



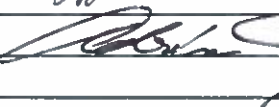






Guam Department of Revenue and Taxation  
 Cannabis Control Board Regular Meeting  
 Large Conference Room | Ricardo J. Bordallo Governor's Complex, Hagatna  
 Meeting Date: August 13, 2019 | Time: 1:30pm

	Board Members	Position Title	Signature
1	Chelsa Muna-Brecht	Director, Department of Agriculture	
2	Linda U. DeNorcey	Director, Department of Public Health & Social Services	
3	Dafne Mansapit-Shimizu	Director, Department of Revenue & Taxation (Vice Chairperson)	
4	Theresa Arriola	Director, Guam Behavioral Health & Wellness Center	
5	Chief Stephen Ignacio	Guam Police Department	
6	Nico Fujikawa	Director of Tourism Research, GVB	
7	Ursula Herrera	Board Secretary	
8	Atty. Vanessa Lee Williams	Board Chairperson	
9	William M. Parkinson	Member	
10	Michele Santor	Dep Dir DRT	
11	Adrian Cruz	Gov's Office	
12			
13			
14			
15			

This is to certify that the above information is true and correct:



Board Secretary

8/13/2019

Cannabis Control Board  
Meeting Minutes  
August 13, 2019

### Opening

Chairperson Williams called the regular board meeting of the Cannabis Control Board to order at 1:42 p.m. on August 13, 2019.

Location: Large Conference Room, Ricardo J. Bordallo Governor's Complex, Hagatña.

### Attendees Present:

Dafne Shimizu (DRT)

Vanessa Williams (*Appointee-Representing the general public*)

Ursula Herrera (*Appointee-representing the business community*)

William Parkinson (*Appointee-Medical cannabis card holder*)

Carrisa Pangelinan (Acting Director, GBHWC)

Nico A.C. Fujikawa (GVB)

Linda U. DeNorcey (DPHSS)

Adrian Cruz (Gov. Office)

### Apologies:

Stephen Ignacio (GPD)

Chelsa Muña-Brecht (DofAg.)

### Approval of Minutes

- The minutes of the July 9, 2019 meeting were tabled.
  - Chairperson Williams- Please note that the audio file of the July 9, 2019 CCB meeting has been uploaded to OPA's website.

### New Business/Committee Reports

- Rules and Regulations
  - Chair Shimizu reports:
    - CCB Status Update attached, see appendix A.
    - Met with Attorney General on August 12, 2019; AG's Office will be assisting DRT in preparing the Rules and Regulations. They reiterated that they would be assisting the agencies, as opposed to the board.

- Lab Exploratory
  - Director DeNorcey reports:
    - References CCB Status Update above, see appendix A.
    - Met with Attorney General on August 12, 2019; AG's office will provide guidance as to how other states use Seed-to-Sale software, matching the needed specifications so Guam. They recommended Washington and Colorado. The AG's office also provided a list of vendors who offer the software. They have received two RFQ's as of present. The AG's office will also offer technical support in getting the RFP's moving.
      - AG's office recommended setting up a separate email for the software RFP's for the procurement process. The RFP's will be advertised DoAdmin, DRT and DPHSS's website.
      - Vice-Chair Shimizu will be scheduling a meeting with Marijuana Enforcement Division director, Mr. Jim Burack from Colorado to further discuss Colorado's experience with the software.
      - DRT and DPHSS will be working hand in hand to tailor the specifications.
    - DPHSS subcommittee highlighted Rules and Reg's priorities: a) Labeling and Safety b) Health
    - The \$750K DPHSS budget has been eliminated which included the \$125K earmarked for the software; they are exploring ways to come up with the funds for the software. They will be moving forward with the RFP specifications.
      - The AG's office advised DPHSS anything in excess of over \$100K requires an EIS and a business plan for the proposal process. Technical support will be provided by the AG's office.
    - *Seed-to-Sale demonstration will be added to the next CCB's monthly meeting agenda.*
  - ❖ Discussion:
    - Chairperson Williams: CCB is required by law to have a seed-to-sale system. Regardless if the regulations are in place, licenses cannot be issued unless the software is setup. Given that the RFP specifications are being worked on currently and if funding is identified by October, the seed-to-sale system wouldn't be in place any sooner than next year. Mr.

Cruz suggests establishing the growing specification for flower only, pending the lab setup. Potency would be the only factor that can't be quantified, falling under the caveat of consuming 'at your own risk'. He suggests using the fees from the licenses to fund the seed-to-sale software. Chairperson Williams suggests that all these factors are take into consideration when structuring the license fees. Vice-Chair Shimizu is concerned that the level of fees will not be sufficient enough to cover. The other concern she has is that there isn't any funding for the staff to key-in the fees to the system. The idea is to use the excise tax to fund the software program, but you can't get the excise tax until the program is started. Mr. Cruz suggests having smaller growing operations with a larger fee until the seed-to-sale software is up and running. He adds that another option would be to add to the license fee; pay a seed-to-sale tax until the software cost is recouped, then offset the fees incurred in the first year of business.

- o Director Parkinson reports:
  - Report attached, see appendix B. Draft proposal letter to submit to the legislature regarding the possibility of a lab waiver, asking to amend PL33-220 §122528.
    - Mr. Cruz suggests that 'cannabis flowers' be added to the amendment.
- ❖ Discussion:
  - o Chairperson Williams: PL 35-5 states that potency be analyzed and that there isn't any leeway. She recommends looking at our own statute and then proposing an amendment where needed. A medical marijuana commission amendment shouldn't come from the recreational board. Mr. Cruz adds that the agricultural rules be followed. If the approved 'best growing practices' are followed, the product shouldn't have hard metals, mold, etc. and you would be in compliance thus addressing the safety component.

- Mr. Parkinson will draft a new letter under the recreational law, to include cannabis flowers.
- Economic
  - Mr. Fujikawa reports:
    - Submission of letter to the legislature seeking clarification/intent of the EIS:
      - Chairperson Williams has received clarification from Senator Ridgell and AG's office about the EIS. They advised that it is within GVB's discretion to set the parameters, detailing the specifications and moving forward with their RFP's. GVB may move forward either way.
- Public Awareness
  - Ms. Pangelinan reports:
    - Report attached, see appendix C.
    - 10 Things to Know About Recreational Cannabis FAQ's Draft attached see appendix D.
      - Final amendment: #2. How much can I have on me or in my vehicle? As of August 2019, possession is legal up to 1oz. (28 grams) of dried flower. Cannabis concentrate and cannabis infused products are not available for consumption until a licensed cannabis retailer is established on island.
        - *Director Parkinson makes a motion to approve the 10 Things to Know About Recreational Cannabis FAQ's as amended. Vice-Chair Shimizu seconded the motion. Motion carried.*
    - Next meeting will be held on August 20, 2019 at 10 a.m.
- Deadlines & Timeframes
  - Vice-Chair Shimizu- Rough draft for cultivators will be ready by October 8th.
    - Chairperson Williams suggested focusing on the draft rules for cultivators and facilities; continue accepting license applications. The Rules+Regs subcommittee will utilize the Patient Focused handout provided by Director Muña-Brecht as a reference guide. Mr. Cruz suggests switching the Lab

Exploratory subcommittee to the Seed-to-Sale subcommittee. Director Fujikawa suggests drafting a fee schedule by the October 8<sup>th</sup> deadline.


### Open Discussions/Announcements

- David Cruz inquires if that he has seed-to-sale software, would he be able to use it.
  - The board is open to looking at the software, however the requirement is for the government to have their own seed-to-sale tracking system.
- August Fest, citing PL34-80 he states that there is a 2-year stopgap measure for the seed-to-sale tracking. He suggests that the board ask the legislature to amend the law to put it under CCB Rules+Regs, to keep the 2-year. timeframe. And to have it start only when lab, cultivators and dispensaries are in place, as a way to get the industry started. He adds that there is nothing in the law that states that the seed-to-sale law needs be a extensive computerized software. All it states is 'tracking' which can be done by hiring a bookkeeper, using pen and paper.
  - Mr. Cruz adds that there may not be enough manpower to do the tracking. Regarding the 2-year deferment Chairperson Williams says that it something she can look into.
- Tom Fisher asks which agency will be the procurement authority for the seed-to-sale. CCB reply: DHSS. He asks that because it is a computer program it doesn't sound like a professional service, but an invitation for bid (IFB). If it is an IFB as opposed to an RFP, there's a difference of 6 months. He also asks for reasonable accommodation for the hearing impaired, suggests using microphones.
- The next CCB regular board meeting will be held on September 10, 2019 at 1:30 p.m.

### Adjournment

The Cannabis Control Board meeting was adjourned at 3:45 p.m.

Prepared by:



Ursula Herrera  
Secretary

Noted by:



Vanessa Williams  
Chairperson

## CANNABIS CONTROL BOARD

Regular Meeting | August 13 | 1:30pm

Large Conference Room | Ricardo J. Bordallo Governor's Complex, Hagåtña

- I. Call to Order
- II. Roll Call of Members/Quorum
- III. Secretary's Report/ July 9, 2019 Regular Meeting Minutes
- IV. New Business
  - a. Committee Reports
    - i. Rules and Regulations Committee
    - ii. Lab Exploratory Committee
      1. Seed to Sale Software
      2. Testing & Certification Requirements
    - iii. Economic Committee
      1. Independent Economic Impact Study
    - iv. Public Awareness Committee
  - b. Board Status Report - See Attachment #1
  - c. Deadlines & Timeframe
- V. Announcements
  - a. Next Meeting Date
- VI. Open Forum
- VII. Adjournment