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CH. 9 CANNABIS CONTROL BOARD

CHAPTER 9  
CANNABIS CONTROL BOARD

SOURCE: Chapter 9 added by P.L. 35-005:3 (April 4, 2019).

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**§ 9101. Short Title.**

This Chapter *shall* be known as the “*Cannabis Control Board Act of 2019.*”

**§ 9102. Cannabis Control Board, Established.**

There is hereby established a “Cannabis Control Board” (Board) within the Department of Revenue and Taxation.

**§ 9103. Appointment of Members; Term.**

The Board *shall* have a membership of nine (9) members who are appointed by and serve at the pleasure of *I Maga'hågan Guåhan*.

(a) One (1) member *shall* be the Director of the Department of Revenue and Taxation, or his or her designee;

(b) one (1) member *shall* be the Director of the Department of Agriculture, or his or her designee;

(c) one (1) member *shall* be the Director of the Department of Public Health and Social Services or his or her designee;

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(d) one (1) member *shall* be the Director of the Guam Behavioral Health and Wellness Center or his or her designee;

(e) one (1) member *shall* be the General Manager of the Guam Visitors Bureau or his or her designee;

(f) one (1) member *shall* be the Chief of the Guam Police Department or his or her designee;

(g) one (1) member *shall* represent the Guam business community; and

(h) two (2) members *shall* represent the general public, and at least one (1) member from the general public *shall* possess a medical cannabis card. Each member shall serve a term of four (4) years.

**§ 9104. Qualifications of Members.**

Each member shall be a citizen of the United States of America or a permanent resident of Guam for at least one (1) year immediately preceding the appointment; be at least twenty-one (21) years of age; not have been convicted of a crime, other than traffic offenses, that involves moral turpitude; and, must not be an applicant for, or hold a license to conduct any activities under the Board's supervision and regulation.

**§ 9105. Meetings of Board; Quorum; Chairperson, Vice Chairperson.**

The Board *shall* meet at least monthly and may meet more frequently as its duties require. A quorum *shall* consist of at least three (3) members being present for the conduct of all official business. At its initial meeting, a quorum being present, the members *shall* select their chairperson and vice chairperson.

**§ 9106. Staff Support.**

The Department of Revenue and Taxation *shall* provide staff support for the Board.

**§ 9107. Duties of Board.**

The Board *shall* have all of the powers and duties specified in this Chapter, and also the powers necessary or proper to

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enable it to carry out the purposes of this Chapter and the purposes of the “Guam Cannabis Industry Act of 2019.” The jurisdiction, supervision, powers and duties of the Board *shall* extend to any person who buys, sells, produces, possesses, transports, or delivers any cannabis items within Guam. The Board *shall* be responsible for:

(a) conducting hearings pertaining to any violation of this Chapter or regulations promulgated hereby, including hearings for the purpose of approving cannabis licenses and any other business allowed under this Chapter;

(b) promulgating such rules and regulations, as may be necessary to fulfill the intent, policies, and purposes of this Chapter, pursuant to the Administrative Adjudication Law in Chapter 9 of Title 5, Guam Code Annotated;

(c) levying fines and penalties for any violation of provisions of this Chapter and the regulations promulgated by the Board;

(d) requiring and demanding access to, for the purposes of inspecting, examining, photocopying, or auditing, all papers, books, and records of a licensed cannabis business on its premises or elsewhere as practical, including inspecting the gross income produced by a cannabis establishment and verification of their income, and all other matters affecting the enforcement of the Board’s policy or as required pursuant to this Chapter;

(e) the types of licenses or permits to be covered by the cannabis license and its structure, including onsite ingestion, application of topicals, and smoking or vaping in a manner consistent with Chapter 90 of Title 10 GCA;

(f) regulating the testing, purchase, sale, production, processing, transportation, and delivery of cannabis and cannabis products to be sold to consumers by a retail cannabis store in accordance with the provisions of this Chapter and the provisions of Chapter 8, Title 11 GCA;

(g) granting, refusing, suspending, or canceling licenses for the sale, processing, or production of cannabis

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items, or other licenses in regard to cannabis items, and to permit, in its discretion, the transfer of a license of any person;

(h) investigating and aiding in the prosecution of every violation of Guam law relating to cannabis items, and cooperating in the prosecution of offenders before the Superior Court of Guam;

(i) adopting such regulations as are necessary and feasible for carrying out the intent and provisions of this Chapter and to amending or repealing such regulations;

(j) exercising all powers incidental, convenient or necessary to enable it to administer or carry out the provisions of this Chapter, and the provisions of Chapter 8, Title 11 GCA;

(k) regulating and prohibiting any advertising by manufacturers, processors, wholesalers or retailers of cannabis items by newspapers, letters, billboards, radio, television, or otherwise;

(l) regulating the use of cannabis items for scientific, pharmaceutical, manufacturing, mechanical, industrial, and other purposes;

(m) adopting separate regulations as are necessary and feasible for the public display and use of cannabis items at exhibitions promoting cannabis as an alternative to pharmaceuticals;

(n) adopting separate regulations as are necessary and feasible for the development of a hemp program for strains of cannabis that exceed three tenths percent (0.3%) on a dry weight basis of any part of the cannabis plant, or per volume or weight of cannabis product, or the combined percent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the cannabis plant regardless of moisture content;

(o) conducting an annual summit with the Department of Revenue and Taxation, the Department of Agriculture, the Department of Public Health and Social Services, the

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Guam Police Department, the Department of Land Management, and other stakeholders in the government and private sectors to discuss the regulation of cannabis on Guam;

(p) developing an annual report which *shall* include, but not be limited to:

(1) incidents of impaired driving, hospitalization, and use of other health care services related to cannabis use on Guam;

(2) ownership and employment trends in Guam's cannabis industry examining participation by racial, ethnic, and socioeconomic subgroups, including identification of barriers to participation in the industry;

(3) a compilation of data on the number of incidents of discipline in schools, including suspensions or expulsions, resulting from cannabis use or possession of cannabis or cannabis products; and

(4) a compilation of data on the number of penalties, arrests, prosecutions, incarcerations, or sanctions imposed for violations under this Act.

The Board *shall* incorporate available data into its report and coordinate with the Department of Public Health and Social Services, the Guam Department of Education, the Guam Police Department, the Guam Department of Labor, and the Guam Economic Development Authority. The Board *shall* annually submit its report to the Speaker of *I Liheslaturan Guåhan* and, when appropriate, make recommendations for further research or policy changes. The annual reports *shall* be posted online on *I Liheslaturan Guåhan*'s website; and

(q) prescribing forms and adopting such rules and regulations as the Board deems necessary for the implementation and administration of this Chapter *no later than* one (1) calendar year after the effective date of this Act.

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**§ 9108. Limitations on Board Jurisdiction.**

The Board *shall not* regulate the personal cultivation of cannabis as may be allowed by Guam law. The Board has no power to purchase, own, sell, or possess any cannabis items.

**§ 9109. Cannabis Control Fund, Created.**

There is hereby created, separate and apart from all other funds of the government of Guam, the Cannabis Control Fund (Fund). All fees, fines, penalties and other charges resulting from the licensing and enforcement of adult cannabis use on Guam shall be deposited in this Fund. Expenditures of the Fund *shall* be by appropriation from *I Liheslaturan Guåhan*, except that sixty percent (60%) of all funds shall be appropriated to the Guam Behavioral Health and Wellness Center for the following purposes:

- (a) twenty percent (20%) *shall* be used for cannabis prevention and education programs for those under twenty-one (21) years of age; and
- (b) forty percent (40%) *shall* be used for substance abuse, treatment, prevention and education programs.

**§ 9110. Licensing Prohibition for Establishments Near Schools.**

The Board *shall not* issue a license for a cannabis establishment located within a distance of one thousand (1,000) feet from any public or private school and other places or facilities where youth generally congregate, which include childcare centers, public playgrounds, and parks. The measurements *shall* be taken in a straight line from the center of the nearest entrance to the building of such school or place or facility stated herein to the center of the nearest entrance of the cannabis establishment for which a license is applied. The provisions of this Section *shall not* prohibit the renewal of any valid license previously issued and in effect at the time of a subsequent construction or establishment of a school or place or facility stated herein within five hundred (500) feet of such licensed cannabis establishment, and provided that the premises of such licensed cannabis establishment *shall not* subsequently

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be added to or enlarged.

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