

## COMMITTEES OF CONFERENCE 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 provide for the creation of the  
6 Georgia Access to Medical Cannabis Commission; to provide for its membership, powers,  
7 and duties; to provide for the issuance of designated university licenses and Class 1 and  
8 Class 2 production licenses; to authorize the University System of Georgia to obtain cannabis  
9 through the National Institute on Drug Abuse or from any available legal source; to provide  
10 for the dispensing of low THC oil by pharmacies; to provide for dispensing licenses; to  
11 provide for seed-to-sale tracking systems; to provide for retrospective study; to provide for  
12 enforcement by the Georgia Bureau of Investigation; to provide for facility inspections and  
13 product sample testing; to prohibit certain convicted felons from working as employees for  
14 licensees; to provide for confidentiality of records; to provide for transfer of certain licenses;  
15 to provide for revocation of licenses; to prohibit ownership by certain physicians in low THC  
16 oil manufacturers or distributors; to provide for violations and penalties; to provide for  
17 immunity; to provide for reimbursement of legal expenses for state employees; to provide  
18 for contracts; to prohibit ingesting low THC oil through vaping; to prohibit regulation by the  
19 Department of Agriculture; to amend Chapter 11 of Title 2 of the Official Code of Georgia,  
20 relating to seeds and plants generally, so as to provide for an exception; to amend Code  
21 Section 31-2A-18 of the Official Code of Georgia Annotated, relating to establishment of the  
22 Low THC Oil Patient Registry, so as to require a physician to review information in the  
23 prescription drug monitoring program data base; to provide for research to determine the  
24 efficacy of low THC oil for treatment of conditions; to provide for related matters; to provide  
25 for a short title; to provide for legislative findings; to repeal conflicting laws; and for other  
26 purposes.

27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

28

**SECTION 1.**

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

30

**SECTION 2.**

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

41 (b) The General Assembly further finds that:

42 (1) Low THC oil can offer significant medical benefits to patients;

43 (2) Low THC oil can only be derived from the cannabis plant;

44 (3) A carefully constructed system of in-state cultivation to benefit only those patients  
45 authorized by Georgia law and approved by their physician would benefit patients within  
46 the State of Georgia;

47 (4) The State of Georgia is deeply opposed to any recreational or nonmedical use of  
48 marijuana, and any system to help patients access low THC oil should be as limited in  
49 scope as possible;

50 (5) Business opportunities resulting from a system of in-state cultivation should be  
51 inclusive of minority, women, and veteran owned businesses;

52 (6) Businesses resulting from this Act should include at least 20 percent participation by  
53 minority, women, and veteran owned businesses as licensees, suppliers, and partners of  
54 businesses licensed under this Act; and

55 (7) The State of Georgia should encourage active participation by minority, women, and  
56 veteran owned businesses, as well as take any steps necessary to ensure there is no  
57 discrimination in the issuance of licenses or participation in business activities resulting  
58 from this Act.

59

**SECTION 3.**

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

63 "16-12-191.

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

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

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

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

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

81 (A) Such person is involved in a clinical research program being conducted by the  
 82 Board of Regents of the University System of Georgia or any authorized clinical trial  
 83 or research study in this state or their authorized agent pursuant to Chapter 51 of  
 84 Title 31 as:

85 (i) A program participant;

86 (ii) A parent, guardian, or legal custodian of a program participant;

87 (iii) An employee of the board of regents designated to participate in the research  
 88 program;

89 (iv) A program agent;

90 (v) A program collaborator and their designated employees;

91 (vi) A program supplier and their designated employees;

92 (vii) A program physician;

93 (viii) A program clinical researcher;

94 (ix) Program pharmacy personnel; or

95 (x) Other program medical personnel;

96 (B) Such person has in his or her possession a permit issued as provided in Code  
 97 Section 31-51-7; and

98 (C) Such substance is in a pharmaceutical container labeled by the manufacturer  
 99 indicating the percentage of tetrahydrocannabinol therein.

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

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

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

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

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

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

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

131 (f) Subsections (c) and (d) of this Code section shall not apply to a designated university,  
132 pharmacy, or licensee under Article 9 of Chapter 12 of Title 16, provided that such  
133 possession, purchase, control, sale, manufacturing, distribution, or dispensing is solely  
134 conducted in accordance with the provisions of Article 9 of Chapter 12 of Title 16.

135 ~~(f)~~(g) Nothing in this article shall require an employer to permit or accommodate the use,  
136 consumption, possession, transfer, display, transportation, purchase, sale, or growing of

137 marijuana in any form, or to affect the ability of an employer to have a written zero  
138 tolerance policy prohibiting the on-duty, and off-duty, use of marijuana, or prohibiting any  
139 employee from having a detectable amount of marijuana in such employee's system while  
140 at work."

141 **SECTION 4.**

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

143 "ARTICLE 9

144 Part 1

145 16-12-200.

146 As used in this article, the term:

- 147 (1) 'Applicant' means a corporate entity applying for a license pursuant to this article.  
148 (2) 'Available capital' means corporate assets that are available to fund business  
149 operations in the event a license is awarded pursuant to Part 2 of this article.  
150 (3) 'Class 1 production license' means a license to produce and manufacture low THC  
151 oil issued pursuant to Code Section 16-12-211.  
152 (4) 'Class 2 production license' means a license to produce and manufacture low THC  
153 oil issued pursuant to Code Section 16-12-212.  
154 (5) 'Commission' means the Georgia Access to Medical Cannabis Commission created  
155 pursuant to Code Section 16-12-202.  
156 (6) 'Designated universities' means the University of Georgia and Fort Valley State  
157 University.  
158 (7) 'Designated university license' means a license issued by the commission pursuant  
159 to this article to a designated university to, separately or jointly, produce, manufacture,  
160 and purchase low THC oil in accordance with this article.  
161 (8) 'Dispense' means the sale or provision of low THC oil to registered patients by a  
162 dispensing licensee.  
163 (9) 'Dispensing license' means a specialty license issued by the State Board of Pharmacy  
164 or the commission pursuant to Code Section 16-12-206 to dispense low THC oil to  
165 registered patients.  
166 (10) 'Grow' means cultivating and harvesting cannabis for use in producing low THC oil.  
167 (11) 'Licensee' means any business, or owner of such business, with a valid license  
168 issued pursuant to this article.  
169 (12) 'Low THC oil' shall have the same meaning as set forth in Code Section 16-12-190.  
170 (13) 'Manufacture' means to process cannabis to produce low THC oil.

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

176 (15) 'Product' means low THC oil delivered through an oil, tincture, transdermal patch,  
 177 lotion, or capsule, except as prohibited by Code Section 16-12-234, but not including any  
 178 food products infused with low THC oil, including, but not limited to, cookies, candies,  
 179 or edibles.

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

182 (17) 'Tracking system' means a seed-to-sale tracking system to track marijuana that is  
 183 grown, processed, manufactured, transferred, stored, or disposed of and low THC oil that  
 184 is transferred, stored, sold, dispensed, or disposed of pursuant to this article.

185 16-12-201.

186 Except as otherwise provided in this article, it shall be unlawful for any person in this state  
 187 to produce, grow, manufacture, or dispense low THC oil or any products related to its  
 188 production in this state.

189 16-12-202.

190 (a) There is created the Georgia Access to Medical Cannabis Commission which is  
 191 assigned to the Secretary of State for administrative purposes only, as prescribed in Code  
 192 Section 50-4-3. The commission shall consist of seven members who shall be appointed  
 193 as follows:

194 (1) Three members appointed by the Governor;

195 (2) Two members appointed by the Lieutenant Governor; and

196 (3) Two members appointed by the Speaker of the House of Representatives.

197 (b) Members shall serve four-year terms of office. The Governor shall designate one of  
 198 his or her appointees as the chairperson.

199 (c) The commission shall meet upon the call of the chairperson or upon the request of three  
 200 members. The commission shall organize itself as it deems appropriate and may elect  
 201 additional officers from among its members.

202 (d) Any vacancy on the commission shall be filled for the unexpired term by appointment  
 203 by the original appointing authority.

204 (e) Members of the commission shall serve without compensation but shall receive the  
 205 same expense allowance per day as that received by a member of the General Assembly

206 for each day such member of the commission is in attendance at a meeting of such  
 207 commission, plus either reimbursement for actual transportation costs while traveling by  
 208 public carrier or the same mileage allowance for use of a personal car in connection with  
 209 such attendance as members of the General Assembly receive. Such expense and travel  
 210 allowance shall be paid in lieu of any per diem, allowance, or other remuneration now  
 211 received by any such member for such attendance.

212 16-12-203.

213 The commission shall have the following powers, duties, and responsibilities:

214 (1) To apply for, receive, and administer state funds appropriated to the commission,  
 215 private grants and donations, and other funds and donations. The commission's annual  
 216 distributions shall be capped and limited to funds received from the sources specified in  
 217 this paragraph. The commission shall ensure that its funds are not used as a supplement  
 218 or secondary payor to any other third-party payor;

219 (2) To execute a contract or contracts to purchase or obtain low THC oil, cannabis,  
 220 cannabinoids, or any other derivative, compound, or substantially similar products from  
 221 any available legal source and to provide logistics related thereto in accordance with this  
 222 article. Such contract or contracts may be executed with one or more qualified  
 223 corporations or with one or more governmental entities. Purchases made pursuant to this  
 224 paragraph shall not be subject to state purchasing laws contained in Article 3 of Chapter 5  
 225 of Title 50 or in other provisions of the Official Code of Georgia Annotated;

226 (3) To utilize funds appropriated to the commission as may be necessary to purchase and  
 227 transport low THC oil to the State of Georgia for use by registered patients;

228 (4) To develop, establish, maintain, and administer a low THC oil distribution network  
 229 to obtain and distribute low THC oil to registered patients in this state and to coordinate  
 230 the best use of facilities and resources to operate such distribution network;

231 (5) To establish procedures for inspecting production facilities operated by designated  
 232 universities;

233 (6) To establish requirements and procedures to ensure quality control, security, and  
 234 oversight of low THC oil production in this state, including, but not limited to, testing for  
 235 purity and dosage levels and verification that product labels accurately reflect product  
 236 content;

237 (7) To provide for oversight of tracking systems;

238 (8) To coordinate and assist in the collection of data to evaluate the provision of low  
 239 THC oil in this state;

240 (9) To study the provision of low THC oil in this state to determine the best practices and  
 241 methods of providing such services, to determine what changes are needed to improve

242 the provision of low THC oil, and to report any proposed legislative changes to the  
 243 General Assembly each year;  
 244 (10) To coordinate its activities with the Department of Public Health;  
 245 (11) To employ an executive director and other staff and to establish duties and  
 246 responsibilities of such persons; and  
 247 (12) To employ and manage consultants, as deemed necessary, in order to fulfill its  
 248 duties and responsibilities under this article.

249 16-12-204.

250 (a) The commission shall issue nontransferable designated university licenses for the  
 251 production of low THC oil. The licenses granted to designated universities pursuant to this  
 252 Code section shall be in addition to any licenses issued pursuant to Part 2 of this article.  
 253 The designated universities shall have the option to be licensed as a production facility,  
 254 either separately or jointly. The designated universities shall be authorized to contract with  
 255 private entities to fulfill the terms of the license, including contracting for the production  
 256 of low THC oil. All contracts shall be approved by the commission.

257 (b) Each designated university may conduct research on marijuana for therapeutic use if  
 258 such university is licensed as a production facility pursuant to this Code section. Effective  
 259 January 1, 2020, and annually thereafter, the designated universities shall submit a report  
 260 to the Senate Health and Human Services Committee and the House Committee on Health  
 261 and Human Services, to include data and outcomes of the research conducted pursuant to  
 262 this paragraph.

263 (c)(1) The commission shall collect the following information from each licensee:

264 (A) The amount of low THC oil produced by the licensee during each calendar year;

265 (B) The details of all production costs, including but not limited to seed, fertilizer,  
 266 labor, advisory services, construction, and irrigation;

267 (C) The details of any items or services for which the licensee subcontracted and the  
 268 costs of each subcontractor directly or indirectly working for the licensee;

269 (D) The amount of therapeutic chemicals produced resulting from the low THC oil  
 270 manufactured pursuant to this article;

271 (E) The amounts paid each year to the licensee related to the licensee's production of  
 272 low THC oil manufactured pursuant to this article; and

273 (F) The amount of low THC oil distributed to each dispensing licensee to dispense low  
 274 THC oil in this state during each calendar year.

275 (2) The commission shall provide the information collected pursuant to this subsection  
 276 for the previous calendar year in the form of a written report to the Senate Health and  
 277 Human Services Committee and the House Committee on Health and Human Services



278 no later than February 1 of each year. The commission shall also make a copy of such  
 279 report available to the public by posting such report on the commission's website.  
 280 (d) The commission may revoke the license of a designated university if it is found by the  
 281 commission to have violated any of the requirements established pursuant to this article.

282 16-12-205.

283 (a) The University System of Georgia shall:

284 (1) Apply to contract with the National Institute on Drug Abuse for receipt of cannabis  
 285 pursuant to regulations promulgated by the National Institute on Drug Abuse, the United  
 286 States Food and Drug Administration, and the United States Drug Enforcement  
 287 Administration; or  
 288 (2) Obtain cannabis, cannabinoids, or any other derivative, compound, or substantially  
 289 similar products from any available legal source.

290 (b) A designated university may obtain cannabis, cannabinoids, or any other derivative,  
 291 compound, or substantially similar products from the University System of Georgia.

292 (c) Upon receipt of any cannabis, cannabinoids, or its extracts, compounds, or derivatives,  
 293 or any other substantially similar product, regardless of its source, including any product  
 294 produced pursuant to Code Section 16-12-204, a designated university shall test the  
 295 specifications of such product.

296 16-12-206.

297 (a)(1) The State Board of Pharmacy shall develop an annual, nontransferable specialty  
 298 dispensing license for a pharmacy to dispense low THC oil to registered patients. The  
 299 State Board of Pharmacy shall develop rules and regulations regarding dispensing  
 300 pharmacies in this state.

301 (2) The commission shall be authorized to develop an annual, nontransferable dispensing  
 302 license for retail outlets to dispense low THC oil to registered patients. The commission  
 303 shall develop rules and regulations regarding retail dispensing licensees in this state. The  
 304 commission shall ensure that retail outlets are dispersed throughout the state for access  
 305 by registered patients.

306 (b) The State Board of Pharmacy and the commission shall jointly adopt rules relating to  
 307 the dispensing of low THC oil by pharmacies and retail dispensing licensees. Such rules  
 308 shall include but not be limited to:

309 (1) Standards, procedures, and protocols for the effective use of low THC oil as  
 310 authorized by state law and related rules and regulations;

- 311 (2) Standards, procedures, and protocols for the dispensing of low THC oil by a  
 312 pharmacy with a dispensing license and by retail dispensing licensees and for the  
 313 utilization of a tracking system;  
 314 (3) Procedures and protocols to provide that no low THC oil may be sold to or  
 315 transferred to a location outside of this state;  
 316 (4) The establishment of standards, procedures, and protocols for determining the  
 317 amount of usable low THC oil that is necessary to constitute an adequate supply for  
 318 registered patients in this state to ensure uninterrupted availability for a period of one  
 319 month, including amounts for topical treatments;  
 320 (5) The establishment of standards, procedures, and protocols to ensure that all low THC  
 321 oil dispensed is consistently pharmaceutical grade;  
 322 (6) The establishment of standards and procedures for the revocation, suspension, and  
 323 nonrenewal of dispensing licenses;  
 324 (7) The establishment of other licensing, renewal, and operational standards which are  
 325 deemed necessary by the State Board of Pharmacy and the commission;  
 326 (8) The establishment of standards and procedures for testing low THC oil for levels of  
 327 tetrahydrocannabinol or other testing parameters deemed appropriate by the State Board  
 328 of Pharmacy and the commission;  
 329 (9) The establishment of health, safety, and security requirements for pharmacies and  
 330 other retail outlets dispensing low THC oil; and  
 331 (10) Requirements for the issuance of dispensing licenses to pharmacies and other retail  
 332 outlets.

333 16-12-207.

334 The General Assembly shall establish a Medical Cannabis Commission Oversight  
 335 Committee with two members appointed by the Lieutenant Governor and two members  
 336 appointed by the Speaker of the House of Representatives. Any member of the Medical  
 337 Cannabis Commission Oversight Committee shall be permitted to inspect any production  
 338 facility upon request and after reasonable notice is provided to the production facility.

339 Part 2

340 16-12-210.

- 341 (a) The commission shall have the following powers, duties, and responsibilities to  
 342 implement the provisions of this part:  
 343 (1) Issue licenses related to the production, growing, and manufacturing of low THC oil  
 344 in accordance with the provisions of this part;

- 345 (2) Coordinate with the Georgia Bureau of Investigation to implement security plans and  
 346 enforce the provisions of this part;
- 347 (3) Establish procedures for granting licenses, testing products, and inspecting facilities;  
 348 (4) Establish requirements and procedures to ensure quality control, security, and  
 349 oversight of all low THC oil production in this state, including, but not limited to,  
 350 conducting testing for purity and dosage levels and verifying that product labels  
 351 accurately reflect product content. The commission is authorized to contract with private  
 352 laboratories to perform the functions described in this paragraph;
- 353 (5) Establish procedures and ensure sufficient resources are available to receive and  
 354 resolve complaints from registered patients;
- 355 (6) Establish applications and forms necessary to carry out the provisions of this part;  
 356 (7) Establish criteria for applicants and licensees as necessary to ensure market stability  
 357 and adequate supply;
- 358 (8) Provide for the selection, implementation, and oversight of tracking systems;  
 359 (9) Provide oversight of licensee reporting, data collection, and analysis;  
 360 (10) Establish requirements and procedures for marketing and signage; and  
 361 (11) Promulgate rules and regulations and adopt policies and procedures necessary to  
 362 carry out the provisions of this part.
- 363 (b) The commission shall not promulgate any rules or regulations that would unduly  
 364 burden access to low THC oil by registered patients.
- 365 (c) All fees collected by the commission shall be remitted to the general fund of the state  
 366 treasury.

367 16-12-211.

- 368 (a) The commission may issue up to two Class 1 production licenses. A Class 1  
 369 production licensee shall be authorized to:
- 370 (1) Grow cannabis only in indoor facilities for use in producing low THC oil, limited to  
 371 100,000 square feet of cultivation space; and  
 372 (2) Manufacture low THC oil.
- 373 (b) Class 1 production licenses shall be issued to applicants selected by the commission  
 374 following a competitive application and review process in accordance with the  
 375 requirements set forth in this part. An applicant must be a Georgia corporation or entity  
 376 and shall maintain a bank account with a bank located in this state. An applicant for a  
 377 Class 1 production license shall submit an application on a form established by the  
 378 commission, together with the following information:
- 379 (1) Proof of available capital to make the investments needed to safely, securely, and  
 380 promptly perform all required functions of a licensee. Prior to issuance of a Class 1

381 production license, the applicant shall provide written documentation showing that on the  
382 date of application and award such applicant holds at least \$2 million in available cash  
383 reserves to invest in operations in this state;

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

389 (3) A comprehensive security plan that ensures compliance with the applicable laws of  
390 this state. At a minimum, a security plan shall include a 24 hours per day, seven days per  
391 week interior and exterior video monitoring and intrusion detection monitoring system,  
392 recording and video storage capabilities for all facilities, and licensed security personnel.  
393 The entire premises of licensees shall be equipped with a centralized access control  
394 system capable of generating detailed reports of access logs for a minimum of one year.  
395 All videos, access logs, and any other monitoring data shall be available to the Georgia  
396 Bureau of Investigation upon request. The commission is authorized to set requirements  
397 for the minimum technology, resolution, and storage capacity of at least 45 days for the  
398 video recording capabilities of licensees;

399 (4) A written plan detailing specific security measures to ensure secured transportation  
400 and tracking of delivered products for intrafacility transportation;

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

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

406 (7) Detailed designs of all production facilities;

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

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

414 (10) Documentation of the applicant's industry capabilities and management experience.  
415 The commission shall consider the relevant industry experience and strength of the  
416 applicant's management team and board of directors when considering its merits;

417 (11) Sufficient documentation to prove that a \$1.5 million cash bond payable to the State  
 418 of Georgia or an irrevocable letter of credit can be obtained within 30 days of license  
 419 award. Failure to provide the requisite bond or letter of credit within 30 days of the  
 420 license award date shall be cause for revocation of the license;

421 (12) At least one set of classifiable electronically recorded fingerprints submitted to the  
 422 commission in accordance with the fingerprint system of identification established by the  
 423 director of the Federal Bureau of Investigation. The commission shall transmit the  
 424 fingerprints to the Georgia Crime Information Center, which shall submit the fingerprints  
 425 to the Federal Bureau of Investigation for a search of bureau records and an appropriate  
 426 report and shall promptly conduct a search of state records based upon the fingerprints.  
 427 After receiving the report from the Georgia Crime Information Center and the Federal  
 428 Bureau of Investigation, the commission shall review the record for all owners, officers,  
 429 and employees of the applicant demonstrating a lack of convictions, except for felony  
 430 convictions that are greater than ten years old, are not drug related, or have been  
 431 expunged or pardoned; and

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

434 (c) An applicant for a Class 1 production license shall submit a nonrefundable application  
 435 fee in the amount of \$25,000.00 concurrent with submission of the application.

436 (d) Upon award of a Class 1 production license, an applicant shall be required to submit  
 437 an initial license fee of \$200,000.00, and upon annual renewal, a license renewal fee of  
 438 \$100,000.00.

439 (e) A Class 1 production license shall be revoked if the licensee is not operational  
 440 within 12 months of the award date.

441 (f)(1) No person or entity holding an ownership interest in a license issued under this  
 442 Code section may hold an ownership interest in any other type of license issued under  
 443 this part.

444 (2) No person or entity or director or officer of such entity may hold an ownership  
 445 interest in more than one Class 1 production license at any one time.

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

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

452 16-12-212.

453 (a) The commission may issue up to four Class 2 production licenses. A Class 2  
454 production licensee shall be authorized to:

455 (1) Grow cannabis only in indoor facilities for use in producing low THC oil, limited to  
456 50,000 square feet of cultivation space; and

457 (2) Manufacture low THC oil.

458 (b) Class 2 production licenses shall be issued to applicants selected by the commission  
459 following a competitive application and review process in accordance with the  
460 requirements set forth in this part. An applicant must be a Georgia corporation or entity  
461 and shall maintain a bank account with a bank located in this state. An applicant for a  
462 Class 2 production license shall submit an application on a form established by the  
463 commission, together with the following information:

464 (1) Proof of available capital to make the investments needed to safely, securely, and  
465 promptly perform all required functions of a licensee. Prior to issuance of a Class 2  
466 production license, the applicant shall provide written documentation showing that on the  
467 date of application and award such applicant holds at least \$1.25 million in available cash  
468 reserves to invest in operations in this state;

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

474 (3) A comprehensive security plan that ensures compliance with the applicable laws of  
475 this state. At a minimum, a security plan shall include a 24 hours per day, seven days per  
476 week interior and exterior video monitoring and intrusion detection monitoring system,  
477 recording and video storage capabilities for all facilities, and licensed security personnel.  
478 The entire premises of licensees shall be equipped with a centralized access control  
479 system capable of generating detailed reports of access logs for a minimum of one year.  
480 All videos, access logs, and any other monitoring data shall be available to the Georgia  
481 Bureau of Investigation upon request. The commission is authorized to set requirements  
482 for the minimum technology, resolution, and storage capacity of at least 45 days for the  
483 video recording capabilities of licensees;

484 (4) A written plan detailing specific security measures to ensure secured transportation  
485 and tracking of delivered products for intrafacility transportation;

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

- 488 (6) A written plan to ensure that no pesticides are used at any point in the production  
489 process other than those certified organic by the Organic Materials Review Institute or  
490 another similar standards organization;
- 491 (7) Detailed designs of all production facilities;
- 492 (8) Letters of support from one or more local governmental entities where the primary  
493 facilities will be located;
- 494 (9) A demonstration of significant involvement in the business by one or more minority  
495 business enterprises as defined in Code Section 50-5-131, either as co-owners of the  
496 business or as significant suppliers of goods and services for the business. Such  
497 applicants shall be encouraged to form business relationships with Georgia agricultural  
498 businesses and military veterans;
- 499 (10) Documentation of the applicant's industry capabilities and management experience.  
500 The commission shall consider the relevant industry experience and strength of the  
501 applicant's management team and board of directors when considering its merits;
- 502 (11) Sufficient documentation to prove that a \$625,000.00 cash bond payable to the State  
503 of Georgia or an irrevocable letter of credit can be obtained within 30 days of license  
504 award. Failure to provide the requisite bond or letter of credit within 30 days of the  
505 license award date shall be cause for revocation of the license;
- 506 (12) At least one set of classifiable electronically recorded fingerprints submitted to the  
507 commission in accordance with the fingerprint system of identification established by the  
508 director of the Federal Bureau of Investigation. The commission shall transmit the  
509 fingerprints to the Georgia Crime Information Center, which shall submit the fingerprints  
510 to the Federal Bureau of Investigation for a search of bureau records and an appropriate  
511 report and shall promptly conduct a search of state records based upon the fingerprints.  
512 After receiving the report from the Georgia Crime Information Center and the Federal  
513 Bureau of Investigation, the commission shall review the record for all owners, officers,  
514 and employees of the applicant demonstrating a lack of convictions, except for felony  
515 convictions that are greater than ten years old, are not drug related, or have been  
516 expunged or pardoned; and
- 517 (13) A description of any efforts made by the applicant to create jobs or locate facilities  
518 in tier one or tier two counties as defined in Code Section 48-7-40.
- 519 (c) An applicant for a Class 2 production license shall submit a nonrefundable application  
520 fee in the amount of \$5,000.00 concurrent with submission of the application.
- 521 (d) Upon award of a Class 2 production license, an applicant shall be required to submit  
522 an initial license fee of \$100,000.00, and upon annual renewal, a license renewal fee of  
523 \$50,000.00.

524 (e) A Class 2 production license shall be revoked if the licensee is not operational within  
 525 12 months of the award date.

526 (f)(1) No person or entity holding an ownership interest in a license issued under this  
 527 Code section may hold an ownership interest in any other type of license issued under  
 528 this part.

529 (2) No person or entity or director or officer of such entity may hold an ownership  
 530 interest in more than one Class 2 production license at any one time.

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

533 (g) In the event a license issued pursuant to this Code section is revoked by the  
 534 commission or surrendered by the licensee, the commission shall be authorized to issue a  
 535 replacement license through a competitive application and review process conducted in  
 536 accordance with this Code section.

537 16-12-213.

538 (a) The commission shall require that each Class 1 production licensee and Class 2  
 539 production licensee establish, maintain, and utilize, directly or by contract, a tracking  
 540 system. The commission shall approve one or more vendors to provide or operate tracking  
 541 systems.

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

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

546 (1) Dynamic allocation of resources;

547 (2) Data redundancy; and

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

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

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

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

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

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

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

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

559 (A) Amount of low THC oil sold;



- 560 (B) Amount of low THC oil inventory that is finished and available for sale;  
 561 (C) Amount of low THC oil that is in the process of transfer;  
 562 (D) Amount of low THC oil being processed into another form; and  
 563 (E) Amount of postharvest raw marijuana, such as marijuana that is in the drying,  
 564 trimming, or curing process;  
 565 (7) Reporting and tracking loss, theft, or diversion of marijuana or low THC oil;  
 566 (8) Reporting and tracking all inventory discrepancies;  
 567 (9) Reporting and tracking adverse patient responses or dose related efficacy issues;  
 568 (10) Reporting and tracking all sales and refunds;  
 569 (11) Tracking purchase limits and flagging purchases in excess of authorized limits;  
 570 (12) Receiving electronically submitted information required to be reported under this  
 571 Code section;  
 572 (13) Receiving testing results electronically from a laboratory via a secured application  
 573 program interface into the tracking system and directly linking the testing results to each  
 574 applicable source batch and sample;  
 575 (14) Flagging test results that have characteristics indicating that they may have been  
 576 altered;  
 577 (15) Providing information to cross-check that low THC oil sales are made to a  
 578 registered patient, caregiver, or designated caregiver and that the low THC oil received  
 579 the required testing;  
 580 (16) Providing the commission with real-time access to information in the tracking  
 581 system; and  
 582 (17) Providing real-time information to the commission regarding key performance  
 583 indicators, including:  
 584 (A) Total low THC oil daily sales;  
 585 (B) Total marijuana plants in production;  
 586 (C) Total marijuana plants destroyed; and  
 587 (D) Total inventory adjustments.  
 588 (e) A Class 1 production licensee or Class 2 production licensee shall supply the relevant  
 589 tracking or testing information regarding each plant, product, package, batch, test, transfer,  
 590 conversion, sale, recall, or disposition of marijuana or low THC oil in or from such  
 591 licensee's possession or control on forms created by the commission.
- 592 16-12-214.  
 593 (a) Beginning January 1, 2022, the commission shall undertake a retrospective study of the  
 594 participation of minority and women owned businesses as licensees under this part for the

595 period from January 1, 2020, through December 31, 2021. Thereafter, the commission  
 596 shall conduct such study every four years for the immediately preceding four-year period.

597 (b) The initial and subsequent studies conducted pursuant to subsection (a) of this Code  
 598 section shall identify any proof of discrimination based on race or gender in the issuance  
 599 of licenses under this part.

600 (c) In the event that any proof of discrimination based on race or gender in the issuance  
 601 of licenses under this part is identified, the commission shall be authorized to address such  
 602 proof of discrimination by:

603 (1) Issuing one additional Class 1 production license and two additional Class 2  
 604 production licenses to minority and women owned businesses;

605 (2) Reissuing any licenses that have been surrendered or revoked to minority or women  
 606 owned businesses; or

607 (3) A combination of the above.

608 (d) This Code section shall not require the commission to issue a license to any applicant  
 609 unless such applicant otherwise meets all requirements for licensure under this part.

610 16-12-215.

611 (a) No licensee shall operate in any location, whether for cultivation, harvesting, and  
 612 processing of marijuana or for processing, manufacturing, packaging, or distributing low  
 613 THC oil, within a 3,000 foot radius of a covered entity, measured from property boundary  
 614 to property boundary. No dispensing licensee may operate in any location within a 1,000  
 615 foot radius of a covered entity, measured from property boundary to property boundary.  
 616 As used in this subsection, the term 'covered entity' means a public or private school; an  
 617 early care and education program as defined in Code Section 20-1A-2; or a church,  
 618 synagogue, or other place of public religious worship, in existence prior to the date of  
 619 licensure of such licensee by the commission or State Board of Pharmacy.

620 (b) No licensee shall advertise or market low THC oil to registered patients or the public;  
 621 provided, however, that a licensee shall be authorized to provide information regarding its  
 622 low THC oil directly to physicians.

623 16-12-216.

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

630 16-12-217.

631 (a) All licensees shall provide on-demand access to facilities for inspection when requested  
 632 by the Georgia Bureau of Investigation, the commission, or the local law enforcement  
 633 agency for the jurisdiction in which the facility is located. The commission and the  
 634 Georgia Drugs and Narcotics Agency may each conduct one annual inspection. Upon  
 635 request by the Georgia Bureau of Investigation, the commission, the Georgia Drugs and  
 636 Narcotics Agency, or the local law enforcement agency for the jurisdiction in which the  
 637 facility is located, a licensee shall immediately provide product samples for the purposes  
 638 of laboratory testing.

639 (b) Each Class 1 production licensee and Class 2 production licensee shall contract with  
 640 a laboratory on the commission's approved list of independent laboratories, subject to any  
 641 requirements set by the commission, for purposes of testing low THC oil manufactured by  
 642 such licensees. Low THC oil shall be analyzed for potency, foreign matter, microbial  
 643 presence, pesticides, heavy metals, and residual solvents. The commission shall establish  
 644 limits for each item tested to verify that such low THC oil meets the requirements of this  
 645 part. The commission shall promulgate rules and regulations governing the operations of  
 646 laboratories for the testing of low THC oil. The costs of laboratory testing shall be paid by  
 647 the licensees. Each low THC oil product shall be required to pass all requirements  
 648 established by the commission before being distributed. Products that do not pass the  
 649 commission's requirements shall be destroyed by the licensee and proof of such destruction  
 650 shall be sent to the commission upon request.

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

654 16-12-218.

655 A licensee shall not be eligible for any tax credit allowed pursuant to any of the following  
 656 Code Sections: 48-7-29.8, 48-7-29.11, 48-7-40, 48-7-40.1, 48-7-40.2, 48-7-40.3, 48-7-40.4,  
 657 48-7-40.5, 48-7-40.7, 48-7-40.8, 48-7-40.9, 48-7-40.12, 48-7-40.17, 48-7-40.18,  
 658 48-7-40.20, 48-7-40.21, 48-7-40.22, 48-7-40.24, 48-7-40.25, 48-7-40.26, 48-7-40.26A,  
 659 48-7-40.27, 48-7-40.28, 48-7-40.29, 48-7-40.30, 48-7-40.31, 48-7-40.32, 48-7-40.33, or  
 660 48-7-40.35.

661 16-12-219.

662 (a) No individual convicted of a drug related felony shall be eligible to work as an  
 663 employee of a licensee or otherwise participate in the business activities of a licensee

664 conducted pursuant to this part unless the conviction has been expunged or the individual  
 665 has been pardoned or had his or her civil rights restored.

666 (b) No individual convicted of a nondrug related felony shall be eligible to work as an  
 667 employee of a licensee or otherwise participate in the business activities of a licensee  
 668 conducted pursuant to this part unless:

669 (1) The conviction has been expunged or the individual has been pardoned or had his or  
 670 her civil rights restored; or

671 (2)(A) The date of conviction is greater than ten years old; and

672 (B) The individual:

673 (i) Has been released from incarceration for at least five years; or

674 (ii) Agrees to submit to weekly drug screenings.

675 16-12-220.

676 (a) All working papers, recorded information, documents, and copies produced by,  
 677 obtained by, or disclosed to the commission pursuant to the activities conducted pursuant  
 678 to this part, other than information published in an official commission report regarding the  
 679 activities conducted pursuant to this article, shall be confidential data and shall not be  
 680 subject to Article 4 of Chapter 18 of Title 50; provided, however, that any contract,  
 681 memorandum of understanding, or cooperative endeavor agreement entered into by the  
 682 commission pursuant to this article shall be subject to Article 4 of Chapter 18 of Title 50.

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

686 16-12-221.

687 (a) The commission shall grant licenses under this part pursuant to contracts awarded  
 688 through competitive sealed bids or competitive sealed proposals as provided for in Article 3  
 689 of Chapter 5 of Title 50.

690 (b) Any contract for a license awarded pursuant to this subsection shall not be for less than  
 691 five years and may contain provisions for automatic renewal.

692 (c) No licensee shall subcontract for services for the cultivation or processing in any way  
 693 of marijuana if the subcontractor, or any of the service providers in the chain of  
 694 subcontractors, is owned wholly or in excess of 5 percent by any state employee or member  
 695 of a state employee's immediate family, including but not limited to any legislator,  
 696 state-wide public official, or employee of a designated university. For purposes of this  
 697 subsection, the term 'immediate family member' means a spouse, child, sibling, or parent  
 698 or the spouse of a child, sibling, or parent.

699 (d) No licensee shall give or receive anything of value in connection with any contract,  
 700 memorandum of understanding, or cooperative endeavor agreement executed pursuant to  
 701 this part except the value that is expressed in the contract, memorandum of understanding,  
 702 or cooperative endeavor agreement.

703 16-12-222.

704 (a) No license issued under this part shall transfer ownership within five years of issuance.

705 (b) All subsequent transfers of license ownership shall be approved by the commission to  
 706 become valid. The commission shall not unreasonably withhold approval of a license  
 707 transfer when the parties adequately demonstrate that a proposed new owner satisfies all  
 708 requirements necessary to obtain a license and that the transfer is in the best interest of  
 709 registered patients in this state.

710 (c) A licensee who has been denied transfer approval by the commission may file an  
 711 appeal in the Superior Court of Fulton County in accordance with Chapter 13 of Title 50,  
 712 the 'Georgia Administrative Procedure Act.'

713 (d) A license issued pursuant to this article:

714 (1) Is effective for a single business entity;

715 (2) Vests no property or right in the holder of the license except to conduct the licensed  
 716 business during the period the license is in effect;

717 (3) Is nontransferable, nonassignable by and between owners or location owners and  
 718 location operators, and not subject to execution; and

719 (4) Expires upon the death of an individual holder of a license or upon the dissolution  
 720 of any other holder of a license.

721 (e) Upon the sale of a licensee's business in its entirety, the buyer shall pay to the  
 722 commission, subject to approval, a transfer fee for the license that accompanies the  
 723 business in the following amounts:

724 (1) For the first sale of a:

725 (A) Class 1 production license business, a transfer fee for the license in the amount of  
 726 \$100,000.00; and

727 (B) Class 2 production license business, a transfer fee for the license in the amount of  
 728 \$12,500.00;

729 (2) For the second sale of a:

730 (A) Class 1 production license business, a transfer fee for the license in the amount of  
 731 \$150,000.00; and

732 (B) Class 2 production license business, a transfer fee for the license in the amount of  
 733 \$62,500.00;

734 (3) For the third sale of a:

- 735 (A) Class 1 production license business, a transfer fee for the license in the amount of  
 736 \$200,000.00; and  
 737 (B) Class 2 production license business, a transfer fee for the license in the amount of  
 738 \$112,500.00; and  
 739 (4) For the fourth or subsequent sale of a:  
 740 (A) Class 1 production license business, a transfer fee for the license in an amount to  
 741 be established by the commission, which shall be not less than \$200,000.00; and  
 742 (B) Class 2 production license business, a transfer fee for the license in an amount to  
 743 be established by the commission, which shall be not less than \$112,500.00.

744 16-12-223.

- 745 (a) A license shall be revoked by the commission if the licensee:  
 746 (1) Holds ownership interest in more than one category of license issued under this  
 747 article;  
 748 (2) Knowingly employs individuals convicted of a felony within the previous ten years  
 749 unless the conviction has been expunged or the individual has been pardoned or had his  
 750 or her civil rights restored;  
 751 (3) Utilizes pesticides other than pest management products that have been certified  
 752 organic by the Organic Materials Review Institute or another similar standards  
 753 organization;  
 754 (4) Fails to comply with inspection and access requirements in accordance with this part;  
 755 (5) Fails to be fully operational within 12 months of the date a license is awarded; or  
 756 (6) Fails to comply with any other provision or requirement of this part.  
 757 (b) A licensee whose license has been revoked by the commission may file an appeal in  
 758 the Superior Court of Fulton County in accordance with Chapter 13 of Title 50, the  
 759 'Georgia Administrative Procedure Act.'

760 16-12-224.

- 761 (a) No current member of the commission, or former member of the commission for a  
 762 period of five years from the date such individual ceased to be a member, shall own,  
 763 operate, have a financial interest in, or be employed by a low THC oil manufacturer or  
 764 distributor, including any licensee under this part.  
 765 (b) No physician who certifies individuals to the commission pursuant to Code  
 766 Section 31-2A-18 for the use of low THC oil to treat certain conditions shall own, operate,  
 767 have a financial interest in, or be employed by a low THC oil manufacturer or distributor,  
 768 including any licensee under this part. This subsection shall not prohibit a physician from  
 769 furnishing a registered patient or his or her caregiver, upon request, with the names of low

770 THC oil manufacturers or distributors. Any physician violating this Code section shall be  
 771 guilty of a misdemeanor.

772 (c) A licensee that makes a campaign contribution pursuant to Article 2 of Chapter 5 of  
 773 Title 21 shall identify itself as a licensee under this part to the recipient of such campaign  
 774 contribution.

775 16-12-225.

776 (a) A licensee or licensee's employee who knowingly or willfully encourages, causes,  
 777 abets, connives, conspires, or aids in the endangerment of patients, trafficking of low THC  
 778 oil or its manufacturing by-products, or criminal distribution of raw materials and  
 779 agricultural inputs, including but not limited to seeds, under this part shall be guilty of a  
 780 felony and, upon conviction thereof, be punished by a fine not to exceed \$100,000.00,  
 781 imprisonment for not less than five nor more than ten years, or both.

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

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

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

794 16-12-226.

795 The sale of low THC oil products authorized by this article shall be subject to all applicable  
 796 sales and use taxes.

797 Part 3

798 16-12-230.

799 (a) Low THC oil shall only be dispensed to registered patients in this state by a dispensing  
 800 licensee or directly from the commission pursuant to this article.

801 (b) A pharmacist who dispenses low THC oil shall seek and review information on a  
 802 registered patient from the prescription drug monitoring program data base established

803 pursuant to Code Section 16-13-57 prior to dispensing low THC oil to the registered  
804 patient.

805 16-12-231.

806 The following persons and entities, when acting in accordance with the provisions of this  
807 article, shall not be subject to arrest, prosecution, or any civil or administrative penalty,  
808 including a civil penalty or disciplinary action by a professional licensing board, or be  
809 denied any right or privilege, for the medical use, prescription, administration,  
810 manufacture, or distribution of low THC oil:

811 (1) A registered patient who is in possession of an amount of low THC oil authorized  
812 under Code Section 16-12-191 or such patient's caregiver, parent, or guardian;

813 (2) A physician who certifies a patient to the Department of Public Health as being  
814 diagnosed with a condition or in a hospice program and authorized to use low THC oil  
815 for treatment pursuant to Code Section 31-2A-18;

816 (3) A pharmacist or pharmacy that dispenses or provides low THC oil to a registered  
817 patient;

818 (4) The commission or its employees or contractors associated with the production of  
819 low THC oil in accordance with this article; and

820 (5) A designated university, an employee of a designated university, or any other person  
821 associated with the production of low THC oil in accordance with this article.

822 16-12-232.

823 A state employee is eligible for reimbursement for incurred counsel fees under Code  
824 Section 45-12-26 in the event of a federal criminal investigation or prosecution solely  
825 related to the employee's good faith discharge of public responsibilities under this article.

826 16-12-233.

827 It is the intent of the General Assembly that contracts related to the cultivation, harvesting,  
828 manufacturing, production, and distribution of cannabis solely for the manufacture of low  
829 THC oil pursuant to this article are not deemed contracts against public policy pursuant to  
830 Code Section 13-8-2 and shall be enforceable. No such contract shall be unenforceable on  
831 the basis that activities related to cannabis are prohibited by federal law.

832 16-12-234.

833 It shall be unlawful to ingest low THC oil in a manner that employs a heating element,  
834 power source, electronic circuit, or other electronic, chemical, or mechanical means,  
835 regardless of shape or size, that can be used to produce vapor in a solution or other form.



836 including but not limited to any electronic cigarette, electronic cigar, electronic cigarillo,  
 837 electronic pipe, or similar product or device and any vapor cartridge or other container of  
 838 low THC oil in a solution or other form that is intended to be used with or in an electronic  
 839 cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.

840 16-12-235.

841 (a) Notwithstanding anything to the contrary within this article, nothing herein shall be  
 842 construed to prohibit the conduct of research involving low THC oil or cannabis that is  
 843 conducted in full accordance with federal regulations, including the regulations of the  
 844 United States Food and Drug Administration and United States Drug Enforcement  
 845 Administration by any university or nonprofit institution of higher education within the  
 846 State of Georgia, provided that:

847 (1) The university researchers conducting the research have the appropriate federal and  
 848 state permits to acquire and use low THC oil or cannabis in clinical or preclinical  
 849 research; and

850 (2) The substances used for such research are obtained from licensed pharmaceutical  
 851 companies or through channels established by the United States government, such as the  
 852 National Institute on Drug Abuse.

853 (b) Nothing in this article shall be construed to prohibit research otherwise permitted by  
 854 Chapter 51 of Title 31.

855 16-12-236.

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

862 **SECTION 5.**

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

865 "2-11-36.

866 This article shall not apply to seeds used for the production of low THC oil in accordance  
 867 with Article 9 of Chapter 12 of Title 16 and no person shall be subject to regulation or  
 868 penalties pursuant to this article for growing, selling, offering for sale, exposing for sale,

869 or transporting in this state any seed used for the lawful production of low THC oil  
 870 pursuant to Article 9 of Chapter 12 of Title 16."

871 **SECTION 6.**

872 Code Section 31-2A-18 of the Official Code of Georgia Annotated, relating to establishment  
 873 of the Low THC Oil Patient Registry, is amended by revising subsections (d), (e), and (h) as  
 874 follows:

875 "(d) The department shall issue a registration card to individuals who have been certified  
 876 to the department by his or her physician as being diagnosed with a condition or is an  
 877 inpatient or outpatient in a hospice program and have been authorized by such physician  
 878 to use low THC oil as treatment. The department shall issue a registration card to a  
 879 caregiver when the circumstances warrant the issuance of such card. The board shall  
 880 establish procedures and promulgate rules and regulations to assist physicians in providing  
 881 required uniform information relating to certification and any other matter relating to the  
 882 issuance of certifications. In promulgating such rules and regulations, the board shall  
 883 require that physicians have a doctor-patient relationship when certifying an individual as  
 884 needing low THC oil and physicians shall be required to be treating such individual for the  
 885 specific condition requiring such treatment or be treating such individual in a hospice  
 886 program. A physician shall seek and review information about a patient from the  
 887 prescription drug monitoring program data base established pursuant to Code Section  
 888 16-13-57 prior to certifying such patient to the department as being diagnosed with a  
 889 specific condition that requires the use of low THC oil as treatment.

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

897 "(h) The board, in coordination with the Department of Public Health, shall annually  
 898 review the conditions included in paragraph (3) of subsection (a) of this Code section and  
 899 recommend additional conditions that have been shown through medical research to be  
 900 effectively treated with low THC oil. Such recommendations shall include recommended  
 901 dosages for a particular condition, patient responses to treatment with respect to the  
 902 particular condition, and drug interactions with other drugs commonly taken by patients  
 903 with the particular condition. Such recommendations shall be made jointly by the board

904 and the Department of Public Health to the General Assembly no later than December 1  
905 of each year."

906 **SECTION 7.**

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