

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

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
194-37 (LS) As amended by the Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning; and substituted on the Floor.	Sabina Flores Perez Therese M. Terlaje Chris Barnett	AN ACT TO AMEND § 6102 (I) OF ARTICLE 1, AMEND § 6209 (c) OF ARTICLE 2, AMEND § 6306 AND § 6308 OF ARTICLE 3, AMEND § 6401, § 6402, AND § 6405, ALL OF ARTICLE 4, AND AMEND § 6603 OF ARTICLE 6, ALL OF CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO UPDATING THE DEFINITION OF ELECTRONIC CIGARETTES AND FINES AND PENALTIES FOR TOBACCO AND NICOTINE VIOLATIONS.	10/25/23 4:31 p.m.	10/27/23	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning	Request: 10/27/23  11/6/23	12/12/23 1:30 p.m.	2/21/24 11:46 a.m.	As amended by the Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning
	<b>SESSION DATE</b>		<b>DATE PASSED</b>	<b>TRANSMITTED</b>	<b>DUE DATE</b>	<b>NOTES</b>			
	3/18/24	AN ACT TO AMEND § 6209(c) OF ARTICLE 2, §§ 6306 AND 6308 OF ARTICLE 3, §§ 6401(a), 6403, AND 6405 OF ARTICLE 4, AND § 6603 OF ARTICLE 6, ALL OF CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO UPDATING THE FINES AND PENALTIES CONCERNING TOBACCO, NICOTINE AND ELECTRONIC CIGARETTE VIOLATIONS.	3/22/24	3/22/24	4/3/24				



**COPY**

*I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN*  
Thirty-Seventh Guam Legislature

March 22, 2024

The Honorable Lourdes A. Leon Guerrero  
*I Maga'hågan Guåhan*  
*Ufisinan I Maga'håga*  
*Hagåtña, Guam 96910*

Dear *Maga'håga* Leon Guerrero:

Transmitted herewith are **Bill Nos. 105-37 (LS), 176-37 (COR), 213-37 (COR), 214-37 (COR), 215-37 (COR), 216-37 (COR), 242-37 (COR), and Substitute Bill Nos. 119-37 (COR), 133-37 (COR), and 194-37 (LS)**, which were passed by *I Mina'trentai Siette Na Liheslaturan Guåhan* on March 22, 2024.

Sincerely,



AMANDA L. SHELTON  
Legislative Secretary

Enclosure (10)

*PO3 CERVENES #734*  
*[Signature]*  
*3/22/24*  
*8:42PM*



*I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN*  
2024 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN*

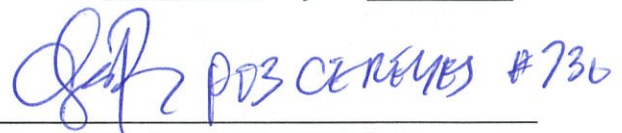
This is to certify that Substitute Bill No. 194-37 (LS), "AN ACT TO AMEND § 6209(c) OF ARTICLE 2, §§ 6306 AND 6308 OF ARTICLE 3, §§ 6401(a), 6403, AND 6405 OF ARTICLE 4, AND § 6603 OF ARTICLE 6, ALL OF CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO UPDATING THE FINES AND PENALTIES CONCERNING TOBACCO, NICOTINE AND ELECTRONIC CIGARETTE VIOLATIONS," was on the 22<sup>nd</sup> day of March 2024, duly and regularly passed.

  
Therese M. Terlaje  
Speaker

Attested:

  
Amanda L. Shelton  
Legislative Secretary

-----  
This Act was received by *I Maga'hågan Guåhan* this 22<sup>ND</sup> day of MARCH,  
2024, at 8:22 o'clock P.M.

  
Assistant Staff Officer  
*Maga'håga's Office*

APPROVED:

\_\_\_\_\_  
Lourdes A. Leon Guerrero  
*I Maga'hågan Guåhan*

Date: \_\_\_\_\_

Public Law No. \_\_\_\_\_

*I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN*  
2023 (FIRST) Regular Session

**Bill No. 194-37 (LS)**

As amended by the Committee on Environment,  
Revenue and Taxation, Labor, Procurement, and  
Statistics, Research, and Planning; and  
substituted on the Floor.

Introduced by:

Sabina Flores Perez  
Therese M. Terlaje  
Chris Barnett  
Frank Blas, Jr.  
Joanne M. Brown  
Christopher M. Dueñas  
Thomas J. Fisher  
Jesse A. Lujan  
Tina Rose Muña Barnes  
William A. Parkinson  
Roy A. B. Quinata  
Joe S. San Agustin  
Dwayne T.D. San Nicolas  
Amanda L. Shelton

**AN ACT TO AMEND § 6209(c) OF ARTICLE 2, §§ 6306  
AND 6308 OF ARTICLE 3, §§ 6401(a), 6403, AND 6405 OF  
ARTICLE 4, AND § 6603 OF ARTICLE 6, ALL OF  
CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED,  
RELATIVE TO UPDATING THE FINES AND  
PENALTIES CONCERNING TOBACCO, NICOTINE  
AND ELECTRONIC CIGARETTE VIOLATIONS.**

1        **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that from 2018 to 2022, the Department of Revenue and Taxation cited a total of one  
4 hundred six (106) violations from tobacco outlets on Guam from a total of three

1 hundred twenty-nine (329) vendors licensed to sale tobacco products. Violations  
2 consisted of tobacco sales to those under twenty-one (21) years of age and failing to  
3 post “21+ Only Sales” signages for public view.

4 *I Liheslatura* further finds that the World Health Organization, Framework  
5 Convention on Tobacco Control (WHO-FCTC) recognizes that consistently  
6 revisiting violation penalties along with taxation are the two (2) highly effective  
7 initiatives to tackle tobacco and nicotine consumption among youth worldwide.

8 *I Liheslatura* finds that Chapter 6 of Title 11, Guam Code Annotated, that was  
9 established in October of 1998 through Public Law 24-278, required sellers of  
10 tobacco products to obtain tobacco licenses and sought to enforce the prohibition of  
11 sales of tobacco products to minors. Twenty-five (25) years later, updates to Chapter  
12 6 of Title 11 GCA have included the licensing requirements for the retail and  
13 wholesale of tobacco products and the restrictions of tobacco products to  
14 manufacturer’s representatives, and tobacco taxation through Public Law 28-170.  
15 The passage of Public Law 32-200 restricted the engagement of any sellers to offer  
16 any tobacco multi-product discounts and promotions. In 2017, Public Law 34-01  
17 defined electronic cigarettes in Chapter 6 of Title 11 GCA, and raised the consumer  
18 age of tobacco and nicotine products to twenty-one (21) years of age. Among the  
19 many regulations established on Guam, tobacco and nicotine consumption and  
20 tobacco marketing strategies continue to evolve, as well as, the need for policy  
21 changes.

22 *I Liheslatura* finds that according to the Annual Synar Report published by  
23 the Guam Behavioral Health and Wellness Center, as of 2017, there were one  
24 hundred six (106) tobacco violations with the majority being first and second time  
25 offenders. According to the Department of Revenue and Taxation, as of September  
26 2023, there are three hundred forty-seven (347) active retail Tobacco Business  
27 Licenses and eight (8) active wholesale tobacco business licenses. Between 2018

1 and 2019, one (1) third-time offender paid a Five Thousand Fifty Dollar (\$5,050.00)  
2 penalty and had their tobacco license suspended.

3 Despite a downward trend of violations for selling tobacco and nicotine  
4 products without a license or selling tobacco products to minors, data published in  
5 August of 2023 finds that consumption of tobacco and nicotine remains higher in  
6 Guam compared to the U.S. among adults and youth. Updates to the 2021 State  
7 Epidemiological Outcomes Workgroup (SEOW) Epi Profile document the use of  
8 electronic nicotine delivery devices or “vaping” is high amongst Guam youth with  
9 one (1) in three (3), or 35.2%, of high school students and one (1) in three (3), or  
10 34.6%, of middle school students reporting current use. Tobacco use figures display  
11 marked disparities across socio-economic gradients with poor and less-educated  
12 individuals more likely to smoke than rich and well-educated persons who are less  
13 likely to have smoked at all.

14 Therefore, it is the intent of *I Liheslaturan Guåhan* to protect our island’s  
15 youth by updating statutes, which are nearly two (2) decades old, to deter non-  
16 compliance by increasing fines and suspension of licenses for first time violators for  
17 those businesses that sell to minors.

18 **Section 2.** § 6209(c) of Article 2, Chapter 6, Title 11, Guam Code  
19 Annotated, is hereby *amended* to read as follows:

20 “(c) Any licensee who violates this Section shall be fined One  
21 Hundred Dollars (\$100.00) per violation.”

22 **Section 3.** § 6306 of Article 3, Chapter 6, Title 11, Guam Code Annotated,  
23 is hereby *amended* to read as follows:

24 “§ 6306. **Same: Application.**

25 An applicant for a license shall submit the following:

26 (a) an application in writing to the Director, verified  
27 under oath; and

1 (b) the license fee(s).”

2 **Section 4.** § 6308 of Article 3, Chapter 6, Title 11, Guam Code Annotated,  
3 is hereby *amended* to read as follows:

4 **“§ 6308. Penalties for Selling Tobacco Products Without a**  
5 **License.**

6 In addition to any other penalties and fines that may be levied,  
7 including those under § 6405 and § 70120 of this Title, any person who  
8 violates § 6201 shall be guilty of a misdemeanor as set forth in § 70119  
9 of this Title, and punished, notwithstanding § 80.50(c) of Article 3,  
10 Chapter 80, Title 9, Guam Code Annotated, as follows:

11 (a) in the case of a first violation, by a fine of One  
12 Thousand Dollars (\$1,000.00);

13 (b) in the case of a second violation, by a fine of Two  
14 Thousand Dollars (\$2,000.00);

15 (c) in the case of three (3) or more violations, a fine of  
16 not less than Four Thousand Dollars (\$4,000.00), nor more than  
17 Ten Thousand Dollars (\$10,000), and the person shall not be  
18 eligible to apply for a license for ten (10) years after the date of  
19 the assessment of a fine.”

20 **Section 5.** § 6401(a) of Article 4, Chapter 6, Title 11, Guam Code  
21 Annotated, is hereby *amended* to read as follows:

22 “(a) It shall be a violation of this Chapter for any person to sell or  
23 distribute tobacco products or electronic cigarettes to any person under  
24 twenty-one (21) years of age. Retailers of tobacco products or electronic  
25 cigarettes shall require persons to provide acceptable photographic  
26 identification and proof of being twenty-one (21) years of age or older prior  
27 to sale.

1           (1) The sale or distribution of electronic cigarettes to any  
2 person under twenty-one (21) years of age, or its possession by such  
3 person, is prohibited and shall be regulated and enforced pursuant to  
4 this Chapter.

5           (2) Any provision of this Chapter applicable to the regulation  
6 and prohibition of the sale or distribution of tobacco products to any  
7 person under twenty-one (21) years of age, or possession by such  
8 person, shall be applicable to electronic cigarettes, and any other  
9 component of an electronic cigarette, and shall be regulated and  
10 enforced in the same manner as tobacco products, to include the  
11 applicability of all penalties and fines.”

12       **Section 6.** The second § 6402 of Article 4, Chapter 6, Title 11, Guam Code  
13 Annotated, is renumbered as § 6403 and is hereby *amended* to read as follows:

14       “**§ 6403. Display of Prohibition on Sales of Tobacco Products**  
15       **and Electronic Cigarettes to Persons Under Twenty-one (21) Years of**  
16       **Age.**

17           All licensees shall post notice that this Chapter prohibits the sale  
18 of tobacco products to persons under twenty-one (21) years of age.

19           (a) In the case of a retail operation, notices shall be  
20 publicly and conspicuously displayed in the licensee’s place of  
21 business in letters at least two inches (2”) in height.

22           (b) Any licensee who violates this Section shall be  
23 fined Five Hundred Dollars (\$500.00) per violation.”

24       **Section 7.** § 6405 of Article 4, Chapter 6, Title 11, Guam Code Annotated,  
25 is hereby *amended* to read as follows:



1           **“§ 6405. Penalties for Selling or Distributing Tobacco Products**  
2           **and Electronic Cigarettes to Persons Under Twenty-one (21) Years of**  
3           **Age.**

4           (a) In addition to any other penalties and fines that may be  
5           levied, any person who violates § 6401 of this Chapter shall be  
6           penalized, notwithstanding § 80.50 (c) of Article 3, Chapter 80, Title 9,  
7           Guam Code Annotated, as follows:

8                   (1) In the case of a first violation, the person shall be  
9                   fined Two Thousand Dollars (\$2,000.00), and the license shall  
10                  be suspended for ninety (90) days and shall be notified, in  
11                  writing, of penalties levied for further violations;

12                  (2) in the case of a second violation, the person shall be  
13                  fined Four Thousand Dollars (\$4,000.00) and the license shall be  
14                  suspended for one hundred eighty (180) days;

15                  (3) in the case of three (3) or more violations, the person  
16                  shall be fined not less than Ten Thousand Dollars (\$10,000.00)  
17                  and not more than Twenty Thousand Dollars (\$20,000.00) and  
18                  the license shall be revoked, and the licensee shall be ineligible  
19                  to apply for a new license for ten (10) years after the effective  
20                  date of revocation.

21           (b) Failure to pay a fine levied under this Section after  
22           suspension pursuant to Subsection (a) of this Section shall result in  
23           continued suspension of the licensee's license until such fines are paid.

24           (c) During any suspension or revocation of a license under  
25           this Section, the licensee shall not sell tobacco products or electronic  
26           cigarettes and shall remove all tobacco products and electronic  
27           cigarettes from all areas covered by the suspended license. In addition,

1 any new application for a license to sell tobacco products or electronic  
2 cigarettes while a licensee is suspended under this Section shall be  
3 denied.

4 (d) All tobacco products sold over the counter shall be  
5 displayed and located where they shall be inaccessible to persons under  
6 twenty-one (21) years of age. Any vendor who violates this provision  
7 shall pay a penalty of One Thousand Dollars (\$1,000.00).”

8 **Section 8.** § 6603 of Article 6, Chapter 6, Title 11, Guam Code Annotated,  
9 is hereby *amended* to read as follows:

10 **“§ 6603. Penalty.**

11 Whoever transports or imports into Guam for delivery or  
12 commercial use in Guam tobacco products or electronic cigarettes in  
13 violation of this Article shall be penalized as follows:

14 (a) in the case of a first violation, the person, owner or  
15 consignee shall be guilty of a misdemeanor and shall be fined  
16 One Thousand Dollars (\$1,000.00) or imprisoned for not more  
17 than one (1) year, or both;

18 (b) in the case of any subsequent violation, the person,  
19 owner or consignee shall be guilty of a felony of the third degree  
20 and shall be fined Ten Thousand Dollars (\$10,000.00) or  
21 imprisoned for not more than five (5) years, or both.

22 (c) any individual who imports tobacco products  
23 outside the exemptions identified in this Article shall be imposed  
24 a fine of three (3) times the taxable assessment, which shall be  
25 determined using the tax rate established in § 26603 of Article 6,  
26 Chapter 26, Title 11, Guam Code Annotated, by the Officer of  
27 the Customs and Quarantine Agency at the port of entry. The

1 commodity shall be seized, and the violator of this Section shall  
2 be fined additionally the same amount as the taxable assessment  
3 for the cost of storage, destruction, and administrative fees for  
4 tobacco products or electronic cigarettes exceeding the  
5 exemption pursuant to Title 9, Guam Code Annotated, § 47.70.  
6 This fee shall be deposited according to the following:

7 (1) fifty percent (50%) in the Customs Local  
8 Forfeiture Account (CLFA); and

9 (2) fifty percent (50%) in the Youth Tobacco  
10 Education and Prevention Fund (YTEP Fund).

11 (d) The Customs and Quarantine Agency shall maintain  
12 a database of all individuals who are in violation of this Section  
13 to determine and administer subsequent violation charges.”

14 **Section 9. Effective Date.** This Act shall be effective upon enactment.

15 **Section 10. Severability.** If any provision of this Act or its application to  
16 any person or circumstance is found to be invalid or inorganic, such invalidity shall  
17 not affect other provisions or applications of this Act that can be given effect without  
18 the invalid provision or application, and to this end the provisions of this Act are  
19 severable.