

I MINA'TRENTAI DOS NA LIHESLATURAN GUAHÅN
2013 (First) Regular Session

Bill No. 88-32 (COR)

Substituted by the Committee on Aviation,
Ground Transportation, Regulatory Concerns
and Future Generations and further Substituted
on the Floor.

Introduced by:

Michael F.Q. San Nicolas

**AN ACT TO AMEND ~~§§3207 AND~~, TO REPEAL §3309
AND TO ADD NEW §§ 3207.1 AND 3207.2, ALL OF
CHAPTER 3 TITLE 11 OF THE GUAM CODE
ANNOTATED, RELATIVE TO THE REGULATION OF
ALCOHOLIC BEVERAGE LICENSES.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1.Short Title.** This Act *shall* be cited as the “Responsible
3 Alcoholic Beverage Control Act”.

4 **Section 2.Legislative Intent.***I Liheslaturan Guahån* finds that Section
5 3309 of Chapter 3 Title 11 Guam Code Annotated, which limits the number
6 of on-sale and off-sale general licenses allowed in a municipality, was
7 enacted by *I Mina'Dosse NaLiheslaturan Guahån* to protect the interests of the
8 community.

9 Therefore,*I Liheslaturan Guahån* finds that the economy and the
10 community will be further served by managing the intent of the population
11 ratio regulation established by *I Mina'Dosse NaLiheslaturan*

1 *Guahån* by providing resources to protect the general welfare and mitigate
2 the impacts of retail establishments which sell alcohol. Fees shall be
3 increased for new on-sale general liquor licensees to provide for increased
4 Alcoholic Beverage Control enforcement, police presence and other
5 programs as determined by the village mayor, while enabling economic
6 growth.

7 **Section 3. General License Fee.** § 3207 of Chapter 3 Title 11 of the
8 Guam Code Annotated is hereby *amended*, to read:

9 **“§ 3207. Licenses: Classes and Fees.**

10 The Board is authorized to issue the following classes and kinds of
11 licenses at the following fees:

12 (a) Class 1. Manufacturer’s license \$100.00 per year

13 (b) Class 2. Agent’s license \$250.00 per year

14 (c) Class 3. Wholesale dealer’s license \$1,000.00 per year

15 (d) Class 4. Retail dealer’s on-sale license:

16 (1) Beer \$300.00 per year

17 (2) General \$1,000.00 per year, except that, starting August 1, 2015,
18 the fee shall be \$1,200.00, and increased cumulatively \$200.00 for each
19 two years thereafter, until the fee is \$2,000.00 on August 1, 2023.

20 ~~(2) General:~~

21 ~~(i) \$1,000.00 per year for licensees who possess a license on~~
22 ~~or before June 30, 2013, or~~

1 ~~(ii) \$2,000.00 per year for all other licensees for licenses~~

2 ~~issued after June 30, 2013.~~

3 (3)Wine \$300.00 per year

4 (4)Waiter/Waitress \$ 15.00 per year

5 (5)Manager/Assistant Manager \$25.00 per year

6 (e)Class 5. Retail dealer's off-sale license:

7 (1)Beer \$200.00 per year

8 (2)General \$1,000.00 per year

9 (f)Class 6. Special Alcoholic license \$25.00 per year

10 (g)Class 7. Temporary beer license \$20.00 per day not to exceed
11 \$100.00 per event

12 (h)Class 8. Public warehousemen's license \$50.00 per year

13 (i)Class 9. Club license \$500.00 per year

14 (j)Class 10. Temporary general license \$50.00 per day not to exceed
15 \$100.00 per event

16 (k)Class 11. Microbrewery-pub restaurant license \$1,000.00 per year

17 (l)Class 12. Mobile License:

18 (1)~~(a)~~ Limousine Service – per vehicle \$750.00 per year

19 (2)~~(b)~~ Charter Vehicle (Vans) – per vehicle Up to ten (10)
20 passengers \$500.00 per year

21 (3)~~(c)~~ Charter Vehicle (Vans) - per vehicle More than ten (10)
22 passengers \$750.00 per year

23 (4)~~(d)~~ Buses - per vehicle \$1,000.00 per year”

1 **Section 4. Same: Maintenance of Records.** §3309 of Chapter 3 Title 11
2 of the Guam Code Annotated is hereby ~~repealed~~*amended*, to read:

3 ~~“§ 3309. Same: Maintenance of Records.~~

4 ~~The Department shall maintain a separate record of all Class 4 On-~~
5 ~~Sale General Licensees who possess a license on or before June 30th, 2013,~~
6 ~~and for all other Class 4 On-Sale General Licensees who receive a license~~
7 ~~thereafter, respectively, to assist in the administration of license fees~~
8 ~~pursuant to § 3207(d)(2) of this Chapter.~~

9 **§ 3309. Same: Same: Number, Cancellation, Issuance of Licenses in**
10 **Excess of Authorized Ratio: Application: Hearing.**

11 ~~The number of premises for which an on sale general license or an~~
12 ~~off sale general license is issued shall be limited to one (1) for each two~~
13 ~~hundred (200) or fraction thereof, inhabitants of the municipality in which~~
14 ~~the premises are situated, provided, however, that without regard to such~~
15 ~~population limitation, a nontransferable, on sale, general license may be~~
16 ~~issued for any hotel of not less than twenty (20) rooms, or for any premises~~
17 ~~designed to provide restaurant facilities for the public in which the~~
18 ~~investment in buildings is not less than fifty thousand dollars (\$50,000.00).~~
19 ~~No on sale general license shall be issued in lieu of or upon the cancellation~~
20 ~~or surrender of an on sale beer and wine license, except in case of an~~
21 ~~increase in population as provided hereafter.~~

22 ~~For purposes of this Title municipality shall mean the geographical~~
23 ~~area over which a mayor as defined in 5 GCA Ch. 40 exercises jurisdiction~~

1 ~~while inhabitants shall exclude those residing on military contractors'~~
2 ~~reservations.~~

3 ~~Nothing in this section shall authorize the cancellation of any license~~
4 ~~which may be outstanding in any municipality in excess of the number~~
5 ~~authorized by the ratio established in this section nor shall anything in this~~
6 ~~article require the issuance of any license in any municipality because the~~
7 ~~number of the licenses does not equal the authorized ration.~~

8 ~~Whenever it is made to appear to the Board by satisfactory evidence~~
9 ~~that the population in any municipality has increased by more than two~~
10 ~~hundred (200) or multiples of two hundred (200) inhabitants since the~~
11 ~~latest census recognized by the government of Guam, and it appears to the~~
12 ~~Board that by reason thereof the inhabitants of the municipality are~~
13 ~~unjustly and unfairly discriminated against, and if the total number of~~
14 ~~licenses in such municipality does not exceed the maximum specified, the~~
15 ~~Board may issue not to exceed one on sale general license and one off sale~~
16 ~~general license for each additional two hundred (200) inhabitants in the~~
17 ~~municipality since the effective date, hereof, any person applying for an~~
18 ~~off sale general license on the ground of increased population shall set~~
19 ~~forth in his application and shall affirmatively show all of the following:~~

20 ~~(a) That he is a qualified applicant and that his premises qualify~~
21 ~~under the law and rules of the Board.~~

22 ~~(b) That the issuance of the license applied for would serve the public~~
23 ~~convenience or necessity.~~

1 ~~(c) That the issuance of the license applied for would not be contrary~~
2 ~~to the public welfare and morals.~~

3 ~~(d) That inequality in the ratio of licenses exists between the~~
4 ~~municipality in which the applicant's premises are located, and other~~
5 ~~municipalities in the territory.~~

6 ~~(e) That the population in the municipality for which the license is~~
7 ~~applied has increased to the extent and under the conditions mentioned in~~
8 ~~this section.~~

9 ~~When an application is filed with the Board pursuant to the provision~~
10 ~~of the section regarding the increase in population, it shall be referred to~~
11 ~~the Administrator who shall cause a full investigation to be made of all~~
12 ~~matters stated in and relating to the application and report his findings to~~
13 ~~the Board with the recommendations. If a protest against the issuance of~~
14 ~~the license is filed with the Board, the hearing thereon shall be had and~~
15 ~~conducted accordingly, as provided in this Title."~~

16 **Section 5. Distribution of Class 4 On-Sale General License Revenue.**

17 A *new* § 3207.1 is hereby *added* to Chapter 3 Title 11 of the Guam Code
18 Annotated, to read:

19 "**§3207.1. Same: Same: Distribution of Class 4 On-Sale General**
20 **License Revenue.**

21 Pursuant to §3207(d)(2) of this Chapter, the first one thousand dollars
22 (\$1,000.00) of each license fee collected for Class 4 On-Sale General Licenses

1 shall be allocated to the General Fund and any additional license fees
2 collected for Class 4 On-Sale General Licenses shall be allocated as follows:

3 40% to the Police Services Fund for the procurement and service
4 maintenance, services and repair of patrol vehicles;

5 30% to the Municipal Planning Council Revolving Funds of the
6 respective municipalities in which the premises are located; and

7 30% to the Regulatory Enforcement Fund Alcoholic Compliance Fees
8 and Fines Fund.

9 ~~Pursuant to §3207(d)(2)(i) of this Chapter, license fees collected for~~
10 ~~Class 4 On-Sale General Licenses shall be allocated to the General Fund.~~

11 ~~Pursuant to §3207(d)(2)(ii) of this Chapter, license fees collected for Class 4~~
12 ~~On-Sale General Licenses shall be allocated as follows:~~

13 ~~50% to the General Fund;~~

14 ~~20% to the Police Services Fund for the procurement and service of~~
15 ~~patrol vehicles;~~

16 ~~15% to the Municipal Planning Council Revolving Funds of the~~
17 ~~respective municipalities in which the premises are located; and~~

18 ~~15% to the Regulatory Enforcement Fund.”~~

19 **Section 6.Regulatory Enforcement Fund.** A new §3207.2 is hereby
20 *added* to Chapter 3 Title 11 of the Guam Code Annotated, to read:

21 **“§3207.2. Same: Same: Regulatory Enforcement Fund.**

22 There is hereby created, separate and apart from other funds of the
23 government of Guam, a fund to be known as the Regulatory Fund. The

1 Fund *shall* not be commingled with the General Fund, *shall* not be subject to
2 transfer authority by the Governor and *shall* be administered by the
3 Director of the Department of Revenue and Taxation. The Fund, as
4 appropriated by *I Liheslaturan Guåhanshall* be used exclusively for the
5 Regulatory Division of the Department of Revenue and Taxation, to ensure
6 compliance with laws by those parties subject to regulation.”