

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

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
382-37 (COR)	William A. Parkinson	AN ACT TO ADD A NEW § 8121 TO CHAPTER 8, DIVISION 1, TITLE 11, GUAM CODE ANNOTATED RELATIVE TO CANNABIS COURIER SERVICES ON GUAM.	11/20/24 2:59 p.m.	11/25/24	Committee on Fire, Agriculture, Power and Energy Utilities, Public Transit, Unemployment Insurance and Universal Health Insurance	Request: 11/25/24  12/3/24			Referred Version 11/22/24



## COMMITTEE ON RULES

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

December 3, 2024

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

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

**Subject:** **Fiscal Note for Bill No. 382-37 (COR)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 382-37 (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. 382-37 (COR)**

**AN ACT TO ADD A NEW § 8121 TO CHAPTER 8, DIVISION 1, TITLE 11, GUAM CODE ANNOTATED RELATIVE TO CANNABIS COURIER SERVICES ON GUAM.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Revenue and Taxation (DRT)	Dept./Agency Head: Lizama, Marie P, Director
Department's General Fund (GF) appropriation(s) to date:	\$14,837,221
Department's Other Fund appropriation(s) to date: Banking and Insurance Enforcement Fund (\$386,733); Better Public Service Fund (\$1,377,900); Tax Collection Enhancement Fund (\$1,133,635)	\$2,898,268
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$17,735,489</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund:	Total:
FY 2024 Unreserved Fund Balance	\$0	\$0	\$0
FY 2025 Adopted Revenues	\$0	\$0	\$0
FY 2025 Appro. (P.L. 37-125)	\$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 2025 (if applicable)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>1/</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- Does the bill contain "revenue generating" provisions? // Yes      /X/ 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? /X/ Yes      // No  
If no, indicate reason: \_\_\_\_\_ /X/ Yes      // Other  
/X/ Requested agency comments not received by due date: DRT

Analyst: <u>Raymond Rieta</u> Raymond Rieta, BMA IV	Date: <u>12/2/24</u>	Director: <u>Lester L. Carlson, Jr.</u> Lester L. Carlson, Jr., Director	Date: <u>DEC 03 2024</u>
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Notes:  
^ See Additional Comments.

**Bureau of Budget & Management Research**  
**Comments on Bill No. 382-37 (COR)**

Bill No. 382-37 proposes to establish the rules and regulations surrounding the introduction and operations of cannabis courier services on Guam. The intent of the Bill is to authorize the Cannabis Control Board to ensure cannabis courier services operate in a secure, controlled manner by implementing rules similar to California's regulatory model, with emphasis on inventory tracking, delivery controls, and security standards.

Because the Bill was introduced to mirror California's regulatory model, information obtained from the State of California's Department of Cannabis Control (DCC) show that there are two types of fees for cannabis licenses:

- 1) Application fees – due when an application is submitted. The application is reviewed after the DCC receives the application fee.
- 2) License fees – due when the application is approved. The DCC issues the license after the license fee is paid with the renewal fee also due each year thereafter.

As per the California model, fees are specific to the license type applied for or renewing. Most fees are calculated based on the business's gross annual revenue. Gross annual revenue is all the money received for activities conducted under the license before subtracting expenses. The application and license fees (specifically for Distribution) in the state of California are as follows:

<b>Distribution license fees</b>		
<b>Gross annual revenue</b>	<b>Application Fee</b>	<b>License Fee</b>
Less than or equal to \$1,000,000	\$1,000	\$1,500
\$1,000,001 to \$2,500,000	\$1,000	\$6,000
\$2,500,001 to \$5,000,000	\$1,000	\$11,250
\$5,000,001 to \$10,000,000	\$1,000	\$22,500
\$10,000,001 to \$20,000,000	\$1,000	\$45,000
\$20,000,001 to \$30,000,000	\$1,000	\$75,000
\$30,000,001 to \$50,000,000	\$1,000	\$120,000
\$50,000,001 to \$70,000,000	\$1,000	\$180,000
<b>Distributor transport-only licenses</b>		
If the business transports only goods cultivated or manufactured, they are eligible for a reduced license fee.		
<b>Gross annual revenue</b>	<b>Application Fee</b>	<b>License Fee</b>
Less than or equal to \$1,000	\$1,000	\$200
\$1,001 to \$3,000	\$1,000	\$500
More than \$3,000	\$1,000	\$1,000

It should be noted that Bill No. 382-37, as introduced, does not specify a fee schedule to be enforced by the Guam Department of Revenue and Taxation (DRT). Additionally, absent information from the DRT relative to the Bill as well as the lack of any historical information pertaining to cannabis courier services on Guam, the Bureau is unable to ascertain the fiscal impact of the proposed legislation.