

EDDIE BAZA CALVO Governor

> RAY TENORIO Lieutenant Governor

Office of the Governor Of Guam. DEC 2 n 2016

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'trentai Tres Na Liheslaturan Guåhan 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.

Senseramente,

EDDIE BAZA CALVO

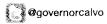
Judith T. Won Pat. Ed.D

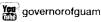
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Doc. No. 33GL-16-2301

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.

Judith T. Won Pat, Ed.D. Speaker Tina Rose Muña Barnes Legislative Secretary This Act was received by I Maga'låhen Guåhan this _____ day of ______ day of ______, 2016, at $4:\mathfrak{P}$ o'clock P.M. Maga'låhi's Office APPROVED: EDWARD J.B. CALVO I Maga'låhen Guåhan Date:_ DEC 1 7 2016 OFFICE OF THE GOVERNOR CENTRAL FILES

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

Bill No. 343-33 (COR)

As amended by the Sponsor; and further amended on the Floor.

Introduced by:

1

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:

- 2 Section 1. Legislative Findings and Intent. Recognizing that the Supreme
- 3 Court of Guam, in: In Re: Request of I Mina'Trentai Dos Na Liheslaturan Guåhan
- 4 Relative to the Power of the Legislature to Prescribe by Statute the Conditions and
- 5 Procedures Pursuant to Which the Right of Referendum of the People of Guam Shall

1	Ве	Exercised,	2014	Guam	24,	effectively	paved	the	way	for the	legalization	of
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medical marijuana in the Territory by allowing the Legislature to submit the 2

question, "Shall the 'Joaquin (KC) Concepcion II Compassionate Cannabis Use Act 3

of 2013' that provides for the medical use of cannabis be allowed?" on the ballot in 4

5 the November 2014 Guam General Election.

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I Liheslaturan 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 Liheslatura (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:

16		"ARTICLE 25			
17	THE JOAQUIN (KC) CONCEPCION II				
18	COMPASSIONATE CANNABIS USE ACT OF 2013				
19	§ 122501.	Title.			
20	§ 122502.	Purpose of Act.			
21	§ 122503.	Definitions.			
22	§ 122504.	Exemption from Criminal and Civil Penalties for the			
23		Medical Use of Cannabis.			
24	§ 122505.	Prohibitions, Restrictions, and Limitations on the Medical			
25		Use of Cannabis - Criminal Penalties.			
26	§ 122506.	Medical Cannabis Regulation Commission Created -			
27		Duties.			

1	§ 122507.	Department Protocols; Registry Identification Cards.
2	§ 122508.	License Classification.
3	§ 122509.	Fees.
4	§ 122510.	Application and Licensing Process for Medical Cannabis
5		Business.
6	§ 122511.	Permit to Operate.
7	§ 122512.	Operation Standards.
8	§ 122513.	Storage of Cannabis.
9	§ 122514.	Transport of Cannabis.
10	§ 122515.	Labeling and Packaging.
11	§ 122516.	Inspections.
12	§ 122517.	Expiration and Renewal of License and Permit to Operate.
13	§ 122518.	Suspension of Permit to Operate and Revocation of
14		License.
15	§ 122519.	Chain of Custody Form.
16	§ 122520.	Loss of Cannabis.
17	§ 122521.	Destruction and Disposal of Cannabis.
18	§ 122522.	Cessation of Business Operations.
19	§ 122523.	Compassionate Cannabis Use Fund.
20	§ 122524.	Registry Card Optional.
21	§ 122525.	Confidential Database.
22	§ 122526.	Written Certification.
23	§ 122527.	Dispensing Medical Cannabis.
24	§ 122528.	Testing Laboratories for Medical Cannabis.
25	§ 122529.	Record Keeping.

	§ 122501	1. Title.	This Ac	et shal	l be known	n and	d <i>shall</i> be	cited	l as 1	the
"The	Joaquin	(KC) Con	cepcion,	II C	ompassione	ate (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.

1	(g) Commercial cultivation facility means a licensed business that
2	plants, grows, harvests, dries, cures, grades, and trims medical cannabis for
3	qualified patients.
4	(h) Commercial manufacturing facility means a licensed person or
5	licensed organization that conducts the production, preparation, or
6	compounding of manufactured medical cannabis, as described in this Act, or
7	prepared medical cannabis.
8	(i) Crop means a specific complete harvest of medical cannabis
9	grown from one (1) or more seeds or cuttings that are planted of the same
10	genetic strain, that are planted and grown in the same facility using the same
11	exact methods at the same time.
12	(j) Debilitating medical condition means:
13	(1) cancer;
14	(2) glaucoma;
15	(3) multiple sclerosis;
16	(4) damage to the nervous tissue of the spinal cord, with
17	objective neurological indication of intractable spasticity;
18	(5) epilepsy;
19	(6) positive status for human immunodeficiency virus or
20	acquired immune deficiency syndrome;
21	(7) admitted into hospice care in accordance with rules
22	promulgated under this Act;
23	(8) post-traumatic stress disorder;
24	(9) rheumatoid arthritis or similar chronic autoimmune
25	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 nolo contendere 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

- (B) 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
2 qualified patient in	the medical use of cannabis in accordance with the
provisions of this A	ct, and who so agrees to assist the qualified patient.
4 Primary caregivers a	re prohibited from consuming cannabis obtained for the
5 personal, medical use	e 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.

1	(cc) Weight means the net weight of medical cannabis, prepared
2	medical cannabis, and medical cannabis product in ounces without any
3	packaging.
4	(dd) Written certification means a statement in a qualified patient's
5	medical records or a statement signed by a qualified patient's practitioner that,
6	in the practitioner's professional opinion, the qualified patient has a
7	debilitating medical condition and the practitioner believes that the potential
8	health benefits of the medical use of cannabis would likely outweigh the
9	health risks for the qualified patient. The qualified patient's practitioner shall
10	keep a copy of the written certification on file and provide it upon request by
11	the Department or authorized law enforcement personnel. A written
12	certification shall:
13	(1) be valid for no more than one (1) year from the date of
14	issuance;
15	(2) include a signed declaration by the qualified patient's
16	practitioner affirming a bona fide practitioner-patient relationship;
17	(3) not include the qualified patient's medical condition or
18	any other information relating to the condition; and
19	(4) contain all of the following information:
20	(A) the qualified patient's full name;
21	(B) the qualified patient's date of birth;
22	(C) the qualified patient's address; and
23	(D) the practitioner's:
24	(i) first name; middle name, if applicable; last name;
25	and suffix, if applicable;
26	(ii) Guam Board of Medical Examiners license
27	number, including an identification of the physician

1	license type or the practitioner's license number from
2	their appropriate licensing or regulatory board and the
3	identification of the practitioner's license type;
4	(iii) office address on file with the practitioner's
5	licensing board;
6	(iv) telephone number on file with the practitioner's
7	licensing board;
8	(v) e-mail address; and
9	(vi) authenticated signature.
10	§ 122504. Exemption from Criminal and Civil Penalties for the
11	Medical Use of Cannabis.
12	(a) A qualified patient is presumed to be engaged in the medical use
13	of cannabis and shall not be subject to arrest, prosecution or penalty in any
14	manner for the possession of or the medical use of cannabis if the qualified
15	patient possesses a quantity of cannabis that does not exceed the allowable
16	amount, is acting in accordance with all of the requirements of this Act, and
17	is in possession of a written certification.
18	(b) A qualified patient's primary caregiver is presumed to be
19	engaged in the medical use of cannabis and shall not be subject to arrest,
20	prosecution or penalty in any manner for the possession of cannabis for
21	medical use by the qualified patient if the primary caregiver possesses a
22	quantity of cannabis that does not exceed the allowable amount; provided, that
23	the primary caregiver is assisting in the registered qualified patient's medical
24	use of cannabis pursuant to this Act, and is acting in accordance with all of
25	the requirements of this Act.
26	(c) Subsection (a) of this Section shall not apply to a qualified
27	patient under the age of eighteen (18) years unless:

the qualified patient's practitioner has explained the (1) 1 potential risks and benefits of the medical use of cannabis to the 2 qualified patient, and to a parent, guardian or person having legal 3 custody of the qualified patient; and 4 a parent, guardian or person having legal custody 5 (2) consents in writing to: 6 allow the qualified patient's medical use of (A) 7 cannabis; 8 serve as the qualified patient's primary caregiver; (B) 9 and 10 (C) control the dosage and the frequency of the medical 11 use of cannabis by the qualified patient. 12 A qualified patient or a primary caregiver shall be granted the (d) 13 full legal protections provided in this Section if the qualified patient or 14 primary caregiver is in possession of a written certification. 15 A practitioner shall not be subject to arrest or prosecution, 16 penalized in any manner or denied any right or privilege for recommending 17 the medical use of cannabis or providing written certification for the medical 18 use of cannabis pursuant to this Act. 19 A licensed possessor or employee of a licensed medical cannabis (f) 20 business shall not be subject to arrest, prosecution or penalty, in any manner, 21 for the production, possession, distribution, dispensing, acquisition, 22 cultivation, processing, transferring, transporting, selling, or laboratory 23 testing of cannabis or medical cannabis paraphernalia in compliance with this 24

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Act, provided, that they are registered and certified or authorized by the

Department and are acting in accordance with this Act.

(g)

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.

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

- (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.

1	(k) A person may raise an affirmative defense if the person is found
2	to be in possession of medical cannabis but can show legitimate need for
3	medical cannabis or if the person has a qualifying debilitating medical
4	condition under the provisions set forth by this Act.
5	(l) No qualifying patient or primary caregiver under this Act shall
6	be denied custody of, visitation with, or parenting time with a minor, and there
7	shall be no presumption of neglect or child endangerment, for conduct
8	allowed under this Act; provided, that this Subsection shall not apply if the
9	qualifying patient's or primary caregiver's conduct created a danger to the
10	safety of the minor, as established by a preponderance of the evidence.
11	§ 122505. Prohibitions, Restrictions, and Limitations on the
12	Medical Use of Cannabis - Criminal Penalties.
13	(a) Participation in the medical use of cannabis by a qualified patient
14	or primary caregiver does not relieve the qualified patient or primary caregiver
15	from:
16	(1) criminal prosecution or civil penalties for activities not
17	permitted by this Act;
18	(2) liability for damages or criminal prosecution arising out of
19	the operation of a vehicle while under the influence of cannabis; or
20	(3) criminal prosecution or civil penalty for possession or use
21	of cannabis:
22	(A) in a school bus or public vehicle;
23	(B) on school grounds or property;
24	(C) in the workplace of the qualified patient's or
25	primary caregiver's employment; or
26	(D) at a public park, recreation center, youth center or
27	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;

1	(3) the Director of the Department of Agriculture or his
2	designee;
3	(4) the Administrator of the Guam Environmental Protection
4	Agency or his designee;
5	(5) the Chairperson of the Legislative Committee on Health
6	and Human Services or his designee;
7	(6) a member of the public at large appointed by <i>I Maga'låhi</i>
8	(the Governor);
9	(7) a member of the public at large appointed by <i>I Liheslatura</i>
10	(the Legislature);
11	(8) a qualified patient, caregiver, or patient advocate who
12	shall be appointed by the Commission;
13	(9) a licensed possessor who shall be appointed by the
14	Commission; and
15	(10) the remaining two (2) members appointed by the
16	Commission shall be practitioners representing the field of oncology,
17	neurology, psychiatry, or pain management, who shall be board-
18	certified in his or her area of specialty and knowledgeable about the
19	medical use of cannabis. A quorum of said Commission shall consist
20	of six (6) members.
21	(b) The Commission shall:
22	(1) review and recommend to the Department for approval
23	additional debilitating medical conditions that would benefit from the
24	medical use of cannabis;
25	(2) accept and review petitions to add medical conditions,
26	medical treatments or diseases to the list of debilitating medical
27	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).

1	(c)	The	Department shall issue registry identification cards to a
2	qualified pa	tient, a	and to the primary caregiver for that qualified patient, if any,
3	who submit	the fo	llowing:
4		(1)	a written certification;
5		(2)	the name, address, and date of birth of the qualified
6	patie	nt;	
7		(3)	the name, address, and telephone number of the qualified
8	patie	nt's pr	actitioner;
9		(4)	the name, address, and date of birth of the qualified
10	patie	nt's pri	mary caregiver, if any; and
11		(5)	a police clearance and court clearance of the primary
12	careg	giver.	
13	(d)	The	Department shall issue registry identification cards to a
14	responsible	offici	al or employee who submits the following:
15		(1)	the name of the employee or responsible official;
16		(2)	the mailing address of the licensed medical cannabis
17	busii	ness of	the employee's place of employment or responsible official
18	owns	3;	
19		(3)	the physical address of the licensed medical cannabis
20	busin	ness of	the employee's place of employment or responsible official
21	own	s;	
22		(4)	e-mail address;
23		(5)	the phone number of the licensed medical cannabis
24	busi	ness of	the employee's place of employment or responsible official
25	own	s;	
26		(6)	clearances from the police, court, and Attorney General;

1	(7) Mayor's verification or document as approved by the
2	Department to display proof of Guam residency;
3	(8) the job title, duties, and responsibilities;
4	(9) the application fee, as set forth by this Act; and
5	(10) any other information the Department may require.
6	(e) The Department shall verify the information contained in an
7	application submitted pursuant to Subsection (c) or Subsection (d) of this
8	Section, and shall approve or deny an application within thirty (30) calendar
9	days of receipt. The Department may deny an application only if the applicant
10	did not provide the information required pursuant to Subsections (c) or (d) of
11	this Section, or if the Department determines that the information provided is
12	false.
13	(1) The Department shall provide written notification to the
14	applicant of the reason for denial of the application within forty-eight
15	(48) hours.
16	(2) A person whose application has been denied and given
17	notice of the reason for denial shall have ten (10) working days to
18	appeal or comply.
19	(3) If the person does not come into compliance, the person
20	shall not reapply for six (6) months from the date of the denial unless
21	otherwise authorized by the Department.
22	(f) The Department shall issue a registry identification card within
23	five (5) days of approving an application, and the card shall expire one (1)
24	year after the date of issuance.
25	(1) A registry identification card for a qualified patient and
26	primary caregiver shall contain:

1	(A) the name, address, and date of birth of the qualified
2	patient and primary caregiver, if any;
3	(B) the date of issuance and expiration date of the
4	registry identification card;
5	(C) the registry identification type; and
6	(D) any other information that the Department may
7	require, except the qualified patient's debilitating illness or any
8	medical condition.
9	(2) A registry identification card for a responsible official and
10	employee shall contain:
11	(A) the name of the employee or responsible official;
12	(B) the date of issuance and expiration date of the
13	registry identification card;
14	(C) the physical address of the licensed medical
15	cannabis business of the employee's place of employment
16	or responsible official owns;
17	(D) the name of the responsible official of the licensed
18	medical cannabis business;
19	(E) the registry identification type; and
20	(A) any other information that the Department may
21	require, except the qualified patient's debilitating illness or any
22	medical condition.
23	(g) A person who possesses a registry identification card shall notify
24	the Department of any change in the person's name, address, qualified
25	patient's practitioner, qualified patient's primary caregiver, or change in status
26	of the qualified patient's debilitating medical condition within ten (10)
27	working days of the change.

1 (h) Possession of or application for a registry identification card shall not constitute probable cause or give rise to reasonable suspicion for a 2 governmental agency to search the person or property of the person possessing 3 or applying for the card. 4 5 (i) The Department shall maintain a confidential file containing the names and addresses of the persons who have either applied for or received a 6 registry identification card. Individual names on the list shall be confidential 7 and *not* subject to disclosure, except: 8 9 to authorized employees of the Department as necessary to perform the duties of the Department pursuant to the provisions of 10 this Act; 11 to authorized employees of state or local law enforcement 12 (2) 13 agencies for the sole purpose of verifying that a person is lawfully in possession of a registry identification card and is lawfully participating 14 in Guam's medical cannabis program; 15 pursuant to a court order or subpoena issued by a court; 16 (3) (4) 17 as provided in the federal Health Insurance Portability and Accountability Act of 1996, codified at 42 U.S.C. §1320d et seq.; 18 19 (5) with the written permission of the qualified patient or the qualified patient's legal guardian, or a parent or person with legal 20 custody if the qualified patient has not attained eighteen (18) years of 21 22 age; 23 (6)to a law enforcement official for verification purposes; provided, that the records may not be disclosed further than necessary 24 to verify a qualified patient's participation in the medical cannabis 25

program; or

1	(7)	to a qualified patient's treating practitioner and to a
2	qualified pati	ent's primary caregiver for the purpose of carrying out this
3	Act.	
4	§ 122508.	License Classification.
5	Licenses for	r medical cannabis business are non-transferable. All
6	licensed medical ca	nnabis businesses permitted in this Act shall retain at least
7	fifty-one percent (51%) ownership by legal residents of Guam who have
8	maintained continu	ous legal residential address or addresses on Guam for a
9	period of no less t	han three (3) years prior to the application for a medical
10	cannabis business	license. The Department shall issue the following types of
11	medical cannabis b	ousiness licenses:
12	(a)	Type 1 Commercial Cultivation License for cultivation of
13	less than or	equal to two thousand five hundred (2,500) square feet of
14	canopy on a	single premises;
15	(b)	Type 2 Commercial Cultivation License for cultivation of
16	two thousan	d five hundred one (2,501) to five thousand (5,000) square
17	feet of canon	by on a single premises;
18	(c)	Type 3 Commercial Cultivation License for cultivation of
19	five thousan	nd one (5,001) to ten thousand (10,000) square feet of
20	canopy on a	single premises;
21	(d)	Commercial Manufacturing Facility License;
22	(e)	Dispensary License; and
23	(f)	Medical Cannabis Testing Laboratory License.
24	§ 122509.	Fees.
25	(a) Regis	try Identification Card
26	(1)	Qualified Patient: \$15
27	(2)	Primary Caregiver: \$100

1		(3)	Responsible Official: \$1,000
2		(4)	Designated Courier: \$200
3	(b)	Ann	ual Registry Identification Card Renewal
4		(1)	Qualified Patient: \$10
5		(2)	Primary Caregiver: \$75
6		(3)	Responsible Official: \$750
7		(4)	Designated Courier: \$175
8	(c)	Non	-refundable Application Fees
9		(1)	\$2,000 for a Type 1 Cultivation License
10		(2)	\$5,000 for a Type 2 Cultivation License
11		(3)	\$10,000 for a Type 3 Cultivation License
12		(4)	\$5,000 for a Commercial Manufacturing Facility
13		(5)	\$5,000 for a Dispensary
14		(6)	\$2,000 for a Medical Cannabis Testing Laboratory
15	(d)	Initia	al Licensing Fees
16		(1)	\$3,000 for a Type 1 Cultivation License
17		(2)	\$5,000 for a Type 2 Cultivation License
18		(3)	\$10,000 for a Type 3 Cultivation License
19		(4)	\$5,000 for a Commercial Manufacturing Facility
20		(5)	\$5,000 for a Dispensary
21		(6)	\$2000 for a Medical Cannabis Testing Laboratory
22	(e)	Ann	ual License Renewal
23		(1)	\$3,000 for a Type 1 Cultivation License
24		(2)	\$7,500 for a Type 2 Cultivation License
25		(3)	\$15,000 for a Type 3 Cultivation License
26		(4)	\$5,000 for a Commercial Manufacturing Facility
27		(5)	\$5,000 for a Dispensary

1	(6)	\$2,000 for a Medical Cannadis Testing Laboratory
2	(f) Non-	refundable Permit to Application Fee
3	(1)	\$2,000 for a Type 1 Cultivation Site
4	(2)	\$5,000 for a Type 2 Cultivation Site
5	(3)	\$15,000 for a Type 3 Cultivation Site
6	(4)	\$5,000 for a Commercial Manufacturing Facility
7	(5)	\$5,000 for a Dispensary
8	(6)	\$2,000 for a Medical Cannabis Testing Laboratory
9	(g) Perm	nit to Operate Annual Fee
10	(1)	\$2,000 for a Type 1 Cultivation Site
11	(2)	\$5,000 for a Type 2 Cultivation Site
12	(3)	\$15,000 for a Type 3 Cultivation Site
13	(4)	\$5,000 for a Commercial Manufacturing Facility
14	(5)	\$5,000 for a Dispensary
15	(6)	\$2,000 for a Medical Cannabis Testing Laboratory
16	(h) Depa	artment Authentication of Written Certification: \$1.00
17	§ 122510	. Application and Licensing Process for Medical
18	Cannabis Busine	ess.
19	The Depar	tment shall govern the manner in which applications for a
20	medical cannabi	s business license will be considered according to the
21	following:	
22	(a)	Within thirty (30) days of the passage of this Act, the
23	Departmen	at shall accept applications for proposed medical cannabis
24	business 1	icenses on a form prescribed by the Department. The
25	application	shall be submitted by the authorized responsible official
26	and include	e:
27		(1) the authorized responsible official's:

1	(A) name;
2	(B) mailing address;
3	(C) e-mail address;
4	(D) phone number;
5	(E) A Mayor's verification or document as
6	approved by the Department to display proof of Guam
7	residency; and
8	(F) clearances from police, court, and Attorney
9	General;
10	(2) the legal name of the proposed medical cannabis
11	business;
12	(3) the physical address of the proposed medical
13	cannabis business;
14	(4) affirmation that the proposed medical cannabis
15	business is not within a Drug Free School Zone pursuant to
16	Chapter 48 of Title 17, Guam Code Annotated;
17	(5) proof that the applicant has legal title filed with the
18	Department of Land Management on which the proposed
19	medical cannabis business will be located, or has a legal lease
20	agreement with the property owner that includes consent to
21	operate the proposed medical cannabis business on that property;
22	(6) proof that the proposed facility is registered with the
23	Department of Revenue and Taxation and has a business license
24	and Business Privilege Tax Number with the Department of
25	Revenue and Taxation;
26	(7) clearances from the police, court, and Attorney
27	General for each owner, responsible official, and board member;

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- (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;

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- (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

1	shall approve or deny an application within thirty (30) calendar days of
2	receipt. The Department shall deny an application only if the applicant
3	did not provide the information required pursuant to Subsection (a) of
4	this Section, or if the Department determines that the information
5	provided is false.
6	(c) The Department shall provide written notification to the
7	responsible official of an incomplete application within seven (7) days
8	of the Department's determination and specify where the application is
9	incomplete. The responsible official shall be given fourteen (14) days
10	to complete and resubmit the application.
11	(d) The Department shall reject any application that does not
12	comply with this Act. The Department shall provide the responsible
13	official with a written notification within seven (7) days of rejection
14	and specify the reason for rejection.
15	(e) The Department shall issue a license if the application is
16	complete and in accordance with this Act. The certificate shall include
17	the following:
18	(1) the medical cannabis business'
19	(A) legal name;
20	(B) physical address; and
21	(C) phone number;
22	(2) the responsible official's
23	(A) name;
24	(B) mailing address;
25	(C) email address;
26	(D) phone number;
27	(3) a random alphanumeric identification number;

1	(4) the date of issue;
2	(5) the date of expiration;
3	(6) the date the licensed medical cannabis business
4	must reapply; and
5	(7) any other information the Department deems
6	necessary.
7	(f) Other than a medical cannabis testing laboratory, no
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9	person, responsible official, board member, business, stakeholder,
	principals, or entity of one (1) licensed medical cannabis business shall
10	own or have financial interest in more than one (1) licensed medical
11	cannabis business at any given time; provided that:
12	(1) for a commercial cultivation facility
13	(A) responsible officials, board members,
14	businesses, stakeholders, principals, or entities of
15	commercial cultivation facilities are not prohibited from
16	holding separate commercial manufacturing facility
17	licenses or dispensary licenses, so long as the provisions
18	for the application of the separate cultivation,
19	manufacturing, or dispensary licenses set forth in this Act
20	are completed in full by the applicant;
21	(B) responsible board members, businesses,
22	stakeholders, principals, or entities of commercial
23	cultivation facilities will apply for licensing separately
24	from commercial manufacturing facilities and
25	dispensaries; and
26	(C) commercial cultivators may possess <i>no more</i>
27	than one (1) commercial cultivation license at any given
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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

1	licensed medical cannabis business being in possession of a Permit to
2	Operate. The application and the Permit to Operate shall include:
3	(a) the name, address, and license number of the medical
4	cannabis business;
5	(b) the responsible official's name;
6	(c) the date of issue;
7	(d) the date of expiration;
8	(e) the date the licensed medical cannabis business must
9	reapply;
10	(f) the type of medical cannabis license; and
11	(g) any other information deemed necessary by the
12	Department.
13	§ 122512. Operation Standards.
14	(a) Each facility will comply with all local building, health, fire, and
15	zoning requirements and other applicable requirements and shall not be in
16	violation of Guam's building and zoning laws.
17	(b) All licensed medical cannabis businesses that prepare, package,
18	store, sell, distribute, or dispense cannabis-infused edible food products shall
19	comply with Title 10 GCA, Chapters 21, 22, 23, 24, and 40, and applicable rules
20	and regulations, to ensure proper food safety.
21	(c) Commercial cultivation may only occur on the property for
22	which the commercial cultivation license was obtained.
23	(d) Commercial cultivation shall not be in public view. All
24	commercial cultivation structures shall be fully surrounded by a fence or wall
25	at least ten (10) feet in height with a locking gate or door. No cannabis plant
26	shall be taller than the height of the wall, fence, or gate.

- (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

1	and reported to the Department within forty-eight (48) hours of disposal
2	pursuant to this Act.
3	(l) The licensed medical cannabis business shall develop standard
4	operating procedures, protocols, and training for the safe handling and
5	dispensing of medical cannabis to include:
6	(1) storage protocols;
7	(2) reasonable security protocols;
8	(3) inventory control; and
9	(4) distribution systems.
10	(m) The use of butane for any extraction method for medical
11	marijuana concentrates is hereby banned in Guam.
12	§ 122513. Storage of Cannabis.
13	To reduce contamination of cannabis products, all cannabis products
14	shall be stored and displayed in inconspicuous air-tight and tamper proof
15	containers. If applicable, the product may be stored in child-proof containers.
16	Storage and display areas must maintain relative humidity between fifty
17	percent (50%) and seventy percent (70%).
18	§ 122514. Transport of Cannabis.
19	(a) Medical cannabis, prepared medical cannabis, and
20	medical cannabis product shall only be transported by designated
21	couriers of a licensed medical cannabis business, a qualified patient, a
22	qualified patient's primary caregiver, or a qualified patient's legal
23	guardian.
24	(b) The designated courier shall be registered with the
25	Department.
26	(c) The designated courier authorized by the licensed medical
27	cannabis business shall:

1	(1) <i>not</i> use a vehicle with any cannabis identification;
2	(2) ensure the cannabis is not visible; and
3	(3) store cannabis in air-tight, tamper proof packaging.
4	§ 122515. Labeling and Packaging.
5	Labels and packages of prepared medical cannabis product shall meet
6	the following requirements:
7	(a) Medical cannabis packages and labels shall not be made
8	to be attractive to children, to include cartoons; symbols or celebrities
9	that are commonly used to market products to minors; or similar to
10	existing packaging labels of any product available on the market that
11	currently markets towards children.
12	(b) All prepared medical cannabis and medical cannabis
13	product labels shall include the following information, prominently
14	displayed and in a clear and legible font:
15	(1) the manufacture date, identification, batch, and lot
16	number as applicable;
17	(2) the statement "KEEP OUT OF REACH OF
18	CHILDREN AND ANIMALS" in bold print;
19	(3) the statement "FOR MEDICAL USE ONLY";
20	(4) the statement, only on edibles "WHEN EATEN OR
21	SWALLOWED, THE INTOXICATING EFFECTS OF THIS
22	PRODUCT MAY BE DELAYED BY UP TO TWO HOURS";
23	(5) the statement "THIS PRODUCT MAY IMPAIR
24	THE ABILITY TO DRIVE OR OPERATE MACHINERY.
25	PLEASE USE EXTREME CAUTION";
26	(6) a warning if nuts or other known allergens or gluten
27	containing products are used;

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(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;

1	(5) the signature of the person who received and
2	verified the shipment;
3	(6) the time and date when the receiving party took
4	custody of the shipment; and
5	(7) any other information deemed necessary by the
6	Department.
7	(b) Licensed medical cannabis business to licensed medical
8	cannabis business:
9	(1) the lot number of the medical cannabis crop;
10	(2) the batch number of the prepared medical cannabis
11	and medical cannabis product, if applicable;
12	(3) the date the cannabis was harvested;
13	(4) the name, address, and license number of the
14	licensed medical cannabis business from which the crop
15	originated;
16	(5) the name, address, and license number of the
17	licensed medical cannabis business from which the medical
18	cannabis product originated;
19	(6) the net weight and gross weight of medical
20	cannabis, prepared medical cannabis, and medical cannabis
21	product sold or transferred;
22	(7) the laboratory test results and report;
23	(8) a declaration from the laboratory that the product
24	meets the minimum laboratory testing requirements set by the
25	Department;

1	(9) a declaration from the licensed medical cannabis
2	business that all information in the chain of custody form is true
3	and correct;
4	(10) the name, address, and license number or registry
5	identification number of the receiving party;
6	(11) the signature of the person who received and
7	verified the shipment;
8	(12) the time and date when receiving party took custody
9	of the shipment;
10	(13) the travel plan as specified in § 122514 of this Act;
11	and
12	(14) any other information deemed necessary by the
13	Department.
14	(c) Medical Cannabis Testing Laboratory to Licensed
15	Medical Cannabis Business:
16	(1) a Chain of Custody report as specified in Subsection
17	(a) of this Section;
18	(2) a Chain of Custody report as specified in Subsection
19	(b) of this Section, if applicable;
20	(3) laboratory testing results and report;
21	(4) net weight and gross weight of amount of any
22	unused, untested medical cannabis, prepared medical cannabis,
23	or medical cannabis product returned to the licensed medical
24	cannabis business;
25	(5) a declaration from the licensed medical cannabis
26	business that all information in the Chain of Custody form is true
27	and correct;

1	(6) the name, address, and license number or registry
2	identification number of the receiving party;
3	(7) the signature of the person who received and

- (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:

1	(a) the name and license number of the licensed medical
2	cannabis business the cannabis originated from;
3	(b) the name of the authorized licensed medical cannabis
4	business employee or authorized Department or law enforcement
5	official performing the destruction or disposal;
6	(c) the Chain of Custody Report, if applicable;
7	(d) the amount, in weight, destroyed or disposed of;
8	(e) the method of destruction or disposal;
9	(f) the time and date of destruction or disposal;
10	(g) the reason for destruction or disposal; and
11	(h) any other information the Department deems necessary.
12	§ 122522. Cessation of Business Operations.
13	The licensed medical cannabis business shall report to the Department
14	of its intent to cease business operations before the expiration of the medical
15	cannabis business' license or permit to operate. The licensed medical cannabis
16	business shall provide written notification to the Department thirty (30)
17	business days prior to the actual date of cessation. Notification will warrant a
18	forfeiture of all cannabis. The Department is authorized to revoke the
19	business' Permit to Operate and begin the process of seizing all cannabis. The
20	notification shall include:
21	(a) the reason for cessation;
22	(b) the date of cessation;
23	(c) a plan to dispose and destroy cannabis located on the
24	business premises before cessation of business operations;
25	(d) the signature of the responsible official; and
26	(e) any other information deemed necessary by the
27	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'låhen 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;

1	(7) the number of registered medical cannabis dispensary
2	agents; and
3	(8) the number of registered medical cannabis businesses
4	approved, denied, or revoked for licenses and permits.
5	§ 122524. Registry Card Optional.
6	Notwithstanding any other provision of law, rule, or regulation, registry
7	cards for qualified patients shall be optional. A written recommendation shall
8	be a valid endorsement for participation in the medical cannabis program. The
9	registration of medical cannabis business employees is optional, except for
10	the registration of a responsible official, and designated courier.
11	§ 122525. Confidential Database.
12	(a) The Department shall create and maintain a confidential database
13	for the consistent and accurate online tracking of the provisions of this Act.
14	The Department shall use best available practices to ensure the confidentiality
15	of a qualified patient's status and records from the general public, and be
16	guided by all HIPAA rules and regulations. The confidential database will
17	include:
18	(1) a tracking system for licenses granted to commercial
19	cultivators, commercial manufacturers, and dispensaries;
20	(2) a tracking system that includes the names and addresses of
21	qualified patients and the qualified patient's primary caregivers to
22	ensure compliance with the provisions of this Act; and
23	(3) the names and addresses of the persons who have either
24	applied for or received a registry identification card.
25	(b) This confidential database <i>shall not</i> include the medical records

or medical condition of the qualified patient.

1	(2) to authorized employees of state or local law enforcement
2	agencies, but only for the purpose of verifying participation in Guam's
3	medical cannabis program;
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5	(4) as provided in the federal Health Insurance Portability and
6	Accountability Act of 1996, codified at 42 U.S.C. §1320d et seq.;
7	(5) with the written permission of the qualified patient or the
8	qualified patient's legal guardian, or a parent or person with legal
9	custody if the qualified patient has not attained eighteen (18) years of
10	age;
11	(6) to a law enforcement official for verification purposes.
12	The records may not be disclosed further than necessary to verify a
13	qualified patient's participation in the medical cannabis program; and
14	(7) to a qualified patient's treating practitioner and to a
15	qualified patient's primary caregiver for the purpose of carrying out this
16	Act. This confidential database shall not include the medical records or
17	medical condition of the qualified patient.
18	(8) Medical conditions of qualified patients shall not be
19	requested or required by the Department.
20	§ 122526. Written Certification.
21	(a) Practitioners who provide a written certification for a qualified
22	patient to use medical cannabis will transmit the written certification to the
23	Department via fax, secure e-mail, or courier within twenty-four (24) hours
24	after certifying the qualified patient.
25	(b) The qualified patient shall validate the practitioner's written
26	certification in person and submit a copy of the qualified patient's written
27	certification in person to the Department with a copy of a valid Guam driver's

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	(1) This information will be provided by the Department on
2	an as needed basis.
3	(2) At no time will a dispensary be given access to the
4	confidential database in its entirety.
5	(3) All new qualified patients will be verified by dispensaries
6	via the confidential database before provision of services.
7	(A) A record of the expiration date of the qualified
8	patient's written certification or primary caregiver's registration
9	will be kept by the dispensary.
10	(B) Dispensaries shall not provide services to a person whose
11	written certification or registration has expired until proof of
12	renewal of the written certification or registration is obtained
13	from the Department.
14	(b) Any licensed medical cannabis business that dispenses, sells, or
15	distributes cannabis and cannabis products to a qualified patient or a qualified
16	patient's primary caregiver shall:
17	(1) verify the qualified patient is in possession of a written
18	certification or the qualified patient's primary caregiver is in possession
19	of a registry identification card at the time of the purchase;
20	(2) verify proof of identification with a valid Guam driver's
21	license, a valid Guam identification card as approved by the Director of
22	the Department, or any other form of identification as approved by the
23	Director of the Department;
24	(3) verify the qualified patient is not receiving more than the
25	allowable amount. Verification shall be made by written
26	documentation signed by the qualified patient or the qualified patient's
27	primary caregiver stating that the qualified patient and qualified

patient's primary caregiver will not possess more than the allowable 1 amount and will not divert medical cannabis. 2 **Testing Laboratories for Medical Cannabis.** § 122528. 3 The Department shall license one (1) or more independent 4 medical cannabis testing laboratories to laboratory test medical cannabis, 5 prepared medical cannabis, and medical cannabis products that are to be sold 6 on Guam for medical use. A licensed testing laboratory shall be completely 7 independent from all licensed medical cannabis business that will cultivate, 8

manufacture, or dispense medical cannabis.

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- (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.

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- (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.

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