

Senate Bill 479

By: Senator Williams of the 27th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 8 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,
2 relating to regulation of low THC oil, so as to provide for certain circumstances for the
3 lawful possession or control of certain quantities of low THC oil and medical marijuana; to
4 amend Chapter 2A of Title 31 of the Official Code of Georgia Annotated, relating to the
5 Department of Public Health, so as to establish the Medical Marijuana Patient Registry; to
6 provide for licensing for cultivation of marijuana for the purpose of producing, processing,
7 and dispensing medical marijuana in this state; to provide for criteria for certain cultivation
8 and production licenses; to provide for state postsecondary educational institutions to have
9 the option to bid on production facility licenses; to provide for rules and regulations; to
10 provide for related matters; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 style="text-align:center">**SECTION 1.**

13 Article 8 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to
14 regulation of low THC oil, is amended in Code Section 16-12-191, relating to possession,
15 manufacture, distribution, or sale of low THC oil and penalties, by adding new subsections
16 to read as follows:

17 "(a.1)(1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for
18 any person to possess or have under his or her control ten ounces or less of medical
19 marijuana if such substance is in a pharmaceutical container labeled by the manufacturer
20 pursuant to Code Section 31-2A-18 and:

21 (A) Such person is registered with the Department of Public Health as set forth in Code
22 Section 31-2A-18 and has in his or her possession a registration card issued by the
23 Department of Public Health; or

24 (B) Such person has in his or her possession a registration card issued by another state
25 that allows the same possession of medical marijuana as provided by state law;

26 provided, however, that such registration card shall not be considered lawful authority
27 when such person has been present in this state for 45 days or more.

28 (2) Notwithstanding any provision of Chapter 13 of this title, any person who possesses
29 or has under his or her control ten ounces or less of medical marijuana without complying
30 with paragraph (1) of this subsection shall be punished as for a misdemeanor."

31 "(b.1) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any
32 person to possess or have under his or her control any quantity of low THC oil if such
33 person is involved in a business licensed to dispense, extract, process, produce, or transport
34 medical marijuana pursuant to Code Section 31-2A-18 as:

35 (1) A licensee employee;

36 (2) A licensee agent;

37 (3) A licensee board member or director; or

38 (4) A licensee subcontractor, including but not limited to a laboratory, a transportation
39 entity, a construction contractor, or any other supplier of goods or services to any licensed
40 dispensary or licensed production facility, which shall include any such production
41 facility licensee affiliated with a postsecondary educational institution within this state
42 or an independent production facility licensee."

43 "(e.1) Subsection (d) of this Code section shall not apply to any person involved in a
44 business licensed to dispense, extract, process, produce, or transport low THC oil pursuant
45 to Code Section 31-2A-18 if such person is acting in his or her capacity as a licensee
46 employee, agent, board member, director, or subcontractor, including but not limited to a
47 laboratory, a transportation entity, a construction contractor, or any other supplier of goods
48 or services to any licensed dispensary or licensed production facility, which shall include
49 any such production facility licensee affiliated with a postsecondary educational institution
50 within this state or an independent production facility licensed by the Department of Public
51 Health pursuant to Code Section 31-2A-18, provided that such dispensing, extracting,
52 processing, production, or transportation is solely for the purposes set forth in Code
53 Section 31-2A-18.

54 (e.2) Notwithstanding any provision of Chapter 13 of this title, it shall be lawful for any
55 person to sell, manufacture, transport, grow, or have possession of a quantity of marijuana
56 if such person is acting in his or her capacity in a business licensed with the Department
57 of Public Health to sell, manufacture, transport, grow, or otherwise have possession of a
58 quantity of medical marijuana pursuant to Code Section 31-2A-18 and if such sale,
59 manufacture, transportation, growth, or possession of marijuana is solely for the purposes
60 set forth in Code Section 31-2A-18."

61 **SECTION 2.**

62 Said article is further amended in Code Section 16-12-191, relating to possession,
 63 manufacture, distribution, or sale of low THC oil and penalties, by revising subsection (c)
 64 as follows:

65 "(c) Notwithstanding any provision of Chapter 13 of this title, any person having
 66 possession of or under his or her control more than 20 fluid ounces of low THC oil but less
 67 than 160 fluid ounces of low THC oil or who manufactures, distributes, dispenses, sells,
 68 or possesses with the intent to distribute low THC oil without complying with subsection
 69 (b.1) of this Code section shall be guilty of a felony, and upon conviction thereof, shall be
 70 punished by imprisonment for not less than one nor more than ten years, a fine not to
 71 exceed \$50,000.00, or both."

72 **SECTION 3.**

73 Chapter 2A of Title 31 of the Official Code of Georgia Annotated, relating to the Department
 74 of Public Health, is amended by revising Code Section 31-2A-18, relating to the
 75 establishment of the Low THC Oil Patient Registry, definitions, purpose, registration cards,
 76 semiannual reports, and waiver forms, as follows:

77 "31-2A-18.

78 (a) As used in this Code section, the term:

79 (1) 'Board' means the Georgia Composite Medical Board.

80 (2) 'Caregiver' means the parent, guardian, or legal custodian of an individual who is less
 81 than 18 years of age or the legal guardian of an adult.

82 (3) 'Condition' means:

83 (A) Cancer, when such disease is diagnosed as end stage or the treatment produces
 84 related wasting illness or recalcitrant nausea and vomiting;

85 (B) Amyotrophic lateral sclerosis, when such disease is diagnosed as severe or end
 86 stage;

87 (C) Seizure disorders related to a diagnosis of epilepsy or trauma related head injuries;

88 (D) Multiple sclerosis, when such disease is diagnosed as severe or end stage;

89 (E) Crohn's disease;

90 (F) Mitochondrial disease;

91 (G) Parkinson's disease, when such disease is diagnosed as severe or end stage;

92 (H) Sickle cell disease, when such disease is diagnosed as severe or end stage;

93 (I) Tourette's syndrome, when such syndrome is diagnosed as severe;

94 (J) Autism spectrum disorder, when such disorder is diagnosed for a patient who is at
 95 least 18 years of age, or severe autism, when diagnosed for a patient who is less than
 96 18 years of age;

- 97 (K) Epidermolysis bullosa;
- 98 (L) Alzheimer's disease, when such disease is diagnosed as severe or end stage;
- 99 (M) Acquired immune deficiency syndrome, when such syndrome is diagnosed as
100 severe or end stage; or
- 101 (N) Peripheral neuropathy, when such symptoms are diagnosed as severe or end stage.
- 102 (4) 'Department' means the Department of Public Health.
- 103 (5) 'Low THC oil' shall have the same meaning as set forth in Code Section 16-12-190.
- 104 (5.1) 'Medical marijuana' means all parts of the plant of the genus Cannabis, whether
105 growing or not, the seed thereof, the resin extracted from any part of such plant, and
106 every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its
107 seed, or resin that has been converted into a liquid or solid substance. Such term shall
108 include low THC oil.
- 109 (6) 'Physician' means an individual licensed to practice medicine pursuant to Article 2
110 of Chapter 34 of Title 43.
- 111 (7) 'Registry' means the ~~Low THC Oil~~ Medical Marijuana Patient Registry.
- 112 (b) There is established within the department the ~~Low THC Oil~~ Medical Marijuana
113 Patient Registry.
- 114 (c) The purpose of the registry is to provide a registration of individuals and caregivers
115 who have been issued registration cards. The department shall establish procedures and
116 promulgate rules and regulations for the establishment and operation of the registration
117 process and dispensing of registry cards to individuals and caregivers.
- 118 (d) The department shall issue a registration card to individuals who have been certified
119 to the department by his or her physician as being diagnosed with a condition or is an
120 inpatient or outpatient in a hospice program and have been authorized by such physician
121 to use ~~low THC oil~~ medical marijuana as treatment. The department shall issue a
122 registration card to a caregiver when the circumstances warrant the issuance of such card.
123 The board shall establish procedures and promulgate rules and regulations to assist
124 physicians in providing required uniform information relating to certification and any other
125 matter relating to the issuance of certifications. In promulgating such rules and regulations,
126 the board shall require that physicians have a doctor-patient relationship when certifying
127 an individual as needing ~~low THC oil~~ medical marijuana and physicians shall be required
128 to be treating such individual for the specific condition requiring such treatment or be
129 treating such individual in a hospice program.
- 130 (e) The board shall require physicians to issue semiannual reports to the board. Such
131 reports shall require physicians to provide information, including, but not limited to,
132 dosages recommended for a particular condition, patient clinical responses, levels of

133 tetrahydrocannabinol or tetrahydrocannabinolic acid present in test results, compliance,
 134 responses to treatment, side effects, and drug interactions.

135 (f) Information received and records kept by the department for purposes of administering
 136 this Code section shall be confidential; provided, however, that such information shall be
 137 disclosed:

138 (1) Upon written request of an individual or caregiver registered pursuant to this Code
 139 section; and

140 (2) To peace officers and prosecuting attorneys for the purpose of:

141 (A) Verifying that an individual in possession of a registration card is registered
 142 pursuant to this Code section; or

143 (B) Determining that an individual in possession of ~~low-THC oil~~ medical marijuana
 144 is registered pursuant to this Code section.

145 (g) The board shall develop a waiver form that will advise that the use of cannabinoids and
 146 THC containing products have not been approved by the FDA and the clinical benefits are
 147 unknown and may cause harm. Any patient or caregiver shall sign such waiver prior to his
 148 or her approval for registration.

149 (h)(1) Registered individuals and registered caretakers shall be dispensed medical
 150 marijuana pursuant to this Code section from a licensed dispensary in good standing
 151 located in this state. Such licensed dispensary shall review the department registry for
 152 verification of registration of individuals and caregivers prior to dispensing medical
 153 marijuana to such individuals and caregivers.

154 (2) The department shall adopt reasonable and necessary rules and regulations relating
 155 to the dispensing of medical marijuana. Such rules and regulations shall include but not
 156 be limited to:

157 (A) Standards, procedures, and protocols for the dispensing and tracking of medical
 158 marijuana;

159 (B) Procedures and protocols to provide that medical marijuana shall not be dispensed
 160 from, produced from, obtained from, sold to, or transferred to a location outside of this
 161 state;

162 (C) Standards, procedures, and protocols to ensure that all medical marijuana
 163 dispensed is consistently pharmaceutical grade;

164 (D) Standards and procedures for the revocation, suspension, and nonrenewal of
 165 licenses;

166 (E) Other licensing, renewal, and operational standards;

167 (F) Standards and procedures for testing medical marijuana for levels of
 168 tetrahydrocannabinol or other testing parameters;

169 (G) Health, safety, and security requirements for dispensers of medical marijuana;

170 (H) Licensure of dispensers of medical marijuana; and
171 (I) Financial requirements for applicants of a dispensing license.
172 (3) The department shall develop an annual, nontransferable license for a business to
173 dispense medical marijuana and shall limit the number of such licenses granted in this
174 state to no more than ten licensees. The department's rules and regulations shall include
175 the geographical locations of dispensaries in this state.
176 (i)(1) The department shall develop rules and regulations regarding facilities authorized
177 and licensed by the department to cultivate cannabis and extract, process, and produce
178 medical marijuana. Such rules and regulations shall include but not be limited to the
179 procedures for application, qualifications, eligibility, background checks, and standards
180 for suitability for a license and penalties for violations of such rules and regulations.
181 Such rules and regulations shall also include the facility and all aspects of the cultivation
182 of cannabis for the purposes of producing medical marijuana, the extraction process, and
183 the production of the completed product. The department shall set facility standards to
184 mitigate the risk of bacterial contamination and ensure that the extraction and refining
185 process produces a product that is both food safe and pharmaceutical grade.
186 (2) The department shall develop an annual, nontransferable specialty license for the
187 production of medical marijuana and shall limit the number of such licenses granted in
188 this state to no more than two licensees. Postsecondary educational institutions within
189 this state shall have the right of first refusal to be licensed as a production facility, either
190 separately or jointly.
191 (3)(A) If no postsecondary educational institutions within this state exercise the right
192 of first refusal provided for in paragraph (2) of this subsection, the department shall
193 grant the licenses pursuant to a sealed bid or a competitive sealed bid proposal. Such
194 contract for the license shall be subject to the state purchasing provisions under
195 Article 3 of Chapter 5 of Title 50 and shall not be subject to any exceptions or other
196 variances.
197 (B) Such contract for the license shall be subject to the following conditions:
198 (i) Any such contract for a license awarded shall not exceed five years; and
199 (ii) Any such contract, memorandum of understanding, or cooperative endeavor
200 agreement entered into shall be a public record subject to disclosure under Article 4
201 of Chapter 18 of Title 50, relating to inspection of public records.
202 (C) No person licensed pursuant to this paragraph shall subcontract for services for the
203 cultivation of marijuana or processing of medical marijuana in any way if the
204 subcontractor, or any of the service providers in the chain of subcontractors, is owned
205 wholly or in part by any state employee or member of a state employee's immediate
206 family, including but not limited to any legislator, state-wide public official, university

207 or community or technical college employee, department employee, or employee at a
 208 learning institution.

209 (D) Any bid for the license awarded pursuant to this paragraph shall include proof of
 210 the financial capability of the bidder, including but not limited to a net worth of not less
 211 than \$1 million.

212 (E) No person licensed pursuant to this paragraph shall give or receive anything of
 213 value in connection with any contract, memorandum of understanding, or cooperative
 214 endeavor agreement executed pursuant to this paragraph except the value that is
 215 expressed in the contract, memorandum of understanding, or cooperative endeavor
 216 agreement.

217 (4) The department shall collect the following information from each licensee pursuant
 218 to this subsection:

219 (A) Gross amounts of marijuana produced by the licensee during each calendar year;

220 (B) Production costs, including but not limited to seed, fertilizer, labor, advisory
 221 services, construction, and irrigation;

222 (C) Items or services for which the licensee subcontracted and the cost of each
 223 subcontractor directly or indirectly working for the licensee;

224 (D) Medical marijuana volume produced from the cannabis grown pursuant to this
 225 subsection;

226 (E) The amounts paid each year to the licensee related to the licensee's production of
 227 medical marijuana pursuant to this subsection; and

228 (F) The quantity of medical marijuana distributed to each licensed dispensary during
 229 each calendar year.

230 (5) The department shall provide the information collected pursuant to paragraph (4) of
 231 this subsection for the previous calendar year in a written report to the General Assembly
 232 no later than December 31. The department shall also make a copy of the report required
 233 by this paragraph available to the public on its website.

234 (j) In addition to all other requirements under this Code section, the department shall
 235 establish and collect a semiannual license fee of \$25,000.00.

236 (k) Nothing in this Code section shall be construed to prohibit the department from
 237 adopting emergency rules as otherwise provided for under Chapter 13 of Title 50, the
 238 'Georgia Administrative Procedure Act.'"

239 **SECTION 4.**

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