

House Bill 1532

By: Representatives Ridley of the 6th, Gravley of the 67th, Rhodes of the 120th, and Corbett of the 174th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 23 of Title 2 of the Official Code of Georgia Annotated, relating to hemp
2 farming, so as to provide for intent; to provide for definitions; to provide for license and
3 permit fees; to provide for retail hemp food establishment licenses and wholesale hemp food
4 establishment licenses; to provide for bonds; to provide for related matters; to provide for an
5 effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 23 of Title 2 of the Official Code of Georgia Annotated, relating to hemp farming,
9 is amended in Code Section 2-23-2, relating to intent, by revising paragraphs (5) and (6) and
10 by adding a new paragraph to read as follows:

11 "(5) Balance the desire to explore the cultivation and processing of hemp with public
12 health, safety, and welfare regarding the potential for unwanted and unlawful uses of
13 chemical elements of hemp; ~~and~~

14 (6) Enable the department, licensees, and universities to promote the cultivation and
15 processing of hemp and the commercial sale of hemp products; and

16 (7) Have revenue produced as a result of this chapter appropriated to the department for
17 costs of administering this chapter."

18 **SECTION 2.**

19 Said chapter is further amended in Code Section 2-23-3, relating to definitions, by revising
20 paragraph (6) and paragraph (12) and by adding new paragraphs to read as follows:

21 "(6) 'Hemp products' means ~~all products with the federally defined THC level for hemp~~
22 ~~derived from, or made by, processing hemp plants or plant parts that are prepared in a~~
23 ~~form available for legal commercial sale, but not including food products infused with~~
24 ~~THC unless approved by the United States Food and Drug Administration~~ a finished
25 product with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent
26 that is derived from or made by processing a hemp plant or plant part and prepared in a
27 form available for commercial sale. Such term includes cosmetics, personal care
28 products, food intended for human or animal consumption, cloth, cordage, fiber, fuel,
29 paint, paper, particleboard, plastics, and any product containing one or more hemp
30 derived cannabinoids, such as cannabidiol. Hemp products shall not be considered
31 controlled substances due to the presence of hemp or hemp derived cannabinoids."

32 "(12) 'Retail hemp food establishment license' means a license issued by the department
33 under the authority of this chapter to a food establishment that prepares or sells
34 prepackaged food consisting of or containing hemp extract to an end consumer.

35 (13) 'THC' means tetrahydrocannabinol, tetrahydrocannabinolic acid, or a combination
36 of tetrahydrocannabinol and tetrahydrocannabinolic acid.

37 (14) 'Wholesale hemp food establishment license' means a license issued by the
38 department under the authority of this chapter to a food establishment that manufactures,
39 processes, packs, holds, or prepares food consisting of or containing hemp extract for sale
40 to other businesses."

41 **SECTION 3.**

42 Said chapter is further amended in Code Section 2-23-5, relating to procedure for licensing,
43 fees, licensing requirements, and limitations on licenses, by revising paragraph (2) of
44 subsection (a) as follows:

45 "(2) Hemp grower licenses shall be issued for one calendar year at an annual license fee
46 of \$50.00 per acre cultivated up to a maximum license fee of ~~\$5,000.00~~ \$650.00."

47 **SECTION 4.**

48 Said chapter is further amended in Code Section 2-23-6, relating to procedure for permitting,
49 and limitations on permits and interests, by revising subsection (e) as follows:

50 "(e) Hemp processor permits shall be issued for one calendar year at an annual permit fee
51 of ~~\$25,000.00~~ \$650.00, so long as no administrative action has been taken by the
52 department regarding such permittee under this chapter."

53 **SECTION 5.**

54 Said chapter is further amended in Code Section 2-23-6.1, relating to bond requirements,
55 breach of bond, hearing, enforcement, and insufficient bond funds, by revising subsection (a)
56 as follows:

57 "(a) Any applicant for a hemp processor permit shall make and deliver to the
58 Commissioner a surety bond executed by a surety corporation authorized to transact
59 business in this state and approved by the Commissioner. Any and all bond applications
60 shall be accompanied by a certificate of good standing issued by the Commissioner of
61 Insurance. If any company issuing a bond shall be removed from doing business in this
62 state, it shall be the duty of the Commissioner of Insurance to notify the Commissioner
63 within 30 days. The bond shall be in such amount as the Commissioner may determine,
64 not exceeding an amount equal to 2 percent of the amount of hemp purchased from
65 licensees by the permittee in the most recent calendar year; provided, however, that the

66 minimum amount of such bond shall be ~~\$300,000.00~~ \$100,000.00 and the maximum
67 amount shall be \$1,000,000.00. Such bond shall be upon a form prescribed or approved
68 by the Commissioner and shall be conditioned to secure the faithful accounting for and
69 payment to licensees for hemp purchased by such permittee as well as to secure the
70 permittee's compliance with the requirements of this chapter. Whenever the Commissioner
71 shall determine that a previously approved bond has for any cause become insufficient, the
72 Commissioner may require an additional bond or bonds to be given in compliance with this
73 Code section. Unless the additional bond or bonds are given within the time fixed by
74 written demand therefor, or if the bond of a permittee is canceled, the permit of such
75 permittee shall be immediately revoked by operation of law without notice or hearing, and
76 such permittee shall be ineligible to reapply for such permit for a period of four years after
77 such revocation."

78 **SECTION 6.**

79 Said chapter is further amended by adding a new Code Section to read as follows:

80 "2-23-6.2.

81 (a) A retail hemp food establishment license shall be issued by the department's Food
82 Safety Division. Such license shall be issued for one calendar year at an annual permit fee
83 of \$650.00.

84 (b) A wholesale hemp food establishment license shall be issued by the department's Food
85 Safety Division. Such license shall be issued for one calendar year at an annual permit fee
86 of \$650.00.

87 **SECTION 7.**

88 This Act shall become effective upon its approval by the Governor or upon its becoming law
89 without such approval.

90

SECTION 8.

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