

*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
260-37 (COR)	William A. Parkinson	AN ACT TO ADD A NEW § 8108(7) OF DIVISION 1, CHAPTER 8, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO LAWFUL OPERATION OF CANNABIS-RELATED FACILITIES.	3/13/24 12:13 p.m.	3/19/24	Committee on Fire, Agriculture, Power and Energy Utilities, Public Transit, Unemployment Insurance and Universal Health Insurance	Request: 3/19/24  3/25/24			



## COMMITTEE ON RULES

Senator Chris Barnett, Chairperson  
*I Mina'trentai Siette Na Liheslaturan Guåhan*  
37<sup>th</sup> Guam Legislature

March 25, 2024

**To:** **Joaquin P. Taitague**  
Clerk of the Legislature

**From:** **Senator Chris Barnett**   
Chairperson, Committee on Rules

**Subject:** **Fiscal Note for Bill No. 260-37 (COR)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 260-37 (COR).**

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly forward the same to Management Information Services (MIS) for posting on our website.



**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 260-37 (COR)**

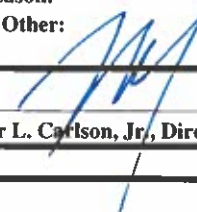
**AN ACT TO ADD A NEW §8108(7) OF DIVISION 1, CHAPTER 8, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO LAWFUL OPERATION OF CANNABIS-RELATED FACILITIES.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Public Health and Social Services	Dept./Agency Head: Peter John Camacho, Acting Director
Department's General Fund (GF) appropriation(s) to date: Operations (\$65,451,346); Health Insurance Premiums for Foster Children (\$665,396); Child Protective Services Program (\$1,226,236); Supplemental Tobacco and Nicotine Control Prevention from excess FY2023 General Fund revenues (\$500,000)	\$67,842,978
Department's Other Fund appropriation(s) to date: Environmental Health Fund (\$1,317,328); Health Futures Fund (\$1,389,851); Health Professional Licensing Office Revolving Fund (\$285,709); Office of Vital Statistics Revolving Fund (\$228,865); DPHSS Sanitary Inspection Revolving Fund (\$293,844); Healthy Futures Fund for Guam Cancer Registry (\$389,144)	\$3,904,741
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$71,747,719</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2023 Unreserved Fund Balance		\$0	\$0
FY 2024 Adopted Revenues	\$0	\$0	\$0
FY 2024 Appro. (P.L. 37-42)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2024 (if applicable)	FY 2025	FY 2026	FY 2027	FY 2028
General Fund	1/	1/	\$0	\$0	\$0	\$0
Special Funds	1/	1/	\$0	\$0	\$0	\$0
<b>Total</b>	1/	1/	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- Does the bill contain "revenue generating" provisions? / X / Yes / / No  
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? / X / N/A / / Yes / / No  
If no, what is the additional amount required? \$ \_\_\_\_\_ / X / N/A
- Does the Bill establish a new program/agency? / / Yes / X / No  
If yes, will the program duplicate existing programs/agencies? / X / N/A / / Yes / / No  
Is there a federal mandate to establish the program/agency? / / Yes / X / No
- Will the enactment of this Bill require new physical facilities? / / Yes / X / No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: / X / Yes / / No  
/ X / Requested agency comments not received by due date / / Other:

Analyst:  Tyler Bautista, BMA I	Date: 03/22/2024	Director:  Lester L. Carlson, Jr., Director	Date: MAR 25 2024
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Notes:  
1/ See attached comments.

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH**  
**COMMENTS ON BILL NO. 260-37 (COR)**

The proposed legislation seeks to add a new section 8108(7) to the Guam Cannabis Industry Act (Chapter 8, Title 11, Guam Code Annotated) to legalize the lawful operation of a cannabis-related facility through the delivery, distribution, or selling of cannabis (flower only) *if and only if* there is no Cannabis Testing Facility on Guam. The sale of cannabis would be allowed as long as the product is properly labeled indicating the potency of cannabis inclusive of tetrahydrocannabinol (THC), cannabidiol (CBD), cannabigerol (CBG), and tetrahydrocannabivarin (THCV).

The Bureau notes that should the proposed legislation pass, the Government of Guam may realize actual revenues through the levy of applicable taxes, such as, an excise tax of 15% on the dollar value of cannabis that is sold or transferred from a cannabis cultivation facility to a retail cannabis store to product manufacturing facility; subject to the Department of Revenue and Taxation establishing procedures for the collection of all excise taxes levied (Section 8113(a) and (b), Chapter 8, Title 11, GCA). In addition to the excise tax, the Government of Guam may collect revenues through Gross Receipt Taxes, Income Taxes, and Withholding Taxes paid by a licensed retailer and their employees.

Absent pertinent information from the DPHSS and without any historical data, the Bureau is unable to determine a fiscal impact to the Government of Guam should this bill be passed into law.