

The House Committee on Judiciary Non-Civil offers the following substitute to HB 196:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 9 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,
2 relating to access to medical cannabis, so as to provide that the Georgia Access to Medical
3 Cannabis Commission shall be subject to the Administrative Procedure Act and laws
4 governing open meetings and open records; to provide for exceptions; to provide for
5 legislative oversight; to authorize the location of retail outlets for the dispensing of low THC
6 oil and products to registered patients at Class 1 and Class 2 production facilities; to
7 authorize the dispensing of low THC oil and products from any Class 1 or Class 2 production
8 licensee by any dispensing licensee; to provide for additional Class 1 and Class 2 production
9 licenses; to provide for criteria; to amend Code Section 31-2A-18 of the Official Code of
10 Georgia Annotated, relating to the Low THC Oil Patient Registry, so as to add ulcerative
11 colitis as a condition for which low THC oil may be used for treatment; to provide for related
12 matters; to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 **SECTION 1.**

15 Article 9 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to
16 access to medical cannabis, is amended by revising Code Section 16-12-202, relating to the

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17 creation of Georgia Access to Medical Cannabis Commission, terms, designation, meetings,
18 vacancy, and compensation, by adding a new subsection to read as follows:

19 "(f) The commission shall be subject to the provisions of Chapters 13 and 14 of Title 50
20 and, except as otherwise specifically provided in this article, the provisions of Article 4 of
21 Chapter 18 of Title 50."

22 **SECTION 2.**

23 Said article is further amended by revising Code Section 16-12-206, relating to annual,
24 nontransferable dispensing license, adoption of rules, and fees, as follows:

25 "16-12-206.

26 (a)(1) Upon request by a licensed pharmacy in this state, the State Board of Pharmacy
27 shall be authorized to develop an annual, nontransferable specialty dispensing license for
28 an independent pharmacy with a registered office located within this state to dispense low
29 THC oil and products to registered patients. The State Board of Pharmacy shall develop
30 rules and regulations regarding dispensing pharmacies in this state in accordance with the
31 requirements contained in subsection (b) of this Code section.

32 (2) The commission shall be authorized to issue five dispensing licenses to each Class
33 1 production licensee and each Class 2 production licensee for retail outlets to dispense
34 low THC oil and products to registered patients. In addition, the commission shall be
35 authorized to issue a dispensing license for a retail outlet to each Class 1 production
36 licensee and each Class 2 production licensee for the purpose of establishing a retail
37 outlet for the dispensing of low THC oil and products to registered patients at the location
38 of the Class 1 production licensee's production facility or at the location of the Class 2
39 production licensee's production facility. The commission shall ensure that dispensing
40 licenses shall be issued so that retail outlets are dispersed throughout the state. The
41 commission shall develop rules and regulations regarding retail dispensing licensees in
42 this state in accordance with the requirements contained in subsection (b) of this Code

43 section. The commission shall be authorized to issue one additional dispensing license
44 to each Class 1 and Class 2 production licensee when the Low THC Oil Patient Registry
45 established and maintained pursuant to Code Section 31-2A-18 reaches 25,000 patients
46 and for every increase of 10,000 patients thereafter.

47 (b) The State Board of Pharmacy and the commission shall separately adopt rules relating
48 to the dispensing of low THC oil and products, with the State Board of Pharmacy
49 promulgating rules and regulations for pharmacies that dispense low THC oil and products
50 and the commission promulgating rules and regulations for other retail outlets that dispense
51 low THC oil and products. Such rules shall include but not be limited to:

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

54 (2) Standards, procedures, and protocols for the dispensing of low THC oil and products
55 by a pharmacy with a dispensing license and by retail dispensing licensees and for the
56 utilization of a tracking system;

57 (3) Procedures and protocols to provide that no low THC oil or products may be sold to
58 or transferred to a location outside of this state;

59 (4) The establishment of standards, procedures, and protocols for determining the
60 amount of usable low THC oil and products that is necessary to constitute an adequate
61 supply for registered patients in this state to ensure uninterrupted availability for a period
62 of one month, including amounts for topical treatments;

63 (5) The establishment of standards, procedures, and protocols to ensure that all low THC
64 oil and products dispensed are consistently pharmaceutical grade;

65 (6) The establishment of standards and procedures for the revocation, suspension, and
66 nonrenewal of dispensing licenses;

67 (7) The establishment of other licensing, renewal, and operational standards which are
68 deemed necessary by the State Board of Pharmacy and the commission;

- 69 (8) The establishment of standards and procedures for testing low THC oil and products
70 for levels of tetrahydrocannabinol or other testing parameters deemed appropriate by the
71 State Board of Pharmacy and the commission;
- 72 (9) The establishment of health, safety, and security requirements for pharmacies and
73 retail dispensing licensees dispensing low THC oil and products; and
- 74 (10) Requirements for the issuance of dispensing licenses to pharmacies and Class 1 and
75 Class 2 production licensees.
- 76 (c) The commission shall be authorized, by rules and regulations, to establish fees for
77 dispensing licenses to Class 1 and Class 2 production licensees commensurate with the
78 location of the retail outlet and demand for low THC oil and products at such location.
- 79 (d) Each dispensing location shall be authorized to sell low THC oil and products from any
80 Class 1 or Class 2 production licensee in this state."

81 **SECTION 3.**

82 Said article is further amended by revising Code Section 16-12-207, relating to establishment
83 of Medical Cannabis Commission Oversight Committee, membership, inspections, provision
84 of information, plan for accredited lab testing, and patient and physician input, as follows:
85 "16-12-207.

86 (a) The There is created as a joint committee of the General Assembly shall establish a the
87 Georgia Access to Medical Cannabis Commission Legislative Oversight Committee with
88 two members appointed by the Lieutenant Governor and two members appointed by the
89 Speaker of the House of Representatives to be composed of the members of the House
90 Committee on Regulated Industries and the Senate Economic Development Committee.
91 The chairpersons of such committees shall serve as cochairpersons of the legislative
92 oversight committee. The oversight committee shall periodically inquire into and review
93 the operations of the Georgia Access to Medical Cannabis Commission, as well as
94 periodically review and evaluate the success with which the commission is accomplishing

95 its statutory duties and functions as provided in this chapter. The oversight committee may
96 conduct any independent audit or investigation of the commission that it deems necessary.
97 Any member of the Georgia Access to Medical Cannabis Commission Legislative
98 Oversight Committee shall be permitted to inspect any production facility upon request and
99 after reasonable notice is provided to the production facility.

100 (b) The commission shall promptly provide any document or information requested by the
101 legislative oversight committee that is in its possession, provided that the commission shall
102 not share documents containing data identifying individual patients or physicians,
103 information marked as trade secrets by applicants or licensees, information that in the view
104 of the commission would interfere with an ongoing licensing applicant selection process,
105 or information that in the judgment of the commission would create law enforcement or
106 security risks to the citizens of Georgia.

107 ~~(c) No later than August 1, 2021, the oversight committee shall recommend to the~~
108 ~~commission a process and plan for providing accredited lab testing of products produced~~
109 ~~by licensees and for labeling such products. The commission shall consider the~~
110 ~~recommendations of the oversight committee in adopting policies, procedures, and~~
111 ~~regulations regarding such testing and labeling~~ Reserved.

112 (d) The legislative oversight committee may regularly seek input from patients and
113 physicians as to the availability and quality of products produced pursuant to this chapter,
114 and recommend to the commission changes to policies, procedures, and regulations to
115 improve availability and quality. The commission shall consider such recommendations
116 in adopting policies, procedures, and regulations."

117 **SECTION 4.**

118 Said article is further amended by revising subsection (a) of Code Section 16-12-211, relating
119 to Class 1 production licenses, application fees, revocation, and limitation of ownership, as
120 follows:

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121 "(a) The commission may issue up to ~~two~~ six Class 1 production licenses, provided that
122 the total number of Class 1 and Class 2 production licenses shall not exceed 14 production
123 licenses. A Class 1 production licensee shall be authorized to:

124 (1) Grow cannabis only in indoor facilities for use in producing low THC oil, limited to
125 100,000 square feet of cultivation space; and

126 (2) Manufacture low THC oil and products."

127 **SECTION 5.**

128 Said article is further amended by revising subsection (a) of Code Section 16-12-212, relating
129 to Class 2 production licenses, application fees, revocation, and limitation of ownership, as
130 follows:

131 "(a) The commission may issue up to ~~four~~ 11 Class 2 production licenses, provided that
132 the total number of Class 1 and Class 2 production licenses shall not exceed 14 production
133 licenses. A Class 2 production licensee shall be authorized to:

134 (1) Grow cannabis only in indoor facilities for use in producing low THC oil, limited to
135 50,000 square feet of cultivation space; and

136 (2) Manufacture low THC oil and products."

137 **SECTION 6.**

138 Said article is further amended by revising subsection (a) of Code Section 16-12-221, relating
139 to contracts awarded through bids or proposals, minimum contract terms and renewals,
140 subcontracting, and giving or receiving things of value limited, by designating the existing
141 text as paragraph (1) and adding a new paragraph as follows:

142 "(2) No later than July 31, 2023, the commission shall award up to four additional
143 Class 1 production licenses and up to seven additional Class 2 production licenses. Such
144 licenses shall be awarded to the apparent successful applicants identified in the
145 commission's notices of intent to award, dated July 24, 2021, pursuant to its competitive

146 application request for proposals for Class 1 and Class 2 production licenses, and shall
 147 be awarded to those applicants that filed post-award protests of such notices of intent to
 148 award and appealed the administrative decisions denying such protests to the respective
 149 superior court and, where appropriate, state appellate court. A person that filed a
 150 post-award protest which is on appeal who had applied for both a Class 1 and a Class 2
 151 production license pursuant to such notices of intent to award shall choose which class
 152 of license such person wants to receive. A person designated under this paragraph shall
 153 be awarded or issued either a Class 1 or a Class 2 production license, but not both. The
 154 aggregate number of Class 1 and Class 2 production licenses awarded or issued under this
 155 paragraph shall not exceed eight licenses."

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SECTION 7.

157 Code Section 31-2A-18 of the Official Code of Georgia Annotated, relating to the Low THC
 158 Oil Patient Registry, is amended by revising paragraph (3) of subsection (a) as follows:

159 "(3) 'Condition' means:

- 160 (A) Cancer, when such disease is diagnosed as end stage or the treatment produces
- 161 related wasting illness or recalcitrant nausea and vomiting;
- 162 (B) Amyotrophic lateral sclerosis, when such disease is diagnosed as severe or end
- 163 stage;
- 164 (C) Seizure disorders related to a diagnosis of epilepsy or trauma related head injuries;
- 165 (D) Multiple sclerosis, when such disease is diagnosed as severe or end stage;
- 166 (E) Crohn's disease;
- 167 (F) Mitochondrial disease;
- 168 (G) Parkinson's disease, when such disease is diagnosed as severe or end stage;
- 169 (H) Sickle cell disease, when such disease is diagnosed as severe or end stage;
- 170 (I) Tourette's syndrome, when such syndrome is diagnosed as severe;

- 171 (J) Autism spectrum disorder, when such disorder is diagnosed for a patient who is at
172 least 18 years of age, or severe autism, when diagnosed for a patient who is less than
173 18 years of age;
- 174 (K) Epidermolysis bullosa;
- 175 (L) Alzheimer's disease, when such disease is diagnosed as severe or end stage;
- 176 (M) Acquired immune deficiency syndrome, when such syndrome is diagnosed as
177 severe or end stage;
- 178 (N) Peripheral neuropathy, when such symptoms are diagnosed as severe or end stage;
- 179 (O) Post-traumatic stress disorder resulting from direct exposure to or the witnessing
180 of a trauma for a patient who is at least 18 years of age; ~~or~~
- 181 (P) Intractable pain; or
- 182 (Q) Ulcerative colitis."

183

SECTION 8.

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