EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

JUL 14 2017

GL# 34-17-729
Speaker Benjamin J.F. Cruz
JUL 14 2017
Time: 2:20 [ ] AM [X] PM File No. 34-654
Received By: Elena
2017 JUL 14 PM 3:17

Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Substitute Bill No. 69-34 (COR), **"AN ACT TO *AMEND* § 122503(k); TO *ADD* NEW §§ 122503(ee) AND 122503(ff); TO *AMEND* § 122508; TO *ADD* NEW §§ 122509(d)(7) AND 122509(e)(7); AND TO *AMEND* § 122510(a), ALL OF ARTICLE 25, CHAPTER 12, DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE DEPARTMENT OF REVENUE AND TAXATION TO COLLECT FEES AND ISSUE BUSINESS LICENSES FOR THE COMMERCIAL CULTIVATION, MANUFACTURING, LABORATORY TESTING, AND DISPENSARY ACTIVITIES OF MEDICAL CANNABIS; AND TO FURTHER IMPLEMENT THE "JOAQUIN (KC) CONCEPCION II COMPASSIONATE CANNABIS USE ACT OF 2013,"** which was signed into law on July 13, 2017, as **Public Law 34-24.**

Senseramente,

EDDIE BAZA CALVO

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

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

This is to certify that **Substitute Bill No. 69-34 (COR), "AN ACT TO *AMEND* § 122503(k); TO *ADD* NEW §§ 122503(ee) AND 122503(ff); TO *AMEND* § 122508; TO *ADD* NEW §§ 122509(d)(7) AND 122509(e)(7); AND TO *AMEND* § 122510(a), ALL OF ARTICLE 25, CHAPTER 12, DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE DEPARTMENT OF REVENUE AND TAXATION TO COLLECT FEES AND ISSUE BUSINESS LICENSES FOR THE COMMERCIAL CULTIVATION, MANUFACTURING, LABORATORY TESTING, AND DISPENSARY ACTIVITIES OF MEDICAL CANNABIS; AND TO FURTHER IMPLEMENT THE "JOAQUIN (KC) CONCEPCION II COMPASSIONATE CANNABIS USE ACT OF 2013,"** was on the 30th day of June 2017, duly and regularly passed.

Benjamin J.F. Cruz
Speaker

Attested:

Régine Biscoe Lee
Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 03 day of July, 2017, at 2:10 o'clock P .M.

Assistant Staff Officer
Maga'låhi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: JUL 13 2017

Public Law No. 34-24

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

Bill No. 69-34 (COR)
As corrected by the Prime Sponsor;
and substituted by the Prime Sponsor on the Floor;
and amended on the Floor.

Introduced by:

Joe S. San Agustin
Dennis G. Rodriguez, Jr.
Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Régine Biscoe Lee
Tommy Morrison
Louise B. Muña
Telena Cruz Nelson
Michael F.Q. San Nicolas
Therese M. Terlaje
Mary Camacho Torres

AN ACT TO *AMEND* § 122503(k); TO *ADD* NEW §§ 122503(ee) AND 122503(ff); TO *AMEND* § 122508; TO *ADD* NEW §§ 122509(d)(7) AND 122509(e)(7); AND TO *AMEND* § 122510(a), ALL OF ARTICLE 25, CHAPTER 12, DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE DEPARTMENT OF REVENUE AND TAXATION TO COLLECT FEES AND ISSUE BUSINESS LICENSES FOR THE COMMERCIAL CULTIVATION, MANUFACTURING, LABORATORY TESTING, AND DISPENSARY ACTIVITIES OF MEDICAL CANNABIS; AND TO FURTHER IMPLEMENT 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. *I Liheslaturan Guåhan* finds that the "Joaquin (KC) Concepcion II Compassionate Cannabis Use Act of 2013," as amended by Public Law 33-220, did not involve the Department of Revenue and Taxation (DRT) in the process of issuing business licenses and charging fees for the cultivation of cannabis for medical purposes. It is also desirable to speed up the process of making medical cannabis available for the patients who require it.

Therefore, it is the intent of *I Liheslaturan Guåhan* to speed up the process of licensing and charging fees for the cultivation of cannabis for medical purposes. To this end, the role of the DRT is added to the current process and authorized to issue business licenses to those businesses seeking to engage in the medical cannabis industry.

Section 2. § 122503(k) (Definitions) of Article 25, Chapter 12, Division 1, Title 10, Guam Code Annotated, is *amended,* and all references throughout Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to "Department" *shall* be changed by the Compiler of Laws to read "DPHSS" as follows, consistent with the amended definition:

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

Section 3. A new § 122503(ee) (Definitions) is *added* to Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to read:

"(ee) *Business license* means a business license issued by the DRT."

Section 4. A new § 122503(ff) (Definitions) is *added* to Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, and all references throughout Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to

"Department of Revenue and Taxation" *shall* be changed by the Compiler of Laws to read "DRT" as follows, consistent with the added definition:

"(ff) *DRT* means the Department of Revenue and Taxation."

Section 5. § 122508 of Article 25, Chapter 12, Division 1, Title 10, Guam Code Annotated, is *amended* to read:

"**§ 122508. License Classification.**

(a) Licenses for medical cannabis businesses are non-transferable.

(b) 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 DRT Business License Division *shall* verify such requirement.

(c) The DPHSS *shall* issue the following types of medical cannabis licenses:

(1) 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;

(2) 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;

(3) 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;

(4) Commercial Manufacturing Facility License;

(5) Medical Cannabis Dispensary License; and

(6) Medical Cannabis Testing Laboratory License.

(d) The DRT Business License Section *shall* issue the following types of medical cannabis business licenses:

(1) Commercial Cultivation Business License;

(2) Commercial Manufacturing Facility Business License;

(3) Medical Cannabis Dispensary Business License; or

(4) Medical Cannabis Testing Laboratory Business License."

Section 6. A new § 122509(d)(7) (relative to Initial Licensing Fees) is *added* to Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to read:

"(7) DRT Business License Fees:

(A) $1,000 for a Commercial Cultivation Business License;

(B) $1,000 for a Commercial Manufacturing Facility Business License;

(C) $1,000 for a Medical Cannabis Dispensary Business License; and

(D) $1,000 for a Medical Cannabis Testing Laboratory Business License."

Section 7. A new § 122509(e)(7) (relative to Annual License Renewal) is *added* to Article 25, Chapter 12, Division 1, Title 10, Guam Code Annotated, to read:

"(7) DRT Business License Fees:

(A) $1,000 for a Commercial Cultivation Business License;

(B) $1,000 for a Commercial Manufacturing Facility Business License;

(C) $1,000 for a Medical Cannabis Dispensary Business License; and

(D) $ 1,000 for a Medical Cannabis Testing Laboratory Business License."

Section 8. § 122510(a) (exclusive of paragraphs 1 through 15, relative Application and Licensing Process for Medical Cannabis Business) of Article 25, Chapter 12, Division 1, Title 10, Guam Code Annotated, is *amended* to read:

"(a) Within thirty (30) days of the passage of this Act, the DPHSS *shall* accept applications for proposed medical cannabis licenses on a form prescribed by the authorized responsible official and include:"

Section 9. All references throughout Article 25 of Chapter 12, Division 1, Title 10, Guam Code Annotated, to "Dispensary" or "Dispensaries" *shall* be changed by the Compiler of Laws to read "Medical Cannabis Dispensary" or "Medical Cannabis Dispensaries" respectively.

Section 10. 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 provision or application, and to this end the provisions of this Act are severable.

Section 11. Effective Date. This Act *shall* become effective upon enactment.