

The House Committee on Regulated Industries offers the following substitute to HB 324:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to  
2 offenses against public health and morals, so as to provide for the production, manufacturing,  
3 and dispensing of low THC oil in this state; to provide for an exception to possession of  
4 certain quantities of low THC oil; to provide for definitions; to require a license to produce,  
5 grow, manufacture, or dispense low THC oil in this state; to create the Office of Low THC  
6 Oil Control within the Department of Public Health; to establish the Low THC Oil License  
7 Oversight Board; to provide for Class 1 production licenses; to provide for Class 2  
8 production licenses; to provide for safe access retail licenses; to provide for seed-to-sale  
9 tracking systems; to provide requirements for safe access retail outlets; to prohibit ingesting  
10 low THC oil through vaping; to provide for enforcement by the Georgia Bureau of  
11 Investigation; to provide for facility inspections and product sample testing; to prohibit  
12 certain convicted felons from working as employees for licensees; to provide for  
13 confidentiality of records; to provide for transfer of licenses; to provide for revocation of  
14 licenses; to prohibit ownership by certain physicians in low THC oil manufacturers or  
15 distributors; to provide for violations and penalties; to prohibit regulation by the Department  
16 of Agriculture; to amend Chapter 11 of Title 2 of the Official Code of Georgia, relating to  
17 seeds and plants generally, so as to provide for an exception; to amend Code Section  
18 31-2A-18 of the Official Code of Georgia Annotated, relating to establishment of the Low  
19 THC Oil Patient Registry, so as to provide for research to determine the efficacy of low THC  
20 oil for treatment of conditions; to provide for related matters; to provide for a short title; to  
21 provide for legislative findings; to repeal conflicting laws; and for other purposes.

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

23 **SECTION 1.**

24 This Act shall be known and may be cited as "Georgia's Hope Act."

25

**SECTION 2.**

26 The General Assembly finds that the establishment of the Low THC Oil Patient Registry in  
 27 2015 allows Georgia patients to possess low THC oil but provides no way to access low THC  
 28 oil. The General Assembly finds that thousands of Georgians have serious medical  
 29 conditions that can be improved by the medically approved use of cannabis and that the law  
 30 should not stand between them and treatment necessary for life and health. The General  
 31 Assembly finds that the purpose of this Act is to allow the legitimate use of medical cannabis  
 32 for health care, including palliative care. The General Assembly finds that this Act does not  
 33 in any way diminish this state's strong public policy and laws against illegal drug use, nor  
 34 should it be deemed in any manner to advocate, authorize, promote, or legally or socially  
 35 accept the use of marijuana for children or adults for any nonmedical use.

36

**SECTION 3.**

37 Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to offenses against  
 38 public health and morals, is amended by revising Code Section 16-12-191, relating to  
 39 possession, manufacture, distribution, or sale of low THC oil and penalties, as follows:

40 "16-12-191.

41 (a)(1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any  
 42 person to possess or have under his or her control 20 fluid ounces or less of low THC oil  
 43 if such substance is in a pharmaceutical container labeled by the manufacturer indicating  
 44 the percentage of tetrahydrocannabinol therein and:

45 (A) Such person is registered with the Department of Public Health as set forth in Code  
 46 Section 31-2A-18 and has in his or her possession a registration card issued by the  
 47 Department of Public Health; or

48 (B) Such person has in his or her possession a registration card issued by another state  
 49 that allows the same possession of low THC oil as provided by this state's law;  
 50 provided, however, that such registration card shall not be lawful authority when such  
 51 person has been present in this state for 45 days or more.

52 (2) Notwithstanding any provision of Chapter 13 of this title, any person who possesses  
 53 or has under his or her control 20 fluid ounces or less of low THC oil without complying  
 54 with paragraph (1) of this subsection shall be punished as for a misdemeanor.

55 (b)(1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any  
 56 person to possess or have under his or her control 20 fluid ounces or less of low THC oil  
 57 if:

58 (A) Such person is involved in a clinical research program being conducted by the  
 59 Board of Regents of the University System of Georgia or any authorized clinical trial

60 or research study in this state or their authorized agent pursuant to Chapter 51 of Title  
61 31 as:

- 62 (i) A program participant;
- 63 (ii) A parent, guardian, or legal custodian of a program participant;
- 64 (iii) An employee of the board of regents designated to participate in the research  
65 program;
- 66 (iv) A program agent;
- 67 (v) A program collaborator and their designated employees;
- 68 (vi) A program supplier and their designated employees;
- 69 (vii) A program physician;
- 70 (viii) A program clinical researcher;
- 71 (ix) Program pharmacy personnel; or
- 72 (x) Other program medical personnel;
- 73 (B) Such person has in his or her possession a permit issued as provided in Code  
74 Section 31-51-7; and
- 75 (C) Such substance is in a pharmaceutical container labeled by the manufacturer  
76 indicating the percentage of tetrahydrocannabinol therein.

77 (2) Notwithstanding any provision of Chapter 13 of this title, any person who possesses  
78 or has under his or her control 20 fluid ounces or less of low THC oil without complying  
79 with subparagraphs (A), (B), and (C) of paragraph (1) of this subsection shall be punished  
80 as for a misdemeanor.

81 (c) Notwithstanding any provision of Chapter 13 of this title, any person having possession  
82 of or under his or her control more than 20 fluid ounces of low THC oil but less than 160  
83 fluid ounces of low THC oil or who manufactures, distributes, dispenses, sells, or possesses  
84 with the intent to distribute low THC oil shall be guilty of a felony; and, upon conviction  
85 thereof, shall be punished by imprisonment for not less than one year nor more than ten  
86 years, a fine not to exceed \$50,000.00, or both.

87 (d) Notwithstanding any provision of Chapter 13 of this title, any person who sells,  
88 manufactures, delivers, brings into this state, or has possession of 160 or more fluid ounces  
89 of low THC oil shall be guilty of the felony offense of trafficking in low THC oil and, upon  
90 conviction thereof, shall be punished as follows:

91 (1) If the quantity of low THC oil is at least 160 fluid ounces but less than 31,000 fluid  
92 ounces, by imprisonment for not less than five years nor more than ten years and a fine  
93 not to exceed \$100,000.00;

94 (2) If the quantity of low THC oil is at least 31,000 fluid ounces but less than 154,000  
95 fluid ounces, by imprisonment for not less than seven years nor more than 15 years and  
96 a fine not to exceed \$250,000.00; and

97 (3) If the quantity of low THC oil is 154,000 or more fluid ounces, by imprisonment for  
 98 not less than ten years nor more than 20 years and a fine not to exceed \$1 million.

99 (e) Subsections (c) and (d) of this Code section shall not apply to a person involved in a  
 100 research program being conducted by the Board of Regents of the University System of  
 101 Georgia or its authorized agent pursuant to Chapter 51 of Title 31 as an employee of the  
 102 board of regents designated to participate in such program, a program agent, a program  
 103 collaborator and their designated employees, a program supplier and their designated  
 104 employees, a physician, clinical researcher, pharmacy personnel, or other medical  
 105 personnel, provided that such person has in his or her possession a permit issued as  
 106 provided in Code Section 31-51-7 and such possession, sale, manufacturing, distribution,  
 107 or dispensing is solely for the purposes set forth in Chapter 51 of Title 31.

108 (f) Subsections (c) and (d) of this Code section shall not apply to a licensee under Article  
 109 9 of Chapter 12 of Title 16, provided that such possession, control, sale, manufacturing,  
 110 distribution, or dispensing is solely conducted in accordance with the provisions of Article  
 111 9 of Chapter 12 of Title 16.

112 ~~(f)~~(g) Nothing in this article shall require an employer to permit or accommodate the use,  
 113 consumption, possession, transfer, display, transportation, sale, or growing of marijuana  
 114 in any form, or to affect the ability of an employer to have a written zero tolerance policy  
 115 prohibiting the on-duty, and off-duty, use of marijuana, or prohibiting any employee from  
 116 having a detectable amount of marijuana in such employee's system while at work."

117 **SECTION 4.**

118 Said chapter is further amended by adding a new article to read as follows:

119 "ARTICLE 9

120 16-12-200.

121 As used in this article, the term:

122 (1) 'Applicant' means an individual or corporate entity applying for a license pursuant  
 123 to this article.

124 (2) 'Available capital' means corporate assets that are available to fund business  
 125 operations in the event a license is awarded.

126 (3) 'Class 1 production license' means a license to produce, manufacture, and dispense  
 127 low THC oil issued pursuant to Code Section 16-12-204.

128 (4) 'Class 2 production license' means a license to produce, manufacture, and dispense  
 129 low THC oil issued pursuant to Code Section 16-12-205.

130 (5) 'Department' means the Department of Public Health.

131 (6) 'Dispense' means the sale or provision of low THC oil through a safe access retail  
 132 outlet or home delivery.

133 (7) 'Grow' means cultivating and harvesting cannabis or hemp products for use in  
 134 producing low THC oil.

135 (8) 'Licensee' means any business, or owner of such business, with a valid license issued  
 136 pursuant to this article.

137 (9) 'Low THC oil' shall have the same meaning as set forth in Code Section 16-12-190.

138 (10) 'Low THC Oil License Oversight Board' or 'oversight board' means the board  
 139 established pursuant to Code Section 16-12-203.

140 (11) 'Manufacture' means to process cannabis or hemp products to produce low THC oil.

141 (12) 'Owner' means any person who directly or indirectly owns, actually or beneficially,  
 142 or controls 5 percent or greater of interests of the applicant or any licensee. In the event  
 143 that one person owns a beneficial right to interests and another person holds the voting  
 144 rights with respect to such interests, then both shall be considered an owner of such  
 145 interests.

146 (13) 'Registered patient' means an individual who is legally authorized to possess and use  
 147 low THC oil pursuant to Code Section 31-2A-18.

148 (14) 'Safe access retail license' means a license issued pursuant to Code  
 149 Section 16-12-206 to operate retail outlets for the sale of low THC oil to registered  
 150 patients and also means the authority granted to Class 1 production licensees and Class 2  
 151 production licensees to operate retail outlets for the sale of low THC oil to registered  
 152 patients.

153 (15) 'Safe access retail outlet' means a retail outlet operated by a licensee for the sale of  
 154 low THC oil to registered patients.

155 (16) 'Tracking system' means a seed-to-sale tracking system utilized by Class 1  
 156 production licensees and Class 2 production licensees to track marijuana that is grown,  
 157 processed, manufactured, transferred, stored, or disposed of and low THC oil that is  
 158 transferred, stored, sold, dispensed, or disposed of pursuant to this article.

159 16-12-201.

160 It shall be unlawful for any person in this state to produce, grow, manufacture, or dispense  
 161 low THC oil or any products related to its production without a valid license issued by the  
 162 Low THC Oil License Oversight Board pursuant to this article.

163 16-12-202.

164 (a) There is created the Office of Low THC Oil Control within the department. The  
 165 department, through the office, shall be authorized to:

- 166 (1) Issue licenses related to the production, growing, manufacturing, and dispensing of  
 167 low THC oil in accordance with the provisions of this article;  
 168 (2) Facilitate and coordinate the operation of the oversight board;  
 169 (3) Coordinate with the Georgia Bureau of Investigation to implement security plans and  
 170 enforce the provisions of this article;  
 171 (4) Establish procedures for granting licenses, testing products, and inspecting facilities;  
 172 (5) Establish requirements and procedures to ensure quality control, security, and  
 173 oversight of all low THC oil production in this state, including, but not limited to,  
 174 conducting testing for purity and dosage levels and verifying that product labels  
 175 accurately reflect product content. The department is authorized to contract with private  
 176 laboratories to perform the functions described in this paragraph;  
 177 (6) Establish procedures and ensure sufficient resources are available to receive and  
 178 resolve complaints from registered patients;  
 179 (7) Establish applications and forms necessary to carry out the provisions of this article;  
 180 (8) Establish criteria for applicants and licensees as necessary to ensure market stability  
 181 and adequate supply;  
 182 (9) Provide for the selection, implementation, and oversight of tracking systems;  
 183 (10) Provide oversight of licensee reporting, data collection, and analysis;  
 184 (11) Establish requirements and procedures for marketing and signage; and  
 185 (12) Promulgate rules and regulations and adopt policies and procedures necessary to  
 186 carry out the provisions of this article.  
 187 (b) The department shall not promulgate any rules or regulations that would unduly burden  
 188 access to low THC oil by registered patients.

189 16-12-203.

- 190 (a) There is established the Low THC Oil License Oversight Board for the purpose of  
 191 reviewing and approving applications pursuant to a competitive process for licenses issued  
 192 under this article.  
 193 (b) The oversight board shall comprise 11 members as follows:  
 194 (1) The commissioner of public health or his or her designee;  
 195 (2) The commissioner of community affairs or his or her designee;  
 196 (3) The chairperson of the Georgia Composite Medical Board or his or her designee;  
 197 (4) Two members appointed by the Governor, one of whom shall be an attorney with  
 198 expertise in professional licensing;  
 199 (5) Three members appointed by the President of the Senate, one of whom shall be an  
 200 individual with expertise in corporate finance and one of whom shall be an owner of a  
 201 minority business enterprise as defined in Code Section 50-5-131; and

202 (6) Three members appointed by the Speaker of the House of Representatives, one of  
 203 whom shall be a patient advocate and one of whom shall be an owner of a minority  
 204 business enterprise as defined in Code Section 50-5-131.

205 (c) The oversight board shall elect a chairperson from among its membership. The  
 206 oversight board shall meet upon the call of the chairperson at such times and places as he  
 207 or she deems necessary or convenient to perform its duties. The oversight board shall  
 208 maintain minutes of its meetings and such other records as it deems necessary.

209 (d) Members of the oversight board shall serve without compensation but shall receive for  
 210 each day of attendance at oversight board meetings a daily expense allowance in the  
 211 amount specified in subsection (b) of Code Section 45-7-21, plus reimbursement for actual  
 212 transportation costs incurred while traveling by public carrier or the legal mileage rate for  
 213 use of a personal car in connection with such attendance.

214 (e) Members of the oversight board shall serve at the pleasure of the Governor, President  
 215 of the Senate, or Speaker of the House of Representatives, in accordance with their manner  
 216 of appointment.

217 (f) In addition to the powers provided pursuant to this article, the oversight board shall  
 218 have the authority to:

219 (1) Have a seal and alter the same at its pleasure; bring and defend actions; make,  
 220 execute, and deliver contracts, conveyances, and other instruments necessary or  
 221 convenient to the exercise of its powers; and make and amend bylaws;

222 (2) Adopt such rules and regulations as are necessary to implement the provisions of this  
 223 article; and

224 (3) Contract for necessary goods and services and employ necessary personnel to assist  
 225 in carrying out the duties required under this article as it deems advisable.

226 16-12-204.

227 (a) No later than January 1, 2020, the department shall issue five Class 1 production  
 228 licenses, providing it receives at least five qualified applications. A Class 1 production  
 229 licensee shall be authorized to:

230 (1) Grow unlimited amounts of cannabis or hemp products only in indoor facilities for  
 231 use in producing low THC oil;

232 (2) Manufacture low THC oil;

233 (3) Operate up to five safe access retail outlets state wide for the sale of low THC oil to  
 234 registered patients; and

235 (4) Provide home delivery of low THC oil to registered patients state wide through  
 236 company owned and operated vehicles.

237 (b) Class 1 production licenses shall be issued to applicants selected by the oversight board  
238 following a competitive application and review process in accordance with the  
239 requirements set forth in this article. An applicant for a Class 1 production license shall  
240 submit an application on a form established by the department, together with the following  
241 information:

242 (1) Proof of available capital to make the investments needed to safely, securely, and  
243 promptly perform all required functions of a licensee. Prior to issuance of a Class 1  
244 production license, the applicant shall provide written documentation showing that on the  
245 date of application and award such applicant holds at least \$10 million in available cash  
246 reserves to invest in operations in this state;

247 (2) A written production plan detailing the production processes that, at a minimum,  
248 includes details describing how the chain of custody will be maintained, documented, and  
249 made available for review by the department or the Georgia Bureau of Investigation.  
250 Production processes shall include compliance with all production standards, laws, and  
251 regulations needed to protect public safety and ensure product purity;

252 (3) A comprehensive security plan that ensures compliance with the applicable laws of  
253 this state. At a minimum, a security plan shall include a 24 hours per day, seven days per  
254 week interior and exterior video monitoring and intrusion detection monitoring system,  
255 recording and video storage capabilities for all facilities, and licensed security personnel.  
256 The entire premises of licensees shall be equipped with a centralized access control  
257 system capable of generating detailed reports of access logs for a minimum of one year.  
258 All videos, access logs, and any other monitoring data shall be available to the Georgia  
259 Bureau of Investigation upon request. The department is authorized to set requirements  
260 for the minimum technology, resolution, and storage capacity of at least 45 days for the  
261 video recording capabilities of licensees;

262 (4) A written plan detailing specific security measures to ensure secured transportation  
263 and tracking of delivered products for intrafacility transportation and for home delivery;

264 (5) A detailed employment plan specifying the jobs and salaries of employees and  
265 demonstrating the expected economic impact of proposed activities in Georgia;

266 (6) A written plan to ensure that no pesticides are used at any point in the production  
267 process other than those certified organic by the Organic Materials Review Institute or  
268 another similar standards organization;

269 (7) Detailed designs of all production and retail facilities;

270 (8) Letters of support from one or more local governmental entities where the primary  
271 facilities will be located;

272 (9) A demonstration of significant involvement in the business by one or more minority  
273 business enterprises as defined in Code Section 50-5-131, either as co-owners of the



274 business or as significant suppliers of goods and services for the business. Such  
 275 applicants shall be encouraged to form business relationships with Georgia agricultural  
 276 businesses and military veterans;

277 (10) Documentation of the applicant's industry capabilities and management experience.  
 278 The oversight board shall consider the relevant industry experience and strength of the  
 279 applicant's management team and board of directors when considering its merits;

280 (11) Sufficient documentation to prove that a \$5 million cash bond payable to the State  
 281 of Georgia or an irrevocable letter of credit can be obtained within 30 days of license  
 282 award. Failure to provide the requisite bond or letter of credit within 30 days of the  
 283 license award date may be cause for revocation of the license;

284 (12) Documentation to satisfactorily demonstrate that the applicant will successfully  
 285 open and begin operation of its first retail outlet within 12 months of the award date.  
 286 Failure to meet this requirement within 12 months of the award date may be cause for  
 287 revocation of the license;

288 (13) A written delivery plan with detailed documentation of the applicant's plan to offer  
 289 in-home delivery of low THC oil to registered patients;

290 (14) Copies of recent criminal background checks performed by the Georgia Crime  
 291 Information Center for all owners, officers, and employees of the applicant demonstrating  
 292 a lack of felony convictions, except for felony convictions that are greater than ten years  
 293 old and are not drug related; and

294 (15) A description of any efforts made by the applicant to create jobs or locate facilities  
 295 in tier one or tier two counties as defined in Code Section 48-7-40.

296 (c) An applicant for a Class 1 production license shall submit a nonrefundable application  
 297 fee in the amount of \$50,000.00 concurrent with submission of the application.

298 (d) Upon award of a Class 1 production license, an applicant shall be required to submit  
 299 an initial license fee of \$100,000.00, and upon annual renewal, a license renewal fee of  
 300 \$50,000.00.

301 (e) A Class 1 production license may be revoked if the licensee is not operational  
 302 within 12 months of the award date.

303 (f)(1) No person or entity holding an ownership interest in a license issued under this  
 304 Code section may hold an ownership interest in any other type of license issued under  
 305 this article.

306 (2) No person or entity may hold an ownership interest in more than one Class 1  
 307 production license at any one time.

308 (3) Ownership interests in more than one license shall be cause for revocation of all  
 309 licenses.

310 (g) In the event a license issued pursuant to this Code section is revoked by the oversight  
 311 board or surrendered by the licensee, the oversight board shall be authorized to issue a  
 312 replacement license through a competitive application and review process conducted in  
 313 accordance with this Code section.

314 16-12-205.

315 (a) No later than January 1, 2020, the department shall issue five Class 2 production  
 316 licenses, providing it receives at least five qualified applications. A Class 2 production  
 317 licensee shall be authorized to:

318 (1) Grow cannabis or hemp products only in indoor facilities for use in producing low  
 319 THC oil, limited to 20,000 square feet of cultivation space;

320 (2) Manufacture low THC oil;

321 (3) Operate up to three safe access retail outlets for the sale of low THC oil to registered  
 322 patients; and

323 (4) Provide home delivery of low THC oil to registered patients through company owned  
 324 and operated vehicles.

325 (b) Class 2 production licenses shall be issued to applicants selected by the oversight board  
 326 following a competitive application and review process in accordance with the  
 327 requirements set forth in this article. An applicant for a Class 2 production license shall  
 328 submit an application on a form established by the department, together with the following  
 329 information:

330 (1) Proof of available capital to make the investments needed to safely, securely, and  
 331 promptly perform all required functions of a licensee. Prior to issuance of a Class 2  
 332 production license, the applicant shall provide written documentation showing that on the  
 333 date of application and award such applicant holds at least \$1 million in available cash  
 334 reserves to invest in operations in this state;

335 (2) A written production plan detailing the production processes that, at a minimum,  
 336 includes details describing how the chain of custody will be maintained, documented, and  
 337 made available for review by the department or the Georgia Bureau of Investigation.  
 338 Production processes shall include compliance with all production standards, laws, and  
 339 regulations needed to protect public safety and ensure product purity;

340 (3) A comprehensive security plan that ensures compliance with the applicable laws of  
 341 this state. At a minimum, a security plan shall include a 24 hours per day, seven days per  
 342 week interior and exterior video monitoring and intrusion detection monitoring system,  
 343 recording and video storage capabilities for all facilities, and licensed security personnel.  
 344 The entire premises of licensees shall be equipped with a centralized access control  
 345 system capable of generating detailed reports of access logs for a minimum of one year.

346 All videos, access logs, and any other monitoring data shall be available to the Georgia  
347 Bureau of Investigation upon request. The department is authorized to set requirements  
348 for the minimum technology, resolution, and storage capacity of at least 45 days for the  
349 video recording capabilities of licensees;

350 (4) A written plan detailing specific security measures to ensure secured transportation  
351 and tracking of delivered products for intrafacility transportation and for home delivery;

352 (5) A detailed employment plan specifying the jobs and salaries of employees and  
353 demonstrating the expected economic impact of proposed activities in Georgia;

354 (6) A written plan to ensure that no pesticides are used at any point in the production  
355 process other than those certified organic by the Organic Materials Review Institute or  
356 another similar standards organization;

357 (7) Detailed designs of all production and retail facilities;

358 (8) Letters of support from one or more local governmental entities where the primary  
359 facilities will be located;

360 (9) A demonstration of significant involvement in the business by one or more minority  
361 business enterprises as defined in Code Section 50-5-131, either as co-owners of the  
362 business or as significant suppliers of goods and services for the business. Such  
363 applicants shall be encouraged to form business relationships with Georgia agricultural  
364 businesses and military veterans;

365 (10) Documentation of applicant's industry capabilities and management experience.  
366 The oversight board shall consider the relevant industry experience and strength of the  
367 applicant's management team and board of directors when considering its merits;

368 (11) Documentation to satisfactorily demonstrate that the applicant will successfully  
369 open and begin operation of its first retail outlet within 12 months of the award date.  
370 Failure to meet this requirement within 12 months of the award date may be cause for  
371 revocation of the license;

372 (12) A written delivery plan with detailed documentation of the applicant's plan to offer  
373 in-home delivery of low THC oil to registered patients;

374 (13) Copies of recent criminal background checks performed by the Georgia Crime  
375 Information Center for all owners, officers, and employees of the applicant demonstrating  
376 a lack of felony convictions, except for felony convictions that are greater than ten years  
377 old and are not drug related; and

378 (14) A description of any efforts made by the applicant to create jobs or locate facilities  
379 in tier one or tier two counties as defined in Code Section 48-7-40.

380 (c) An applicant for a Class 2 production license shall submit a nonrefundable application  
381 fee in the amount of \$12,500.00 concurrent with submission of the application.

382 (d) Upon award of a Class 2 production license, an applicant shall be required to submit  
383 an initial license fee of \$25,000.00, and upon annual renewal, a license renewal fee of  
384 \$12,500.00.

385 (e) A Class 2 production license may be revoked if the licensee is not operational within  
386 12 months of the award date.

387 (f)(1) No person or entity holding an ownership interest in a license issued under this  
388 Code section may hold an ownership interest in any other type of license issued under  
389 this article.

390 (2) No person or entity may hold an ownership interest in more than one Class 2  
391 production license at any one time.

392 (3) Ownership interests in more than one license shall be cause for revocation of all  
393 licenses.

394 (g) In the event a license issued pursuant to this Code section is revoked by the oversight  
395 board or surrendered by the licensee, the oversight board shall be authorized to issue a  
396 replacement license through a competitive application and review process conducted in  
397 accordance with this Code section.

398 16-12-206.

399 (a) No later than January 1, 2020, the department shall issue ten safe access retail licenses,  
400 providing it receives at least ten qualified applications. A safe access retail licensee shall  
401 be authorized to operate up to two safe access retail outlets to make low THC oil available  
402 to registered patients on a retail basis.

403 (b) Safe access retail licenses shall be issued to applicants selected by the oversight board  
404 following a competitive application and review process in accordance with the  
405 requirements set forth in this article. An applicant for a safe access retail license shall  
406 submit an application on a form established by the department, together with the following  
407 information:

408 (1) Proof of available capital to make the investments needed to safely, securely, and  
409 promptly perform all required functions of a licensee. Prior to issuance of a safe access  
410 retail license, the applicant shall provide written documentation showing that on the date  
411 of application and award such applicant holds at least \$250,000.00 in available cash  
412 reserves to invest in operations in this state;

413 (2) A comprehensive security plan that ensures compliance with the applicable laws of  
414 this state. At a minimum, a security plan shall include a 24 hours per day, seven days per  
415 week interior and exterior video monitoring and intrusion detection monitoring system,  
416 recording and video storage capabilities for all facilities, and licensed security personnel.  
417 The entire premises of licensees shall be equipped with a centralized access control

418 system capable of generating detailed reports of access logs for a minimum of one year.  
419 All videos, access logs, and any other monitoring data shall be available to the Georgia  
420 Bureau of Investigation upon request. The department is authorized to set requirements  
421 for the minimum technology, resolution, and storage capacity of at least 45 days for the  
422 video recording capabilities of licensees;

423 (3) A detailed employment plan specifying the jobs and salaries of employees and  
424 demonstrating the expected economic impact of proposed activities in Georgia;

425 (4) Detailed designs of all retail facilities;

426 (5) Letters of support from one or more local governmental entities where the primary  
427 facilities will be located;

428 (6) A demonstration of significant involvement in the business by one or more minority  
429 business enterprises as defined in Code Section 50-5-131, either as co-owners of the  
430 business or as significant suppliers of goods and services for the business. Such  
431 applicants shall be encouraged to form business relationships with Georgia agricultural  
432 businesses and military veterans; and

433 (7) Copies of recent criminal background checks performed by the Georgia Crime  
434 Information Center for all owners, officers, and employees of the applicant demonstrating  
435 a lack of felony convictions, except for felony convictions that are greater than ten years  
436 old and are not drug related.

437 (c) An applicant for a safe access retail license shall submit a nonrefundable application  
438 fee in the amount of \$10,000.00 concurrent with submission of the application.

439 (d) Upon award of a safe access retail license, an applicant shall be required to submit an  
440 initial license fee of \$20,000.00, and upon annual renewal, a license renewal fee  
441 of \$10,000.00.

442 (e) A safe access retail license may be revoked if the licensee is not operational within 12  
443 months of the award date.

444 (f)(1) No person or entity holding an ownership interest in a license issued under this  
445 Code section may hold an ownership interest in any other type of license issued under  
446 this article.

447 (2) No person or entity may hold an ownership interest in more than one safe access  
448 retail license at any one time.

449 (3) Ownership interests in more than one license shall be cause for revocation of all  
450 licenses.

451 (g) In the event a license issued pursuant to this Code section is revoked by the oversight  
452 board or surrendered by the licensee, the oversight board shall be authorized to issue a  
453 replacement license through a competitive application and review process conducted in  
454 accordance with this Code section.

455 16-12-207.

456 (a) The department shall require that each Class 1 production licensee and Class 2  
457 production licensee establish, maintain, and utilize, directly or by contract, a tracking  
458 system. The department shall approve one or more vendors to provide or operate tracking  
459 systems no later than December 1, 2019.

460 (b) A tracking system shall have the functions and capabilities described in subsections (c)  
461 and (d) of this Code section and shall be operated in compliance with the federal Health  
462 Insurance Portability and Accountability Act of 1996, Public Law 104-191.

463 (c) The tracking system shall be hosted on a platform that allows for:

464 (1) Dynamic allocation of resources;

465 (2) Data redundancy; and

466 (3) Recovery from natural disaster within 12 hours.

467 (d) The tracking system shall be capable of:

468 (1) Tracking all plants, products, packages, and registered patients' purchase totals,  
469 waste, transfers, conversions, sales, and returns that, if practicable, are linked to unique  
470 identification numbers;

471 (2) Tracking lot and batch information throughout the entire chain of custody;

472 (3) Tracking all marijuana and low THC oil throughout the entire chain of custody;

473 (4) Tracking plant, batch, and marijuana and low THC oil destruction;

474 (5) Tracking transportation of marijuana and low THC oil;

475 (6) Performing complete batch recall tracking that clearly identifies all of the following  
476 details relating to the specific batch subject to the recall:

477 (A) Amount of low THC oil sold;

478 (B) Amount of low THC oil inventory that is finished and available for sale;

479 (C) Amount of low THC oil that is in the process of transfer;

480 (D) Amount of low THC oil being processed into another form; and

481 (E) Amount of postharvest raw marijuana, such as marijuana that is in the drying,  
482 trimming, or curing process;

483 (7) Reporting and tracking loss, theft, or diversion of marijuana or low THC oil;

484 (8) Reporting and tracking all inventory discrepancies;

485 (9) Reporting and tracking adverse patient responses or dose related efficacy issues;

486 (10) Reporting and tracking all sales and refunds;

487 (11) Tracking purchase limits and flagging purchases in excess of authorized limits;

488 (12) Receiving electronically submitted information required to be reported under this  
489 Code section;

490 (13) Receiving testing results electronically from a laboratory via a secured application  
 491 program interface into the tracking system and directly linking the testing results to each  
 492 applicable source batch and sample;

493 (14) Flagging test results that have characteristics indicating that they may have been  
 494 altered;

495 (15) Providing information to cross-check that low THC oil sales are made to a  
 496 registered patient, caregiver, or designated caregiver and that the low THC oil received  
 497 the required testing;

498 (16) Providing the department with real-time access to information in the tracking  
 499 system; and

500 (17) Providing real-time information to the department regarding key performance  
 501 indicators, including:

502 (A) Total low THC oil daily sales;

503 (B) Total marijuana plants in production;

504 (C) Total marijuana plants destroyed; and

505 (D) Total inventory adjustments.

506 (e) A Class 1 production licensee or Class 2 production licensee shall supply the relevant  
 507 tracking or testing information regarding each plant, product, package, batch, test, transfer,  
 508 conversion, sale, recall, or disposition of marijuana or low THC oil in or from such  
 509 licensee's possession or control on forms created by the department.

510 16-12-208.

511 (a) No person may enter a safe access retail outlet unless he or she is an employee of the  
 512 retail outlet, an employee of a licensee, or a registered patient or caregiver in possession  
 513 of a valid registration card in accordance with Code Section 31-2A-18. A registered patient  
 514 or caregiver in possession of a valid registration card in accordance with Code  
 515 Section 31-2A-18 may obtain low THC oil from any safe access retail outlet in this state  
 516 regardless of where he or she resides within this state.

517 (b) Prior to dispensing any low THC oil to a registered patient, a safe access retail outlet  
 518 shall:

519 (1) Verify that the individual requesting the low THC oil is a registered patient or  
 520 designated caregiver as set forth in Code Section 31-2A-18, using procedures developed  
 521 by the department;

522 (2) Assign a tracking number to any low THC oil distributed;

523 (3) Properly package low THC oil in compliance with the federal Poison Prevention  
 524 Packing Act regarding child resistant packaging and exemptions for packaging for elderly

525 patients and shall label low THC oil with a list of all active ingredients and specific  
 526 identifying information, including:

527 (A) The patient's name and date of birth;

528 (B) The name and date of birth of a caregiver or designated caregiver, if applicable;

529 (C) The patient's registry identification number from his or her registration card; and

530 (D) The chemical composition of the low THC oil; and

531 (4) Ensure that the low THC oil distributed contains a maximum of a 60 day supply of  
 532 the dosage determined for such registered patient.

533 (c) Each safe access retail licensee shall report to the department on a monthly basis the  
 534 following information on each registered patient for the prior month:

535 (1) The amount and dosages of the low THC oil distributed;

536 (2) The chemical composition of the low THC oil distributed; and

537 (3) The tracking number assigned to the low THC oil distributed.

538 (d) Each safe access retail licensee shall require its employees to receive ten hours of  
 539 annual training, approved by the department, regarding clinical efficacy and safe use of low  
 540 THC oil.

541 16-12-209.

542 (a) No licensee shall operate in any location, whether for cultivation, harvesting, and  
 543 processing of marijuana or for processing, manufacturing, packaging, or distributing low  
 544 THC oil, within a 3,000 foot radius, measured from property boundary to property  
 545 boundary, of a public or private school; an early care and education program as defined in  
 546 Code Section 20-1A-2; or a church, synagogue, or other place of public religious worship,  
 547 in existence prior to the date of licensure of such licensee by the department.

548 (b) No licensee shall use or provide funding for any advertisement for low THC oil which:

549 (1) Contains the word 'marijuana' or any term commonly referring to marijuana used for  
 550 recreational purposes;

551 (2) Utilizes signs with green lighting;

552 (3) Contains statements that are inconsistent with any statements on the labeling of  
 553 products;

554 (4) Advertises or markets marijuana or marijuana products in a manner intended to  
 555 encourage persons under 21 years of age to consume such products;

556 (5) Is attractive to children, including the use of toys or cartoon characters; or

557 (6) Promotes the recreational or nonmedical use of marijuana.



558 16-12-210.

559 Any Class 1 production licensee or Class 2 production licensee may operate one or more  
560 health consultation centers to provide information to registered patients and to arrange for  
561 the purchase of low THC oil from a licensed safe access retail outlet or through home  
562 delivery, so long as such centers have no low THC oil onsite.

563 16-12-211.

564 The Georgia Bureau of Investigation shall be responsible for ensuring that all activities of  
565 licensees are conducted in accordance with this article and the laws of this state. In  
566 addition to other powers and duties, the Georgia Bureau of Investigation shall establish  
567 procedures to ensure that no activities conducted under this article result in the illegal or  
568 recreational use of low THC oil or manufacturing by-products and establish any other  
569 procedures necessary to carry out its duties and responsibilities pursuant to this article.

570 16-12-211.1.

571 It shall be unlawful to ingest low THC oil in a manner that employs a heating element,  
572 power source, electronic circuit, or other electronic, chemical, or mechanical means,  
573 regardless of shape or size, that can be used to produce vapor in a solution or other form,  
574 including but not limited to any electronic cigarette, electronic cigar, electronic cigarillo,  
575 electronic pipe, or similar product or device and any vapor cartridge or other container of  
576 low THC oil in a solution or other form that is intended to be used with or in an electronic  
577 cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.

578 16-12-212.

579 (a) All licensees shall provide on-demand access to facilities for inspection when requested  
580 by the Georgia Bureau of Investigation or the department. Facility inspections may be  
581 unannounced and may occur at any time, with or without cause. Upon request by the  
582 Georgia Bureau of Investigation or the department, a licensee shall immediately provide  
583 product samples for the purposes of laboratory testing.

584 (b) All Class 1 production licensees and Class 2 production licensees shall contract with  
585 a laboratory on the department's approved list of independent laboratories, subject to any  
586 requirements set by the department, for purposes of testing low THC oil manufactured by  
587 such licensees. Low THC oil shall be analyzed for potency, foreign matter, microbial  
588 presence, pesticides, heavy metals, and residual solvents. The department shall establish  
589 limits for each item tested to verify that such low THC oil meets the requirements of this  
590 article. The department shall promulgate rules and regulations governing the operations  
591 of laboratories for the testing of low THC oil. The costs of laboratory testing shall be paid

592 by the licensees. Each low THC oil product shall be required to pass all requirements  
593 established by the department before being distributed. Products that do not pass the  
594 department requirements shall be destroyed by the licensee and proof of such destruction  
595 shall be sent to the department upon request.

596 (c) This Code section shall not apply to intrafacility transportation or home delivery of low  
597 THC oil; provided, however, that licensees engaging in such transportation or home  
598 delivery shall maintain secured transportation and tracking of product delivery.

599 16-12-213.

600 No person convicted of a felony shall be eligible to work as an employee of a licensee or  
601 otherwise participate in the business activities of a licensee conducted pursuant to this  
602 article; provided, however, that this Code section shall not apply to a felony in which the  
603 date of such conviction is greater than ten years old so long as it is not drug related.

604 16-12-214.

605 (a) All working papers, recorded information, documents, and copies produced by,  
606 obtained by, or disclosed to the department pursuant to the activities conducted pursuant  
607 to this article, other than information published in an official department report regarding  
608 the activities conducted pursuant to this article, shall be confidential data and shall not be  
609 subject to Article 4 of Chapter 18 of Title 50.

610 (b) In no event shall the department disclose any information that would reveal the identity  
611 or health information of any registered patient or violate the federal Health Insurance  
612 Portability and Accountability Act of 1996, Public Law 104-191.

613 16-12-215.

614 (a) No license issued under this article shall transfer ownership within one year of  
615 issuance.

616 (b) All subsequent transfers of license ownership shall be approved by the department to  
617 become valid. The department shall not unreasonably withhold approval of a license  
618 transfer when the parties adequately demonstrate that a proposed new owner satisfies all  
619 requirements necessary to obtain a license and that the transfer is in the best interest of  
620 registered patients in this state.

621 (c) A licensee who has been denied transfer approval by the department may appeal the  
622 denial to the commissioner of public health. Thereafter, an appeal may be filed in the  
623 Superior Court of Fulton County in accordance with Chapter 13 of Title 50, the 'Georgia  
624 Administrative Procedure Act.'

625 16-12-216.

626 (a) A license may be revoked by the department if the licensee:

627 (1) Holds ownership interest in more than one category of license issued under this  
628 article;

629 (2) Employs individuals convicted of a felony within the previous ten years;

630 (3) Utilizes pesticides other than pest management products that have been certified  
631 organic by the Organic Materials Review Institute or another similar standards  
632 organization;

633 (4) Fails to comply with inspection and access requirements in accordance with this  
634 article;

635 (5) Fails to be fully operational within 12 months of the date a license is awarded; or

636 (6) Fails to comply with any other provision or requirement of this article.

637 (b) A licensee may appeal a revocation of a license by the department to the commissioner  
638 of public health to have such license reinstated. Thereafter, an appeal may be filed in the  
639 Superior Court of Fulton County in accordance with Chapter 13 of Title 50, the 'Georgia  
640 Administrative Procedure Act.'

641 16-12-217.

642 (a) No current member of the oversight board, or former member of the oversight board  
643 for a period of five years from the date such individual ceased to be a member, shall own,  
644 operate, have a financial interest in, or be employed by a low THC oil manufacturer or  
645 distributor, including any licensee under this article.

646 (b) No physician who certifies individuals to the department pursuant to Code  
647 Section 31-2A-18 for the use of low THC oil to treat certain conditions shall own, operate,  
648 have a financial interest in, or be employed by a low THC oil manufacturer or distributor,  
649 including any licensee under this article. This subsection shall not prohibit a physician  
650 from furnishing a registered patient or his or her caregiver, upon request, with the names  
651 of low THC oil manufacturers or distributors. Any physician violating this Code section  
652 shall be guilty of a misdemeanor.

653 (c) A licensee that makes a campaign contribution pursuant to Article 2 of Chapter 5 of  
654 Title 21 shall identify itself as a licensee under this article to the recipient of such campaign  
655 contribution.

656 16-12-218.

657 (a) A licensee or licensee's employee who knowingly or willfully encourages, causes,  
658 abets, connives, conspires, or aids in the endangerment of patients, trafficking of low THC  
659 oil or its manufacturing by-products, or criminal distribution of raw materials and

660 agricultural inputs, including but not limited to seeds, under this article shall be guilty of  
 661 a felony and, upon conviction thereof, be punished by a fine not to exceed \$100,000.00,  
 662 imprisonment for not less than five nor more than ten years, or both.

663 (b) Any person whose acts or omissions of gross, willful, or wanton negligence contribute  
 664 to or cause the endangerment of patients, trafficking of low THC oil or its manufacturing  
 665 by-products, or criminal distribution of raw materials and agricultural inputs, including but  
 666 not limited to seeds, under this article shall be guilty of a misdemeanor of a high and  
 667 aggravated nature and, upon conviction thereof, be punished by a fine of up to \$5,000.00,  
 668 imprisonment for up to 12 months, or both.

669 (c) Failure to comply with all other provisions of this article shall be punishable by a fine  
 670 of up to \$500.00 for the first offense. All persons convicted of a second or subsequent  
 671 offense shall be guilty of a misdemeanor and, upon conviction thereof, be punished by a  
 672 fine of up to \$1,000.00, imprisonment for up to six months, or both, for each violation.

673 (d) The provisions of this Code section shall not preclude prosecution and punishment for  
 674 the commission of any offense otherwise provided by law.

675 16-12-219.

676 The Georgia Department of Agriculture shall not regulate any activity authorized under this  
 677 article. To the extent that the Department of Agriculture is authorized under any other law  
 678 of this state to regulate any activity authorized by this article, including, but not limited to,  
 679 the production process and seeds used by growers, such activities shall be exempt from  
 680 regulation by the Department of Agriculture; provided, however, that all use of artificial  
 681 pesticides regulated by the Department of Agriculture shall be banned."

682 **SECTION 5.**

683 Chapter 11 of Title 2 of the Official Code of Georgia, relating to seeds and plants generally,  
 684 is amended by adding a new Code section to read as follows:

685 "2-11-36.

686 This article shall not apply to seeds used for the production of low THC oil in accordance  
 687 with Article 9 of Chapter 12 of Title 16 and no person shall be subject to regulation or  
 688 penalties pursuant to this article for growing, selling, offering for sale, exposing for sale,  
 689 or transporting in this state any seed used for the lawful production of low THC oil  
 690 pursuant to Article 9 of Chapter 12 of Title 16."

691 **SECTION 6.**

692 Code Section 31-2A-18 of the Official Code of Georgia Annotated, relating to establishment  
 693 of the Low THC Oil Patient Registry, is amended by revising subsection (e) as follows:

694 "(e) The board shall require physicians to issue semiannual reports to the board. Such  
695 reports shall require physicians to provide information, including, but not limited to,  
696 dosages recommended for a particular condition, patient clinical responses, levels of  
697 tetrahydrocannabinol or tetrahydrocannabinolic acid present in test results, compliance,  
698 responses to treatment, side effects, and drug interactions. Such reports shall be used for  
699 research purposes to determine the efficacy of the use of low THC oil as a treatment for  
700 conditions."

701 **SECTION 7.**

702 All laws and parts of laws in conflict with this Act are repealed.