House Bill 1322

By: Representatives Cannon of the 172nd, Corbett of the 174th, Rhodes of the 124th, Williams of the 148th, Pirkle of the 169th, and others

A BILL TO BE ENTITLED AN ACT

- 1 To amend Chapter 23 of Title 2 of the Official Code of Georgia Annotated, relating to the
- 2 "Georgia Hemp Farming Act," so as to regulate consumable hemp products; to provide for
- 3 definitions; to provide for the establishment of delta-9-THC concentration; to require such
- 4 products be packaged in certain containers; to provide restrictions on the sale of consumable
- 5 hemp products; to provide restrictions on advertisements of such products; to provide for a
- 6 restriction on the location of retail establishments that sell such products; to provide
- 7 restrictions on the advertisement or representation of such retail establishments; to conform
- 8 terminology; to provide effective dates; to provide for related matters; to repeal conflicting
- 9 laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

- 12 Chapter 23 of Title 2 of the Official Code of Georgia Annotated, relating to the "Georgia
- Hemp Farming Act," is amended by revising Code Section 2-23-3, relating to definitions, as
- 14 follows:

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- 15 "2-23-3.
- 16 As used in this chapter, the term:

17 (1) 'Attractive to children' means the use of any images, words, shapes, or colors that are

- designed or likely to appeal to children, including, but not limited to, cartoons, animals,
- 19 toys, novel shapes, bright or vivid colors, animations, promotional characters, licensed
- 20 <u>characters, depictions of children, or depictions of candy, snacks, or other food products.</u>
- 21 (1.1) 'Commercial sale' means the sale of products in the stream of commerce at retail,
- at wholesale, and online.
- 23 (1.2) 'Consumable hemp product' means a hemp product intended to be ingested,
- 24 <u>absorbed</u>, or inhaled by humans or animals.
- 25 (2) 'Cultivate' means to plant, water, grow, and harvest a plant or crop.
- 26 (2.1) 'Delta-9-THC' means delta-9-tetrahydrocannabinol.
- 27 (2.2) 'Delta-9-THCA' means delta-9-tetrahydrocannabinolic acid.
- 28 (3) 'Federally defined THC level for hemp' means a delta-9-THC concentration of not
- 29 more than 0.3 percent on a dry weight basis, or as defined in 7 U.S.C. Section 16390,
- 30 whichever is greater Reserved.
- 31 (4) 'Handle' means to possess or store hemp plants for any period of time on premises
- owned, operated, or controlled by a person licensed to cultivate or permitted to process
- hemp, or to possess or store hemp plants in a vehicle for any period of time other than
- during the actual transport of such plants from the premises of a person licensed to
- cultivate or permitted to process hemp or a college or university authorized to conduct
- research pursuant to Code Section 2-23-4 to the premises of another licensed or permitted
- person or to a college or university authorized to conduct research pursuant to Code
- 38 Section 2-23-4; provided, however, that this such term shall not include possessing or
- 39 storing finished hemp products.
- 40 (5) 'Hemp' means the Cannabis sativa L. plant and any part of such plant, including the
- seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts
- of isomers, whether growing or not, with the federally defined THC level for hemp or a
- 43 lower level a total delta-9-THC concentration that does not exceed the legal limit.

44 (6) 'Hemp products' means all products with the federally defined THC level for hemp
45 a total delta-9-THC concentration that does not exceed the legal limit that are derived
46 from, or made by, processing hemp plants or plant parts and that are prepared in a form
47 available for legal commercial sale, but not including food products infused with THC

unless approved by the United States Food and Drug Administration.

- (7) 'Key participant' means a sole proprietor, a partner in a partnership, or a person with executive managerial control in a corporation when such sole proprietor, partnership, or corporation is an applicant to be a licensee or a permittee. A person with executive managerial control in a corporation includes persons serving as a chief executive officer, chief operating officer, chief financial officer, or any other individual identified in regulations promulgated by the department. This Such term shall not include nonexecutive managers, such as farm, field, or shift managers.
- 56 (7.1) 'Legal limit' means a total delta-9-THC concentration that is the greater of:
- 57 (A) 0.3 percent; or

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- 58 (B) The percentage limit set forth in 7 U.S.C. Section 1639o.
- (8) 'Licensee' means an individual or business entity possessing a hemp grower license issued by the department under the authority of this chapter to handle and cultivate hemp
- in the State of Georgia.
- 62 (9) 'Permittee' means an individual or business entity possessing a hemp processor permit 63 issued by the department under the authority of this chapter to handle and process hemp
- in the State of Georgia.
- 65 (10)(A) 'Process' or 'processing,' except as otherwise provided in subparagraph (B) of
- this paragraph, means converting an agricultural commodity into a legally marketable
- 67 form.
- 68 (B) Such term shall not include:
- (i) Merely placing raw or dried material into another container or packaging raw or dried material for resale; or

71 (ii) Traditional farming practices such as those commonly known as drying, shucking and bucking, storing, trimming, and curing.

- 73 (11) 'Research' or 'researching' means experimental field, greenhouse, or laboratory
- activity for the ultimate purpose of developing new hemp varieties and products,
- 75 improving existing hemp products, developing new uses for existing hemp products, or
- developing or improving methods for producing hemp products.
- 77 (12) 'THC' means tetrahydrocannabinol, tetrahydrocannabinolic acid, or a combination
- of tetrahydrocannabinol and tetrahydrocannabinolic acid.
- 79 (13) 'Total delta-9-THC concentration' means a concentration of delta-9-THC as
- determined by Code Section 2-23-3.1."

81 SECTION 2.

- 82 Said chapter is further amended by adding a new Code section to read as follows:
- 83 "<u>2-23-3.1.</u>
- For purposes of this chapter, delta-9-THC concentration shall be established by:
- 85 (1) Identifying the total percentage weight, on a dry weight basis where applicable, of
- delta-9-THC from a sample that has undergone decarboxylation such that all
- 87 <u>delta-9-THCA in the sample has been converted to delta-9-THC; or</u>
- 88 (2) Identifying the sum of the percentage by weight, on a dry weight basis where
- applicable, of delta-9-THCA multiplied by 0.877 plus the percentage by weight of
- 90 delta-9-THC, on a dry weight basis where applicable."
- 91 SECTION 3.
- 92 Said chapter is further amended in Code Section 2-23-7, relating to business agreements,
- 93 transportation, and reimbursement for crop destruction, by revising division (b)(1)(A)(ii) as
- 94 follows:

"(b)(1)(A) All hemp being shipped, transported, or otherwise delivered into, within, or through this state must be accompanied by documentation sufficient to prove that the hemp being shipped, transported, or delivered:

- (i) Was lawfully produced under a state or tribal hemp plan approved by the United States Department of Agriculture, under a hemp license issued by the United States Department of Agriculture, or otherwise in accordance with federal regulations through the state or territory of the Indian tribe, as applicable; and
- (ii) Does not exceed the federally defined THC level for hemp Has a total delta-9-THC concentration that does not exceed the legal limit."

SECTION 4.

Said chapter is further amended by revising Code Section 2-23-8, relating to sampling and random testing of hemp, as follows:

107 "2-23-8.

- (a)(1) The department shall have the right, either through its own personnel or through an independent contractor as provided for in Code Section 2-23-9, to collect samples of hemp for testing as provided for in this chapter from the fields and greenhouses of all licensees. Samples shall be representative of each lot with the same global positioning coordinates. No hemp shall be harvested until such samples are collected. Such testing, and the harvesting of the hemp tested, shall be conducted in compliance with this chapter and with regulations promulgated by the department.
- (2) In the event that a test sample reveals that a sample of hemp has a total delta-9-THC concentration that exceeds the legal limit of more than the federally defined THC level for hemp, the licensee's entire lot with the same global positioning coordinates shall be disposed of in compliance with this chapter and with regulations promulgated by the department.

(b)(1) The department shall, as provided for in Code Section 2-23-9, randomly test hemp products of the facilities of all permittees. Such testing shall be conducted in compliance

- with this chapter and with regulations promulgated by the department.
- 123 (2) In the event that a test sample reveals that a sample of hemp products has a total
- delta-9-THC concentration that exceeds the legal limit of more than the federally defined
- 125 THC level for hemp, all related hemp products shall be disposed of in compliance with
- this chapter and with regulations promulgated by the department.
- 127 (3) In the event that THC is removed from hemp during processing and not subsequently
- returned to hemp products produced from such hemp, such THC shall be disposed of in
- compliance with this chapter and with regulations promulgated by the department."

130 SECTION 5.

- 131 Said chapter is further amended by adding a new Code section to read as follows:
- 132 <u>"2-23-9.1.</u>
- 133 (a) No consumable hemp product shall be sold or otherwise distributed in this state unless
- such product is packaged in a container that:
- (1) Is composed of materials designed to minimize exposure to light and mitigate
- exposure to high temperatures;
- 137 (2) Is not attractive to children;
- 138 (3) Does not bear any reasonable resemblance to any existing candy, snack, or other food
- product that is widely distributed and familiar to the public; and
- 140 (4) Is tamper evident and child resistant.
- (b) No consumable hemp product shall be advertised in this state in any manner that:
- (1) Is attractive to children; or
- (2) Suggests that such product constitutes or contains low THC oil, as such term is
- defined in Code Section 16-12-190, or otherwise constitutes or contains medical
- 145 <u>marijuana or medical cannabis."</u>

146 **SECTION 6.** 147 Said chapter is further amended by adding a new Code section to read as follows: 148 "2-23-9.2. 149 (a) On or after July 1, 2024, no person shall create or begin operating in this state a retail establishment that sells or otherwise distributes consumable hemp products to consumers 150 that is located within 1,000 feet of any educational institution, public or private, providing 151 elementary or secondary education to children at any level, kindergarten through twelfth 152 153 grade, or the equivalent thereof if grade divisions are not used by such institution. 154 (b)(1) As used in this subsection, the term: 155 (A) 'Dispensing license' shall have the same meaning as provided in Code Section 16-12-200. 156 (B) 'Low THC oil' shall have the same meaning as provided in Code 157 158 Section 16-12-190. (2) No person operating a retail establishment in this state that sells or otherwise 159 160 distributes consumable hemp products to consumers shall advertise or represent such 161 establishment as selling or otherwise distributing or being a dispensary of low THC oil 162 or products containing low THC oil unless such person holds a dispensing license." 163 **SECTION 7.** 164 Said chapter is further amended in Code Section 2-23-10, relating to enforcement, corrective 165 action plan, revocation of licenses, and reporting of licensees and permittees to the Attorney General, by revising paragraph (1) of subsection (b) as follows: 166 "(b)(1) A licensee or permittee under this chapter shall be required to conduct a 167 corrective action plan if the Commissioner determines that the licensee or permittee has 168 169 negligently violated this chapter or has violated rules and regulations promulgated by the 170 department pursuant to this chapter by:

171 (A) Failing to provide a legal description and global positioning coordinates sufficient 172 for locating fields and greenhouses the licensee uses to cultivate and harvest hemp or 173 facilities at which the permittee processes hemp; 174 (B) Failing to properly obtain a license or permit from the department; (C) Producing Cannabis sativa L. with more than the federally defined THC level for 175 176 hemp a total delta-9-THC concentration that exceeds the legal limit; or 177 (D) Otherwise negligently violating this chapter." 178 **SECTION 8.** 179 Said chapter is further amended in Code Section 2-23-11, relating to plan for regulation and 180 approval, by revising paragraph (2) of subsection (a) as follows: 181 "(2) A procedure to test the total delta-9-THC concentration of a sample levels, by using 182 post-decarboxylation or other similarly reliable methods, for hemp produced in this state;" 183 **SECTION 9.** 184 Said chapter is further amended by revising Code Section 2-23-12, relating to rules and 185 regulations, as follows: 186 "2-23-12. 187 The department, in consultation with the Georgia Bureau of Investigation, shall may promulgate rules and regulations as necessary to implement the provisions of this chapter. 188 189 Such rules and regulations shall include the plan provided for in Code Section 2-23-11 190 upon the approval of such plan by the secretary of agriculture of the United States." 191 **SECTION 10.** 192 (a) Except as provided for in subsection (b) of this section, this Act shall become effective 193 on October 1, 2024. 194 (b) Section 6 of this Act shall become effective on July 1, 2024.

195 **SECTION 11.**

All laws and parts of laws in conflict with this Act are repealed. 196