House Bill 324 (COMMITTEE SUBSTITUTE) (AM)
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

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.
This Act shall be known and may be cited as "Georgia's Hope Act."

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SECTION 2.
The General Assembly finds that the establishment of the Low THC Oil Patient Registry in
2015 allows Georgia patients to possess low THC oil but provides no way to access low THC
oil. The General Assembly finds that thousands of Georgians have serious medical
conditions that can be improved by the medically approved use of cannabis and that the law
should not stand between them and treatment necessary for life and health. The General
Assembly finds that the purpose of this Act is to allow the legitimate use of medical cannabis
for health care, including palliative care. The General Assembly finds that this Act does not
in any way diminish this state's strong public policy and laws against illegal drug use, nor
should it be deemed in any manner to advocate, authorize, promote, or legally or socially
accept the use of marijuana for children or adults for any nonmedical use.

SECTION 3.
Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to offenses against
public health and morals, is amended by revising Code Section 16-12-191, relating to
possession, manufacture, distribution, or sale of low THC oil and penalties, as follows:
"16-12-191.
(a)(1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any
person to possess or have under his or her control 20 fluid ounces or less of low THC oil
if such substance is in a pharmaceutical container labeled by the manufacturer indicating
the percentage of tetrahydrocannabinol therein and:
(A) Such person is registered with the Department of Public Health as set forth in Code
Section 31-2A-18 and has in his or her possession a registration card issued by the
Department of Public Health; or
(B) Such person has in his or her possession a registration card issued by another state
that allows the same possession of low THC oil as provided by this state's law;
provided, however, that such registration card shall not be lawful authority when such
person has been present in this state for 45 days or more.
(2) Notwithstanding any provision of Chapter 13 of this title, any person who possesses
or has under his or her control 20 fluid ounces or less of low THC oil without complying
with paragraph (1) of this subsection shall be punished as for a misdemeanor.
(b)(1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any
person to possess or have under his or her control 20 fluid ounces or less of low THC oil
if:
(A) Such person is involved in a clinical research program being conducted by the
Board of Regents of the University System of Georgia or any authorized clinical trial
or research study in this state or their authorized agent pursuant to Chapter 51 of Title 60 as:

(i) A program participant;
(ii) A parent, guardian, or legal custodian of a program participant;
(iii) An employee of the board of regents designated to participate in the research program;
(iv) A program agent;
(v) A program collaborator and their designated employees;
(vi) A program supplier and their designated employees;
(vii) A program physician;
(viii) A program clinical researcher;
(ix) Program pharmacy personnel; or
(x) Other program medical personnel;

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

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

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

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

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

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

(2) If the quantity of low THC oil is at least 31,000 fluid ounces but less than 154,000 fluid ounces, by imprisonment for not less than seven years nor more than 15 years and a fine not to exceed $250,000.00; and
(3) If the quantity of low THC oil is 154,000 or more fluid ounces, by imprisonment for not less than ten years nor more than 20 years and a fine not to exceed $1 million.

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

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

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

SECTION 4.

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

"ARTICLE 9

16-12-200.

As used in this article, the term:

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

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

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

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

(5) 'Department' means the Department of Public Health.
(6) 'Dispense' means the sale or provision of low THC oil through a safe access retail outlet or home delivery.

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

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

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

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

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

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

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

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

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

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

16-12-201.

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

16-12-202.

(a) There is created the Office of Low THC Oil Control within the department. The department, through the office, shall be authorized to:
(1) Issue licenses related to the production, growing, manufacturing, and dispensing of low THC oil in accordance with the provisions of this article;

(2) Facilitate and coordinate the operation of the oversight board;

(3) Coordinate with the Georgia Bureau of Investigation to implement security plans and enforce the provisions of this article;

(4) Establish procedures for granting licenses, testing products, and inspecting facilities;

(5) Establish requirements and procedures to ensure quality control, security, and oversight of all low THC oil production in this state, including, but not limited to, conducting testing for purity and dosage levels and verifying that product labels accurately reflect product content. The department is authorized to contract with private laboratories to perform the functions described in this paragraph;

(6) Establish procedures and ensure sufficient resources are available to receive and resolve complaints from registered patients;

(7) Establish applications and forms necessary to carry out the provisions of this article;

(8) Establish criteria for applicants and licensees as necessary to ensure market stability and adequate supply;

(9) Provide for the selection, implementation, and oversight of tracking systems;

(10) Provide oversight of licensee reporting, data collection, and analysis;

(11) Establish requirements and procedures for marketing and signage; and

(12) Promulgate rules and regulations and adopt policies and procedures necessary to carry out the provisions of this article.

(b) The department shall not promulgate any rules or regulations that would unduly burden access to low THC oil by registered patients.

16-12-203.

(a) There is established the Low THC Oil License Oversight Board for the purpose of reviewing and approving applications pursuant to a competitive process for licenses issued under this article.

(b) The oversight board shall comprise 12 members as follows:

(1) The commissioner of public health or his or her designee;

(2) The commissioner of community affairs or his or her designee;

(2.1) The director of the Georgia Drugs and Narcotics Agency or his or her designee;

(3) The chairperson of the Georgia Composite Medical Board or his or her designee;

(4) Two members appointed by the Governor, one of whom shall be an attorney with expertise in professional licensing;
(5) Three members appointed by the President of the Senate, one of whom shall be an individual with expertise in corporate finance and one of whom shall be an owner of a minority business enterprise as defined in Code Section 50-5-131; and

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

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

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

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

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

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

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

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

16-12-204.

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

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

(2) Manufacture low THC oil;

(3) Operate up to five safe access retail outlets state wide for the sale of low THC oil to registered patients; and
(4) Provide home delivery of low THC oil to registered patients state wide through company owned and operated vehicles.

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

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

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

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

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

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

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

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

(8) Letters of support from one or more local governmental entities where the primary facilities will be located;
(9) A demonstration of significant involvement in the business by one or more minority business enterprises as defined in Code Section 50-5-131, either as co-owners of the business or as significant suppliers of goods and services for the business. Such applicants shall be encouraged to form business relationships with Georgia agricultural businesses and military veterans;

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

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

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

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

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

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

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

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

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

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

(2) No person or entity may hold an ownership interest in more than one Class 1 production license at any one time.
(3) Ownership interests in more than one license shall be cause for revocation of all licenses.

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

16-12-205.

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

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

(2) Manufacture low THC oil;

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

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

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

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

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

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

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

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

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

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

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

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

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

(10) Documentation of applicant's industry capabilities and management experience.

The oversight board shall consider the relevant industry experience and strength of the applicant's management team and board of directors when considering its merits;

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

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

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

(14) A description of any efforts made by the applicant to create jobs or locate facilities in tier one or tier two counties as defined in Code Section 48-7-40.
(c) An applicant for a Class 2 production license shall submit a nonrefundable application fee in the amount of $12,500.00 concurrent with submission of the application.

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

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

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

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

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

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

16-12-206.

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

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

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

(2) A comprehensive security plan that ensures compliance with the applicable laws of this state. At a minimum, a security plan shall include a 24 hours per day, seven days per week interior and exterior video monitoring and intrusion detection monitoring system.
recording and video storage capabilities for all facilities, and licensed security personnel.

The entire premises of licensees shall be equipped with a centralized access control system capable of generating detailed reports of access logs for a minimum of one year.

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

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

(4) Detailed designs of all retail facilities;

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

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

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

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

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

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

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

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

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

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

16-12-207.
(a) The department shall require that each Class 1 production licensee and Class 2
production licensee establish, maintain, and utilize, directly or by contract, a tracking
system. The department shall approve one or more vendors to provide or operate tracking
systems no later than December 1, 2019.
(b) A tracking system shall have the functions and capabilities described in subsections (c)
and (d) of this Code section and shall be operated in compliance with the federal Health
(c) The tracking system shall be hosted on a platform that allows for:
   (1) Dynamic allocation of resources;
   (2) Data redundancy; and
   (3) Recovery from natural disaster within 12 hours.
(d) The tracking system shall be capable of:
   (1) Tracking all plants, products, packages, and registered patients’ purchase totals,
       waste, transfers, conversions, sales, and returns that, if practicable, are linked to unique
       identification numbers;
   (2) Tracking lot and batch information throughout the entire chain of custody;
   (3) Tracking all marijuana and low THC oil throughout the entire chain of custody;
   (4) Tracking plant, batch, and marijuana and low THC oil destruction;
   (5) Tracking transportation of marijuana and low THC oil;
   (6) Performing complete batch recall tracking that clearly identifies all of the following
details relating to the specific batch subject to the recall:
       (A) Amount of low THC oil sold;
       (B) Amount of low THC oil inventory that is finished and available for sale;
       (C) Amount of low THC oil that is in the process of transfer;
       (D) Amount of low THC oil being processed into another form; and
       (E) Amount of postharvest raw marijuana, such as marijuana that is in the drying,
           trimming, or curing process;
   (7) Reporting and tracking loss, theft, or diversion of marijuana or low THC oil;
   (8) Reporting and tracking all inventory discrepancies;
   (9) Reporting and tracking adverse patient responses or dose related efficacy issues;
   (10) Reporting and tracking all sales and refunds;
   (11) Tracking purchase limits and flagging purchases in excess of authorized limits;
12. Receiving electronically submitted information required to be reported under this Code section;
13. Receiving testing results electronically from a laboratory via a secured application program interface into the tracking system and directly linking the testing results to each applicable source batch and sample;
14. Flagging test results that have characteristics indicating that they may have been altered;
15. Providing information to cross-check that low THC oil sales are made to a registered patient, caregiver, or designated caregiver and that the low THC oil received the required testing;
16. Providing the department with real-time access to information in the tracking system; and
17. Providing real-time information to the department regarding key performance indicators, including:
   A. Total low THC oil daily sales;
   B. Total marijuana plants in production;
   C. Total marijuana plants destroyed; and
   D. Total inventory adjustments.

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

16-12-208.
(a) No person may enter a safe access retail outlet unless he or she is an employee of the retail outlet, an employee of a licensee, or a registered patient or caregiver in possession of a valid registration card in accordance with Code Section 31-2A-18. A registered patient or caregiver in possession of a valid registration card in accordance with Code Section 31-2A-18 may obtain low THC oil from any safe access retail outlet in this state regardless of where he or she resides within this state.
(b) Prior to dispensing any low THC oil to a registered patient, a safe access retail outlet shall:
   1. Verify that the individual requesting the low THC oil is a registered patient or designated caregiver as set forth in Code Section 31-2A-18, using procedures developed by the department;
   2. Assign a tracking number to any low THC oil distributed;
(3) Properly package low THC oil in compliance with the federal Poison Prevention Packing Act regarding child resistant packaging and exemptions for packaging for elderly patients and shall label low THC oil with a list of all active ingredients and specific identifying information, including:

   (A) The patient's name and date of birth;
   (B) The name and date of birth of a caregiver or designated caregiver, if applicable;
   (C) The patient's registry identification number from his or her registration card; and
   (D) The chemical composition of the low THC oil; and

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

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

   (1) The amount and dosages of the low THC oil distributed;
   (2) The chemical composition of the low THC oil distributed; and
   (3) The tracking number assigned to the low THC oil distributed.

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

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

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

   (1) Contains the word 'marijuana' or any term commonly referring to marijuana used for recreational purposes;
   (2) Utilizes signs with green lighting;
   (3) Contains statements that are inconsistent with any statements on the labeling of products;
   (4) Advertises or markets marijuana or marijuana products in a manner intended to encourage persons under 21 years of age to consume such products;
   (5) Is attractive to children, including the use of toys or cartoon characters; or
   (6) Promotes the recreational or nonmedical use of marijuana.
16-12-210. Any Class 1 production licensee or Class 2 production licensee may operate one or more health consultation centers to provide information to registered patients and to arrange for the purchase of low THC oil from a licensed safe access retail outlet or through home delivery, so long as such centers have no low THC oil onsite.

16-12-211. The Georgia Bureau of Investigation shall be responsible for ensuring that all activities of licensees are conducted in accordance with this article and the laws of this state. In addition to other powers and duties, the Georgia Bureau of Investigation shall establish procedures to ensure that no activities conducted under this article result in the illegal or recreational use of low THC oil or manufacturing by-products and establish any other procedures necessary to carry out its duties and responsibilities pursuant to this article.

16-12-211.1. It shall be unlawful to ingest low THC oil in a manner that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor in a solution or other form, including but not limited to any electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device and any vapor cartridge or other container of low THC oil in a solution or other form that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.

16-12-212. (a) All licensees shall provide on-demand access to facilities for inspection when requested by the Georgia Bureau of Investigation or the department. Facility inspections may be unannounced and may occur at any time, with or without cause. Upon request by the Georgia Bureau of Investigation or the department, a licensee shall immediately provide product samples for the purposes of laboratory testing.

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

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

16-12-213.

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

16-12-214.

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

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

16-12-215.

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

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

(c) A licensee who has been denied transfer approval by the department may appeal the denial to the commissioner of public health. Thereafter, an appeal may be filed in the Superior Court of Fulton County in accordance with Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.'
16-12-216.
(a) A license may be revoked by the department if the licensee:
   (1) Holds ownership interest in more than one category of license issued under this article;
   (2) Employs individuals convicted of a felony within the previous ten years;
   (3) Utilizes pesticides other than pest management products that have been certified organic by the Organic Materials Review Institute or another similar standards organization;
   (4) Fails to comply with inspection and access requirements in accordance with this article;
   (5) Fails to be fully operational within 12 months of the date a license is awarded; or
   (6) Fails to comply with any other provision or requirement of this article.
(b) A licensee may appeal a revocation of a license by the department to the commissioner of public health to have such license reinstated. Thereafter, an appeal may be filed in the Superior Court of Fulton County in accordance with Chapter 13 of Title 50, the ‘Georgia Administrative Procedure Act.’

16-12-217.
(a) No current member of the oversight board, or former member of the oversight board for a period of five years from the date such individual ceased to be a member, shall own, operate, have a financial interest in, or be employed by a low THC oil manufacturer or distributor, including any licensee under this article.
(b) No physician who certifies individuals to the department pursuant to Code Section 31-2A-18 for the use of low THC oil to treat certain conditions shall own, operate, have a financial interest in, or be employed by a low THC oil manufacturer or distributor, including any licensee under this article. This subsection shall not prohibit a physician from furnishing a registered patient or his or her caregiver, upon request, with the names of low THC oil manufacturers or distributors. Any physician violating this Code section shall be guilty of a misdemeanor.
(c) A licensee that makes a campaign contribution pursuant to Article 2 of Chapter 5 of Title 21 shall identify itself as a licensee under this article to the recipient of such campaign contribution.

16-12-218.
(a) A licensee or licensee's employee who knowingly or willfully encourages, causes, abets, connives, conspires, or aids in the endangerment of patients, trafficking of low THC oil or its manufacturing by-products, or criminal distribution of raw materials and
agricultural inputs, including but not limited to seeds, under this article shall be guilty of
a felony and, upon conviction thereof, be punished by a fine not to exceed $100,000.00,
imprisonment for not less than five nor more than ten years, or both.

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

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

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

16-12-219.

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

SECTION 5.

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

“2-11-36.

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

SECTION 6.

Code Section 31-2A-18 of the Official Code of Georgia Annotated, relating to establishment
of the Low THC Oil Patient Registry, is amended by revising subsection (e) as follows:
(e) The board shall require physicians to issue semiannual reports to the board. Such reports shall require physicians to provide information, including, but not limited to, dosages recommended for a particular condition, patient clinical responses, levels of tetrahydrocannabinol or tetrahydrocannabinolic acid present in test results, compliance, responses to treatment, side effects, and drug interactions. Such reports shall be used for research purposes to determine the efficacy of the use of low THC oil as a treatment for conditions.

SECTION 7.

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