

House Bill 324 (AS PASSED HOUSE AND SENATE)

By: Representatives Gravley of the 67th, Newton of the 123rd, Powell of the 32nd, Smyre of the 135th, Clark of the 98th, and others

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.