licensed possessor or employee of a licensed medical cannabis business shall
be subject to arrest, prosecution and civil or criminal penalties in accordance
with Guam law.

§ 122506. Medical Cannabis Regulation Commission Created -
Duties.

(a) There shall be established within the Department of Public
Health and Social Services a Medical Cannabis Regulation Commission
(Commission) consisting of eleven (11) members. Commission members
shall serve for a term of four (4) years. Appointments to fill vacancies shall
be appointed no later than thirty (30) calendar days of a resignation or vote of
removal of a Commission member by a majority vote of six (6) votes of the
other members of the Commission. The members shall elect a chairperson of
the Commission to coordinate meetings; and the Commission shall consist of
the following members:

(1) the Director of the Department of Public Health and Social
    Services or his designee;
(2) the Chairperson of the Guam Board of Medical Examiners'
or his designee;
(3) the Director of the Department of Agriculture or his
designee;

(4) the Administrator of the Guam Environmental Protection
Agency or his designee;

(5) the Chairperson of the Legislative Committee on Health
and Human Services or his designee;

(6) a member of the public at large appointed by I Mage'låhi
(the Governor);

(7) a member of the public at large appointed by I Liheslatura
(the Legislature);

(8) a qualified patient, caregiver, or patient advocate who
shall be appointed by the Commission;

(9) a licensed possessor who shall be appointed by the
Commission; and

(10) the remaining two (2) members appointed by the
Commission shall be practitioners representing the field of oncology,
neurology, psychiatry, or pain management, who shall be board-
certified in his or her area of specialty and knowledgeable about the
medical use of cannabis. A quorum of said Commission shall consist
of six (6) members.

(b) The Commission shall:

(1) review and recommend to the Department for approval
additional debilitating medical conditions that would benefit from the
medical use of cannabis;

(2) accept and review petitions to add medical conditions,
medical treatments or diseases to the list of debilitating medical
conditions that qualify for the medical use of cannabis;
(3) convene at least twice per year to conduct public hearings and to evaluate petitions (which shall be maintained as confidential personal health information), to add medical conditions, medical treatments or diseases to the list of debilitating medical conditions that qualify for the medical use of cannabis;

(4) recommend quantities of cannabis that are necessary to constitute an allowable amount for qualified patients and primary caregivers;

(5) advise the Department on the development of standards and regulations pursuant to this Article, including best practices and guidelines to ensure qualified patients have adequate access to medical cannabis and medical cannabis products; and

(6) submit policy recommendations to the legislative committee on health and human services.

§ 122507. Department Protocols; Registry Identification Cards.

(a) The Department shall govern the manner in which it will consider applications for registry identification cards and for the renewal of identification cards for qualified patients, primary caregivers, responsible officials, and designated couriers.

(b) Notwithstanding any other provision of law, the sum of One Hundred Thousand Dollars ($100,000) from the Healthy Futures Fund, codified at 11 GCA § 26603, is hereby appropriated to assist the Department to timely execute its mandate under this Section to implement the purpose of this Act. The fees generated from revenues collected from this program will reimburse the Healthy Futures Fund up to One Hundred Thousand Dollars ($100,000).
(c) The Department shall issue registry identification cards to a
qualified patient, and to the primary caregiver for that qualified patient, if any,
who submit the following:

(1) a written certification;
(2) the name, address, and date of birth of the qualified
patient;
(3) the name, address, and telephone number of the qualified
patient’s practitioner;
(4) the name, address, and date of birth of the qualified
patient's primary caregiver, if any; and
(5) a police clearance and court clearance of the primary
caregiver.

(d) The Department shall issue registry identification cards to a
responsible official or employee who submits the following:

(1) the name of the employee or responsible official;
(2) the mailing address of the licensed medical cannabis
business of the employee’s place of employment or responsible official
owns;
(3) the physical address of the licensed medical cannabis
business of the employee’s place of employment or responsible official
owns;
(4) e-mail address;
(5) the phone number of the licensed medical cannabis
business of the employee’s place of employment or responsible official
owns;
(6) clearances from the police, court, and Attorney General;
(7) Mayor's verification or document as approved by the Department to display proof of Guam residency;

(8) the job title, duties, and responsibilities;

(9) the application fee, as set forth by this Act; and

(10) any other information the Department may require.

(e) The Department shall verify the information contained in an application submitted pursuant to Subsection (c) or Subsection (d) of this Section, and shall approve or deny an application within thirty (30) calendar days of receipt. The Department may deny an application only if the applicant did not provide the information required pursuant to Subsections (c) or (d) of this Section, or if the Department determines that the information provided is false.

(1) The Department shall provide written notification to the applicant of the reason for denial of the application within forty-eight (48) hours.

(2) A person whose application has been denied and given notice of the reason for denial shall have ten (10) working days to appeal or comply.

(3) If the person does not come into compliance, the person shall not reapply for six (6) months from the date of the denial unless otherwise authorized by the Department.

(f) The Department shall issue a registry identification card within five (5) days of approving an application, and the card shall expire one (1) year after the date of issuance.

(1) A registry identification card for a qualified patient and primary caregiver shall contain:
(A) the name, address, and date of birth of the qualified
patient and primary caregiver, if any;

(B) the date of issuance and expiration date of the
registry identification card;

(C) the registry identification type; and

(D) any other information that the Department may
require, except the qualified patient’s debilitating illness or any
medical condition.

(2) A registry identification card for a responsible official and
employee shall contain:

(A) the name of the employee or responsible official;

(B) the date of issuance and expiration date of the
registry identification card;

(C) the physical address of the licensed medical
cannabis business of the employee’s place of employment
or responsible official owns;

(D) the name of the responsible official of the licensed
medical cannabis business;

(E) the registry identification type; and

(A) any other information that the Department may
require, except the qualified patient’s debilitating illness or any
medical condition.

(g) A person who possesses a registry identification card shall notify
the Department of any change in the person’s name, address, qualified
patient’s practitioner, qualified patient’s primary caregiver, or change in status
of the qualified patient’s debilitating medical condition within ten (10)
working days of the change.
(h) Possession of or application for a registry identification card shall not constitute probable cause or give rise to reasonable suspicion for a governmental agency to search the person or property of the person possessing or applying for the card.

(i) The Department shall maintain a confidential file containing the names and addresses of the persons who have either applied for or received a registry identification card. Individual names on the list shall be confidential and not subject to disclosure, except:

(1) to authorized employees of the Department as necessary to perform the duties of the Department pursuant to the provisions of this Act;

(2) to authorized employees of state or local law enforcement agencies for the sole purpose of verifying that a person is lawfully in possession of a registry identification card and is lawfully participating in Guam’s medical cannabis program;

(3) pursuant to a court order or subpoena issued by a court;

(4) as provided in the federal Health Insurance Portability and Accountability Act of 1996, codified at 42 U.S.C. §1320d et seq.;

(5) with the written permission of the qualified patient or the qualified patient’s legal guardian, or a parent or person with legal custody if the qualified patient has not attained eighteen (18) years of age;

(6) to a law enforcement official for verification purposes; provided, that the records may not be disclosed further than necessary to verify a qualified patient’s participation in the medical cannabis program; or
to a qualified patient’s treating practitioner and to a qualified patient’s primary caregiver for the purpose of carrying out this Act.

§ 122508. License Classification.

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

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

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

(c) Type 3 Commercial Cultivation License for cultivation of five thousand one (5,001) to ten thousand (10,000) square feet of canopy on a single premises;

(d) Commercial Manufacturing Facility License;

(e) Dispensary License; and

(f) Medical Cannabis Testing Laboratory License.

§ 122509. Fees.

(a) Registry Identification Card

(1) Qualified Patient: $15

(2) Primary Caregiver: $100
(3) Responsible Official: $1,000
(4) Designated Courier: $200

(b) Annual Registry Identification Card Renewal
(1) Qualified Patient: $10
(2) Primary Caregiver: $75
(3) Responsible Official: $750
(4) Designated Courier: $175

(c) Non-refundable Application Fees
(1) $2,000 for a Type 1 Cultivation License
(2) $5,000 for a Type 2 Cultivation License
(3) $10,000 for a Type 3 Cultivation License
(4) $5,000 for a Commercial Manufacturing Facility
(5) $5,000 for a Dispensary
(6) $2,000 for a Medical Cannabis Testing Laboratory

(d) Initial Licensing Fees
(1) $3,000 for a Type 1 Cultivation License
(2) $5,000 for a Type 2 Cultivation License
(3) $10,000 for a Type 3 Cultivation License
(4) $5,000 for a Commercial Manufacturing Facility
(5) $5,000 for a Dispensary
(6) $2000 for a Medical Cannabis Testing Laboratory

(e) Annual License Renewal
(1) $3,000 for a Type 1 Cultivation License
(2) $7,500 for a Type 2 Cultivation License
(3) $15,000 for a Type 3 Cultivation License
(4) $5,000 for a Commercial Manufacturing Facility
(5) $5,000 for a Dispensary
(6) $2,000 for a Medical Cannabis Testing Laboratory

(f) Non-refundable Permit to Application Fee

(1) $2,000 for a Type 1 Cultivation Site
(2) $5,000 for a Type 2 Cultivation Site
(3) $15,000 for a Type 3 Cultivation Site
(4) $5,000 for a Commercial Manufacturing Facility
(5) $5,000 for a Dispensary
(6) $2,000 for a Medical Cannabis Testing Laboratory

(g) Permit to Operate Annual Fee

(1) $2,000 for a Type 1 Cultivation Site
(2) $5,000 for a Type 2 Cultivation Site
(3) $15,000 for a Type 3 Cultivation Site
(4) $5,000 for a Commercial Manufacturing Facility
(5) $5,000 for a Dispensary
(6) $2,000 for a Medical Cannabis Testing Laboratory

(h) Department Authentication of Written Certification: $1.00

§ 122510. Application and Licensing Process for Medical Cannabis Business.

The Department shall govern the manner in which applications for a medical cannabis business license will be considered according to the following:

(a) Within thirty (30) days of the passage of this Act, the Department shall accept applications for proposed medical cannabis business licenses on a form prescribed by the Department. The application shall be submitted by the authorized responsible official and include:

(1) the authorized responsible official’s:
(A) name;
(B) mailing address;
(C) e-mail address;
(D) phone number;
(E) A Mayor’s verification or document as approved by the Department to display proof of Guam residency; and
(F) clearances from police, court, and Attorney General;

(2) the legal name of the proposed medical cannabis business;

(3) the physical address of the proposed medical cannabis business;

(4) affirmation that the proposed medical cannabis business is not within a Drug Free School Zone pursuant to Chapter 48 of Title 17, Guam Code Annotated;

(5) proof that the applicant has legal title filed with the Department of Land Management on which the proposed medical cannabis business will be located, or has a legal lease agreement with the property owner that includes consent to operate the proposed medical cannabis business on that property;

(6) proof that the proposed facility is registered with the Department of Revenue and Taxation and has a business license and Business Privilege Tax Number with the Department of Revenue and Taxation;

(7) clearances from the police, court, and Attorney General for each owner, responsible official, and board member;
(8) affirmation, to include a Mayor’s verification of each owner or responsible official or other form of documentation as approved by the Department displaying proof of Guam residency, that the proposed medical cannabis business has a fifty-one percent (51%) ownership by legal residents of Guam;

(9) operating procedures consistent with rules of the Department for oversight of the proposed medical cannabis business, including, without limitation:

(A) equipment handling and sanitation procedures.
(B) procedures to ensure the use of adequate security measures;
(C) the use of inventory control system; and
(D) such other information as the Department may require;

(10) a certified statement that none of the persons who are proposed to be owners, officers, or board members of the proposed medical cannabis business have served as an owner, officer or board member for a licensed medical cannabis business that has had its license revoked within three (3) years of the current application date;

(11) proof that none of the persons who are proposed to be owners, officers, or board members of the proposed licensed medical cannabis business are under twenty-one (21) years of age;
(12) declaration that the proposed licensed medical cannabis business will not knowingly employ a person who was convicted of a felony offense, is under the age of twenty-one (21), or who may have a conflict of interest as a practitioner providing written certification to a qualified patient for the use of medical cannabis;

(13) a certified letter from the planning department of the Department of Land Management stating that the location of the facility meets all zoning requirements of this Act. Licensed medical cannabis businesses shall be located only in the following zones:

(A) Agricultural Zone (A), Commercial Zone (C), Light Industrial Zone (M1), and Heavy Industrial Zone (M2) for commercial cannabis cultivation facilities; and

(B) Commercial Zone (C), Light Industrial Zone (M1), and Heavy Industrial Zone (M2) for commercial manufacturing facilities and dispensaries.

(14) A plan for sufficient equipment to monitor temperature, ventilation, humidity control equipment and any other necessary equipment that preserves the integrity of the medical cannabis, prepared medical cannabis, medical cannabis product, and the safety of patients and operations, as determined by the Department’s rules and regulations; and

(15) The application fee, as set forth in this Act.

(b) The Department shall verify the information contained in an application submitted pursuant to Subsection (a) of this Section, and
shall approve or deny an application within thirty (30) calendar days of
receipt. The Department shall deny an application only if the applicant
did not provide the information required pursuant to Subsection (a) of
this Section, or if the Department determines that the information
provided is false.

(c) The Department shall provide written notification to the
responsible official of an incomplete application within seven (7) days
of the Department’s determination and specify where the application is
incomplete. The responsible official shall be given fourteen (14) days
to complete and resubmit the application.

(d) The Department shall reject any application that does not
comply with this Act. The Department shall provide the responsible
official with a written notification within seven (7) days of rejection
and specify the reason for rejection.

(e) The Department shall issue a license if the application is
complete and in accordance with this Act. The certificate shall include
the following:

1. the medical cannabis business’
   (A) legal name;
   (B) physical address; and
   (C) phone number;

2. the responsible official’s
   (A) name;
   (B) mailing address;
   (C) email address;
   (D) phone number;

3. a random alphanumeric identification number;
(4) the date of issue;
(5) the date of expiration;
(6) the date the licensed medical cannabis business must reapply; and
(7) any other information the Department deems necessary.

(f) Other than a medical cannabis testing laboratory, no person, responsible official, board member, business, stakeholder, principals, or entity of one (1) licensed medical cannabis business shall own or have financial interest in more than one (1) licensed medical cannabis business at any given time; provided that:

(1) for a commercial cultivation facility

(A) responsible officials, board members, businesses, stakeholders, principals, or entities of commercial cultivation facilities are not prohibited from holding separate commercial manufacturing facility licenses or dispensary licenses, so long as the provisions for the application of the separate cultivation, manufacturing, or dispensary licenses set forth in this Act are completed in full by the applicant;

(B) responsible board members, businesses, stakeholders, principals, or entities of commercial cultivation facilities will apply for licensing separately from commercial manufacturing facilities and dispensaries; and

(C) commercial cultivators may possess no more than one (1) commercial cultivation license at any given
time. Commercial cultivators are prohibited from holding financial interest or partial ownership of more than one (1) commercial cultivation facility at any given time. Ownership of an entity's current commercial cultivation license must be surrendered immediately upon acceptance of a new commercial cultivation license, whether or not the new commercial cultivation license represents a change in location or an increase, decrease, or the current level of commercial cultivation allowed to the entity.

(2) for a commercial manufacturing facility

(A) responsible officials, board members, businesses, stakeholders, principals, or entities of commercial manufacturing facilities are not prohibited from holding separate commercial cultivation facility licenses or dispensary licenses, so long as the provisions for the application of the separate cultivation, manufacturing, or dispensary licenses set forth in this Act are completed in full by the applicant;

(B) responsible officials, board members, businesses, stakeholders, principals, or entities of commercial manufacturing facilities will apply for licensing separately from commercial cultivation facilities and dispensaries; and

(C) responsible officials, board members, businesses, stakeholders, principals, or entities of a commercial manufacturing facility may possess no more than one (1) commercial cultivation license at any given
time. Commercial manufacturing facilities are prohibited from holding financial interest or partial ownership of more than one (1) commercial cultivation facility at any given time. Ownership of an entity's current commercial manufacturing facility license must be surrendered immediately upon acceptance of a new commercial cultivation license, whether or not the new commercial cultivation license represents a change in location or an increase, decrease, or the current level of commercial cultivation allowed to the entity.

(3) for a dispensary

(A) responsible officials, board members, businesses, stakeholders, principals, or entities of a dispensary are not prohibited from holding separate commercial cultivation facility licenses or commercial manufacturing facility licenses, so long as the provisions for the application of the separate cultivation, manufacturing, or dispensary licenses set forth in this Act are completed in full by the applicant;

(B) responsible officials, board members, businesses, stakeholders, principals, or entities of a dispensary will apply for licensing separately from commercial cultivation facilities and commercial manufacturing facilities; and

(C) responsible officials, board members, businesses, stakeholders, principals, or entities of a dispensary may possess no more than one (1) commercial
cultivation facility license at any given time. Dispensaries are prohibited from holding financial interest or partial ownership of more than one (1) commercial cultivation facility at any given time. Ownership of an entity’s current commercial cultivation facility license must be surrendered immediately upon acceptance of a new commercial cultivation facility license, whether or not the new commercial cultivation facility license represents a change in location or an increase, decrease, or the current level of commercial cultivation allowed to the entity.

(g) A medical cannabis testing laboratory and its responsible officials, board members, business stakeholders, principals, or entities of a medical cannabis testing laboratory are prohibited from owning or having any financial stake in commercial cultivation facilities, commercial manufacturing facilities, dispensaries, and medical establishments that recommend the use of medical cannabis, or other medical cannabis testing laboratories.

§ 122511. Permit to Operate.

The Department shall govern the manner in which applications for a Medical Cannabis Permit to Operate will be considered. The Department shall inspect the facilities of a licensed medical cannabis business prior to issuing a Permit to Operate. The Permit to Operate must be displayed inside the licensed medical cannabis business. No medical cannabis, prepared medical cannabis, or medical cannabis product can be sold or transferred by a licensed medical cannabis business to any licensed medical cannabis business, medical cannabis testing laboratory, qualified patient, qualified patient’s primary caregiver, or qualified patient’s legal guardian without the
licensed medical cannabis business being in possession of a Permit to Operate. The application and the Permit to Operate shall include:

(a) the name, address, and license number of the medical cannabis business;
(b) the responsible official’s name;
(c) the date of issue;
(d) the date of expiration;
(e) the date the licensed medical cannabis business must reapply;
(f) the type of medical cannabis license; and
(g) any other information deemed necessary by the Department.

§ 122512. Operation Standards.

(a) Each facility will comply with all local building, health, fire, and zoning requirements and other applicable requirements and shall not be in violation of Guam’s building and zoning laws.

(b) All licensed medical cannabis businesses that prepare, package, store, sell, distribute, or dispense cannabis-infused edible food products shall comply with Title 10 GCA, Chapters 21, 22, 23, 24, and 40, and applicable rules and regulations, to ensure proper food safety.

(c) Commercial cultivation may only occur on the property for which the commercial cultivation license was obtained.

(d) Commercial cultivation shall not be in public view. All commercial cultivation structures shall be fully surrounded by a fence or wall at least ten (10) feet in height with a locking gate or door. No cannabis plant shall be taller than the height of the wall, fence, or gate.
(e) The cultivation area and storage areas of medical cannabis, prepared medical cannabis, medical cannabis product must be adequately secured to prevent unauthorized entry.

(f) If supplemental gasses are used for cultivation purposes, the facility will be equipped with working carbon monoxide detectors.

(g) Licensed medical cannabis businesses shall develop a plan for and cooperate with local health, water, building, and fire authorities to ensure adequate ventilation and air filtration, plumbing and drainage requirements, electrical safety, and proper disposal of wastewater according to Guam Environmental Protection Agency and Department of Agriculture requirements when applicable.

(h) A sample of each lot of every medical cannabis crop produced by the commercial cultivator shall be laboratory tested by a licensed medical cannabis testing laboratory before distribution to a licensed possessor.

(i) A sample of each batch of each prepared medical cannabis or medical cannabis product produced by a commercial manufacturing facility shall be laboratory tested by a licensed medical cannabis testing laboratory before distribution to a licensed possessor.

(j) The licensed medical cannabis business shall attach a Department approved chain of custody form that includes a detailed report of the laboratory testing results from the lot of the cannabis crop origination, based on minimum requirements set by the Department.

(k) All laboratory tested cannabis determined to be unusable or contaminated according to the minimum laboratory testing requirements set by this Act must be destroyed and/or disposed of in accordance with local law within twenty-four (24) hours of determination. Disposal shall be recorded
and reported to the Department within forty-eight (48) hours of disposal pursuant to this Act.

(I) The licensed medical cannabis business shall develop standard operating procedures, protocols, and training for the safe handling and dispensing of medical cannabis to include:

(1) storage protocols;
(2) reasonable security protocols;
(3) inventory control; and
(4) distribution systems.

(m) The use of butane for any extraction method for medical marijuana concentrates is hereby banned in Guam.

§ 122513. Storage of Cannabis.

To reduce contamination of cannabis products, all cannabis products shall be stored and displayed in inconspicuous air-tight and tamper proof containers. If applicable, the product may be stored in child-proof containers. Storage and display areas must maintain relative humidity between fifty percent (50%) and seventy percent (70%).

§ 122514. Transport of Cannabis.

(a) Medical cannabis, prepared medical cannabis, and medical cannabis product shall only be transported by designated couriers of a licensed medical cannabis business, a qualified patient, a qualified patient’s primary caregiver, or a qualified patient’s legal guardian.

(b) The designated courier shall be registered with the Department.

(c) The designated courier authorized by the licensed medical cannabis business shall:
(1) not use a vehicle with any cannabis identification;
(2) ensure the cannabis is not visible; and
(3) store cannabis in air-tight, tamper proof packaging.

§ 122515. Labeling and Packaging.

Labels and packages of prepared medical cannabis product shall meet the following requirements:

(a) Medical cannabis packages and labels shall not be made to be attractive to children, to include cartoons; symbols or celebrities that are commonly used to market products to minors; or similar to existing packaging labels of any product available on the market that currently markets towards children.

(b) All prepared medical cannabis and medical cannabis product labels shall include the following information, prominently displayed and in a clear and legible font:

(1) the manufacture date, identification, batch, and lot number as applicable;
(2) the statement “KEEP OUT OF REACH OF CHILDREN AND ANIMALS” in bold print;
(3) the statement “FOR MEDICAL USE ONLY”;
(4) the statement, only on edibles “WHEN EATEN OR SWALLOWED, THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS”;
(5) the statement “THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY. PLEASE USE EXTREME CAUTION”;
(6) a warning if nuts or other known allergens or gluten containing products are used;
(7) a list of pharmacologically active ingredients, including, but not limited to, delta-9-tetrahydrocannabinol (THC) and cannabidiol (CBD) in percentage, the THC and CBD milligrams per serving, servings per package, and the THC and CBD and other cannabinoid amount in milligrams for the package total for prepared cannabis, as applicable;

(8) clear indication, in bold type, that the product contains medical cannabis;

(9) total net weight of prepared cannabis and medical cannabis product, as applicable; and

(10) any other requirement set by the Department.

(c) All packaging information required by this Section shall be in no less than eight (8) point font, regardless of individual package size.

(d) Packaging shall be in an inconspicuous and tamper-evident packaging.

§ 122516. Inspections.

The Department shall establish standard operating procedures for inspecting a licensed medical cannabis business facility. Authorized members of the Department or law enforcement, the Guam Fire Department, or Department of Public Works may conduct inspections as needed during business hours to ensure compliance with the local laws, and the Guam Environmental Protection Agency and the Guam Department of Agriculture. The Department shall provide a twenty-four (24) hour notice of inspections. If deficiencies in operational standards are discovered, the facility will be notified in writing, and the Department shall suspend the licensed medical cannabis business' Permit to Operate. The licensed medical cannabis business
shall be given ten (10) business days to correct the deficiencies. The facility may submit a request for reasonable extension to correct deficiencies if the facility can show that the corrections cannot be made within ten (10) business days. The Department shall review and grant or deny the written request for extension within three (3) business days. Failure to correct the deficiencies in the allotted time will result in a notice of closure, and revocation of permit to operate.

§ 122517. Expiration and Renewal of License and Permit to Operate.

All licenses and Permits to Operate are valid for a term of one (1) year from the issue date. The Department shall accept applications to renew on a form prescribed by the Department. All applications or annual renewals for a license or Permit to Operate must be submitted to the Department sixty (60) days prior to the date of expiration. The Department shall notify businesses to renew or reapply within seven (7) days of the sixtieth (60th) day.

Failure to submit an application to renew in the prescribed time frame will result in the forfeiture of medical cannabis, prepared medical cannabis, and medical cannabis product. The licensed medical cannabis business shall be given a twenty-four (24) hour notice by the Department of the expiration of the license. On the date of expiration, the Department shall revoke the business’ Permit to Operate and the Department is authorized to seize all forfeited cannabis. The medical cannabis business may destroy all cannabis prior to the expiration and provide the required documentation of the destruction and disposal of cannabis pursuant to § 122521 of this Act.

§ 122518. Suspension of Permit to Operate and Revocation of License.
The Department may suspend the Permit to Operate of any licensed
cannabis business that is found to be in violation of this Act. The Department
shall provide a written notice to the licensed medical cannabis business that
includes the specific reason or reasons for the revocation and the process for
requesting a hearing of the Department’s decision pursuant to the
Department’s procedures. The licensed medical cannabis business shall be
given no more than thirty (30) calendar days to be in compliance. Failure to
comply will result in revocation of a licensed medical cannabis business
license and forfeit of the cannabis on its premises. The Department is
authorized to seize and destroy all forfeited cannabis products in accordance
with § 122521 of this Act. After all cannabis is seized, the Department shall
revoke the license.

§ 122519. Chain of Custody Form.

All sales or transfers of medical cannabis, prepared medical cannabis,
and medical cannabis product from licensed medical cannabis business to
licensed medical cannabis business shall be tracked via a Department
prescribed chain of custody form to include, but not be limited to:

(a) Commercial cultivation facility to a laboratory:
    (1) the lot number of medical cannabis crop or batch
    number of prepared medical cannabis or medical cannabis
    product, if applicable;
    (2) the date the medical cannabis was harvested;
    (3) the net weight and gross weight of cannabis sold or
    transferred;
    (4) the name, address, and license number of the
    commercial cultivation facility from which the crop originated;
(5) the signature of the person who received and verified the shipment;

(6) the time and date when the receiving party took custody of the shipment; and

(7) any other information deemed necessary by the Department.

(b) Licensed medical cannabis business to licensed medical cannabis business:

(1) the lot number of the medical cannabis crop;

(2) the batch number of the prepared medical cannabis and medical cannabis product, if applicable;

(3) the date the cannabis was harvested;

(4) the name, address, and license number of the licensed medical cannabis business from which the crop originated;

(5) the name, address, and license number of the licensed medical cannabis business from which the medical cannabis product originated;

(6) the net weight and gross weight of medical cannabis, prepared medical cannabis, and medical cannabis product sold or transferred;

(7) the laboratory test results and report;

(8) a declaration from the laboratory that the product meets the minimum laboratory testing requirements set by the Department;
(9) a declaration from the licensed medical cannabis business that all information in the chain of custody form is true and correct;

(10) the name, address, and license number or registry identification number of the receiving party;

(11) the signature of the person who received and verified the shipment;

(12) the time and date when receiving party took custody of the shipment;

(13) the travel plan as specified in § 122514 of this Act; and

(14) any other information deemed necessary by the Department.

(c) Medical Cannabis Testing Laboratory to Licensed Medical Cannabis Business:

(1) a Chain of Custody report as specified in Subsection (a) of this Section;

(2) a Chain of Custody report as specified in Subsection (b) of this Section, if applicable;

(3) laboratory testing results and report;

(4) net weight and gross weight of amount of any unused, untested medical cannabis, prepared medical cannabis, or medical cannabis product returned to the licensed medical cannabis business;

(5) a declaration from the licensed medical cannabis business that all information in the Chain of Custody form is true and correct;
(6) the name, address, and license number or registry identification number of the receiving party;

(7) the signature of the person who received and verified the shipment;

(8) the time and date when receiving party took custody of the shipment; and

(9) any other information deemed necessary by the Department.

§ 122520. Loss of Cannabis.

Any loss of medical cannabis, prepared medical cannabis, or medical cannabis product over one (1) ounce due to theft or natural disaster shall be reported to the Department and the Guam Police Department within twenty-four (24) hours, along with the associated Chain of Custody forms for the lost medical cannabis, prepared medical cannabis, or medical cannabis product. The report shall include the amount of cannabis in weight that was lost.

§ 122521. Destruction and Disposal of Cannabis.

The Department shall establish rules for destroying, disposing, and reporting the disposal of medical cannabis, prepared medical cannabis, and medical cannabis product. No destruction shall occur in public or in a manner that will expose the public unknowingly to cannabis. If necessary, the Department and authorized law enforcement personnel may be authorized to possess cannabis for the purpose of secure destruction and disposal. The licensed medical cannabis business shall submit a video recording of the destruction and disposal of the medical cannabis, prepared medical cannabis, or medical cannabis product, and attach the recording with the report. A report of the destruction of cannabis shall include, but is not limited to:
(a) the name and license number of the licensed medical cannabis business the cannabis originated from;

(b) the name of the authorized licensed medical cannabis business employee or authorized Department or law enforcement official performing the destruction or disposal;

(c) the Chain of Custody Report, if applicable;

(d) the amount, in weight, destroyed or disposed of;

(e) the method of destruction or disposal;

(f) the time and date of destruction or disposal;

(g) the reason for destruction or disposal; and

(h) any other information the Department deems necessary.

§ 122522. Cessation of Business Operations.

The licensed medical cannabis business shall report to the Department of its intent to cease business operations before the expiration of the medical cannabis business’ license or permit to operate. The licensed medical cannabis business shall provide written notification to the Department thirty (30) business days prior to the actual date of cessation. Notification will warrant a forfeiture of all cannabis. The Department is authorized to revoke the business’ Permit to Operate and begin the process of seizing all cannabis. The notification shall include:

(a) the reason for cessation;

(b) the date of cessation;

(c) a plan to dispose and destroy cannabis located on the business premises before cessation of business operations;

(d) the signature of the responsible official; and

(e) any other information deemed necessary by the Department.
§ 122523. Compassionate Cannabis Use Fund.

(a) There is established a non-lapsing revolving fund, hereafter referred to as the “Compassionate Cannabis Use Fund” (Fund), which shall be maintained separate and apart from any other fund of the government of Guam, and shall be administered by the Department of Public Health and Social Services. Independent records and accounts shall be maintained in connection therewith. All fees, reimbursements, assessments, fines, and other funds collected or received pursuant to this Act shall be deposited in this Fund and used for the administration and implementation of this Act, including purchase of equipment and payment of the operational costs of the Department.

(b) The Department shall submit to I Liheslaturan Guåhan and I Maga'ålåhen Guåhan an annual report no later than the end of each fiscal year that does not disclose any identifying information about cardholders, medical cannabis dispensaries or attending physicians, but contains all of the following information:

(1) the number of registry identification card applications and renewals;

(2) the number of qualifying patients and designated caregivers;

(3) the nature of the debilitating medical conditions of the qualifying patients;

(4) the number of registry identification cards issued, renewed and revoked;

(5) the number of physicians providing written certifications for qualifying patients;

(6) the number of registered medical cannabis dispensaries;
(7) the number of registered medical cannabis dispensary agents; and

(8) the number of registered medical cannabis businesses approved, denied, or revoked for licenses and permits.

§ 122524. Registry Card Optional.

Notwithstanding any other provision of law, rule, or regulation, registry cards for qualified patients shall be optional. A written recommendation shall be a valid endorsement for participation in the medical cannabis program. The registration of medical cannabis business employees is optional, except for the registration of a responsible official, and designated courier.

§ 122525. Confidential Database.

(a) The Department shall create and maintain a confidential database for the consistent and accurate online tracking of the provisions of this Act. The Department shall use best available practices to ensure the confidentiality of a qualified patient’s status and records from the general public, and be guided by all HIPAA rules and regulations. The confidential database will include:

(1) a tracking system for licenses granted to commercial cultivators, commercial manufacturers, and dispensaries;

(2) a tracking system that includes the names and addresses of qualified patients and the qualified patient’s primary caregivers to ensure compliance with the provisions of this Act; and

(3) the names and addresses of the persons who have either applied for or received a registry identification card.

(b) This confidential database shall not include the medical records or medical condition of the qualified patient.
(c) Medical conditions of qualified patients shall not be requested or required by the Department.

(d) The Department shall provide medical cannabis dispensaries with the means to electronically verify the valid status and expiration date of a qualified patient's written certification or patient caregiver's registration via the confidential database to ensure that a person is lawfully in possession of a valid written certification or registration according to the following guidelines:

1. This information will be provided by the Department on an as needed basis.
2. At no time will a dispensary be given access to the confidential database in its entirety.
3. All new patients will be verified by dispensaries via the confidential database before provision of services.
4. A record of the expiration date of the qualified patient's written certification or primary caregiver's registration will be kept by the dispensary.
5. Dispensaries shall not provide services to a person whose written Certification or registration has expired until proof of renewal of the written certification or registration is obtained from the Department.

(e) Records maintained by the Department that identify qualified patients, primary caregivers, and qualified patient's practitioners are confidential and shall not be subject to disclosure, except:

1. to authorized employees or agents of the Department as necessary to perform the duties of the Department pursuant to the provisions of this Act;
(2) to authorized employees of state or local law enforcement agencies, but only for the purpose of verifying participation in Guam’s medical cannabis program;

(3) pursuant to a court order or subpoena issued by a court;

(4) as provided in the federal Health Insurance Portability and Accountability Act of 1996, codified at 42 U.S.C. §1320d et seq.;

(5) with the written permission of the qualified patient or the qualified patient’s legal guardian, or a parent or person with legal custody if the qualified patient has not attained eighteen (18) years of age;

(6) to a law enforcement official for verification purposes.

The records may not be disclosed further than necessary to verify a qualified patient’s participation in the medical cannabis program; and

(7) to a qualified patient’s treating practitioner and to a qualified patient’s primary caregiver for the purpose of carrying out this Act. This confidential database shall not include the medical records or medical condition of the qualified patient.

(8) Medical conditions of qualified patients shall not be requested or required by the Department.

§ 122526. Written Certification.

(a) Practitioners who provide a written certification for a qualified patient to use medical cannabis will transmit the written certification to the Department via fax, secure e-mail, or courier within twenty-four (24) hours after certifying the qualified patient.

(b) The qualified patient shall validate the practitioner’s written certification in person and submit a copy of the qualified patient’s written certification in person to the Department with a copy of a valid Guam driver’s license.
license, valid Guam identification card as approved by the Director of the
Department, or any form of identification as approved by the Director of the
Department to verify the qualified patient’s identification. The Department
shall authenticate the patient’s written certification by affixing the
Department’s seal on the patient’s written certification. The qualified patient
shall carry their written certification at all times.

(c) The qualified patient’s primary caregivers shall register directly
with the Department. This registration will be valid for one (1) year. A copy
of the qualified patient’s valid written certification will be included with the
qualified patient’s primary caregiver’s registration.

(1) A qualified primary caregiver may register with up to five
(5) qualified patients. Violation of this provision is punishable by a civil
fine of Five Thousand Dollars ($5,000).

(2) A primary caregiver must keep a copy of their Department
approved registration identification card when handling or transporting
medical cannabis.

(3) A qualified patient may designate no more than one (1)
person as a primary caregiver. Violation of this provision is subject to
a fine of Two Hundred Fifty Dollars ($250) for each individual
violation.

§ 122527. Dispensing Medical Cannabis.

(a) The Department shall provide medical cannabis dispensaries
with the means to electronically verify the valid status and expiration date of
a qualified patient’s written certification or a qualified patient’s primary
caregiver’s registration via the confidential database to ensure that a person is
lawfully in possession of a valid written certification or registry identification
card according to the following guidelines:
(1) This information will be provided by the Department on an as needed basis.

(2) At no time will a dispensary be given access to the confidential database in its entirety.

(3) All new qualified patients will be verified by dispensaries via the confidential database before provision of services.

(A) A record of the expiration date of the qualified patient’s written certification or primary caregiver’s registration will be kept by the dispensary.

(B) Dispensaries shall not provide services to a person whose written certification or registration has expired until proof of renewal of the written certification or registration is obtained from the Department.

(b) Any licensed medical cannabis business that dispenses, sells, or distributes cannabis and cannabis products to a qualified patient or a qualified patient’s primary caregiver shall:

(1) verify the qualified patient is in possession of a written certification or the qualified patient’s primary caregiver is in possession of a registry identification card at the time of the purchase;

(2) verify proof of identification with a valid Guam driver’s license, a valid Guam identification card as approved by the Director of the Department, or any other form of identification as approved by the Director of the Department;

(3) verify the qualified patient is not receiving more than the allowable amount. Verification shall be made by written documentation signed by the qualified patient or the qualified patient’s primary caregiver stating that the qualified patient and qualified
patient’s primary caregiver will not possess more than the allowable amount and will not divert medical cannabis.

§ 122528. Testing Laboratories for Medical Cannabis.

(a) The Department shall license one (1) or more independent medical cannabis testing laboratories to laboratory test medical cannabis, prepared medical cannabis, and medical cannabis products that are to be sold on Guam for medical use. A licensed testing laboratory shall be completely independent from all licensed medical cannabis business that will cultivate, manufacture, or dispense medical cannabis.

(b) At a minimum, such a testing laboratory must be able to test samples of medical cannabis, prepared medical cannabis, and medical cannabis products to accurately determine the following:

1. the concentration of delta-9-tetrahydrocannabinol (THC) and cannabidiol (CBD);
2. the presence and identification of molds and fungus;
3. the presence of fertilizers and other nutrients;
4. the presence of heavy metals and other contaminants, including pesticides; and
5. active ingredient identification.

(c) The Department shall establish rules for acceptable amounts of molds and fungus, heavy metals, and other contaminants in the cannabis; determine operational standards and protocols for testing, retesting, rejecting, and destroying batches of cannabis that do not meet the acceptable amounts; and certifying private and independent testing laboratories to test medical cannabis, prepared cannabis, and medical cannabis products that are sold by a licensed medical cannabis business.
(d) Such medical cannabis testing laboratory must be certified/accredited by a third-party, nonprofit, impartial organization.

(e) The testing laboratory may acquire and possess unlimited amounts of testing samples for the purposes of laboratory testing medical cannabis.

(f) The commercial cultivation facility and commercial manufacturing facility must sort medical cannabis into identical lots according to the cannabis crop and prepared medical cannabis and medical cannabis products into identical batches. The commercial cultivation facility and commercial manufacturing facility shall quarantine a lot or batch of medical cannabis, prepared medical cannabis, or medical cannabis product from being handled and sold until after the results of the laboratory testing has been completed and submitted to the Department and the commercial cultivation facility or commercial manufacturing facility. An employee of a medical cannabis testing laboratory shall select a random sample from each batch to be tested by the laboratory.

(g) Cannabis being transported to and from a testing laboratory must be labeled “For Testing Purposes Only.”

(h) Cannabis in the possession of a testing laboratory or in the process of testing, transport or analysis must be housed and stored in a manner to prevent diversion, theft and loss.

(i) If the laboratory testing results indicate unacceptable amounts of contaminants in a medical cannabis, prepared medical cannabis, or medical cannabis product, the testing laboratory shall notify the Department and the responsible official of the licensed medical cannabis business from which the medical cannabis, prepared medical cannabis, or medical cannabis product originated. The responsible official of the licensed medical cannabis business
shall immediately quarantine the products. The responsible official of the licensed medical cannabis business may request for medical cannabis or medical cannabis product to be retested. A lot of medical cannabis or batch of prepared medical cannabis or medical cannabis product shall only be tested at most three (3) times. The responsible official shall document the destruction or disposal of the quarantined medical cannabis or medical cannabis product that has been tested to be unacceptable in accordance with this Section.

(j) All excess medical cannabis, prepared medical cannabis, or medical cannabis product possessed by a testing laboratory must be returned to the source or destroyed. The testing laboratory shall create and maintain records of any exchange of cannabis, as well as any disposal of cannabis, and of any hazardous chemicals used by the testing laboratory.

(k) The testing laboratory shall issue written reports of the full analysis and results from the tested batch of cannabis to the licensed medical cannabis business that requested the test and the Department. Written reports of the full analysis and results from the tested batch of medical cannabis, prepared medical cannabis, and medical cannabis products shall be made available to the public by request.

(l) A licensed medical cannabis business may request for a retest of any lot or batch of cannabis or batch of cannabis product.

(m) The licensed medical cannabis business selling or distributing cannabis must place a label in a conspicuous area on the product’s packaging stating the CBD and THC levels in percentage or milligrams, as applicable, and a statement that the cannabis product has been tested and has met the acceptable standards determined by the Department.

(n) This Section does not prohibit a commercial cultivation site, commercial manufacturing site, or dispensary from operating a laboratory
within their business. However, all medical cannabis must be laboratory tested
at an independent medical cannabis testing laboratory that has been licensed
by the Department.

§ 122529. Record Keeping.

All records required in this Act shall be confidential and shall be kept
by a licensed medical cannabis business for a period of at least five (5) years.
Upon reasonable notice, the Director of the Department of Public Health and
Social Service may request access to a licensed medical cannabis business for
inspection and copying. Upon cessation of business operations, records
required under this Act shall be submitted in an electronic format to the
Department of Public Health and Social Services on a portable device.”

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

Section 4. Effective Date. This Act shall take effect upon enactment into
law.