



The Georgia's Hope Act Summary

On April 17, 2019, Gov. Brian Kemp (R) signed the Georgia's Hope Act — [HB 324](#) — into law. The law will allow patients to access medical cannabis oil in-state with no more than 5% THC. The Georgia's Hope Act allows up to six private growers to cultivate medical cannabis preparations, along with two designated universities. Patients will be allowed to obtain low-THC oil from licensed dispensaries or specially licensed pharmacies. [1] It is not clear yet when businesses will be licensed or begin sales, but it is extremely unlikely sales will begin before 2021.

Regulated In-State Production

A seven-member Georgia Access to Medical Cannabis Commission was appointed in November 2019. It is charged with hiring an executive director, crafting regulations, and licensing and regulating medical cannabis producers.

The commission's authority includes:

- Issuing up to two Class 1 production licenses, which allow up to 100,000 square feet of space for indoor cultivation, and the production of low-THC oil.
- Issuing up to four Class 2 production licenses, which allow up to 50,000 square feet of space for indoor cultivation, and the production of low-THC oil.
- Ensuring quality control, oversight, and security for low-THC oil production, including 24-hour indoor and outdoor video surveillance, access control, licensed security personnel, and a detailed tracking system.
- Maintaining a list of independent laboratories and ensuring accurate labeling and testing for purity and dosage.
- Purchasing low-THC oil from any legal source, including governmental agencies or corporations (there is no federally legal source for patients' use), and transporting those oils for use by patients.
- Coordinating with the Department of Public Health and employing an executive director and other staff as needed.
- Licensing and regulating production by the University of Georgia and Fort Valley State University, should they choose to participate directly or by contracting with a private contractor, and collecting data from them.
- By January 1, 2022, and every four years thereafter, studying the participation of women- and minority-owned businesses as licensees. In the event of proof of discrimination, the commission will issue three additional licenses to minority- and women-owned businesses.

Class 1 and Class 2 producer applicants must:

- be Georgia corporations with Georgia bank accounts;
- have a letter of support from the local government(s);
- show that at least one minority business enterprise will have significant involvement in the business, either as a co-owner or substantial supplier of goods or services;

- have a large cash bond payable to Georgia or an irrevocable line of credit issued within 30 days of licensure. For Class 1 licenses, the amount is \$1.5 million and for Class 2 licenses, it is \$625,000;
- be operational within a year of licensure or the licenses may be revoked;
- in the case of a Class 1 applicant, pay a \$25,000 non-refundable application fee, along with an initial \$200,000 licensing fee and \$100,000 annual renewal fees; and
- in the case of a Class 2 applicant, pay a \$5,000 non-refundable application fee, along with an initial \$100,000 licensing fee and \$50,000 annual renewal fees.

Licensees will be selected via a competitive application process.

In addition to the above, the University System of Georgia must apply to the National Institute on Drug Abuse to obtain cannabis or obtain cannabis from any available legal source. (However, under current federal law and policy, there is no federally legal source for medical cannabis access, other than for strictly controlled, limited clinical trials, and for three patients in a program that closed to new patients decades ago.)

Regulated In-State Dispensing

The State Board of Pharmacy would develop a dispensing license for a pharmacy to dispense low-THC oil to patients (should any pharmacies elect to participate). The commission and the Board of Pharmacy will jointly adopt rules for dispensing low-THC oil from both pharmacies and retail dispensaries.

Specific Prohibitions and Requirements

- Licensees may not be located within 3,000 feet of schools, churches or other places of public worship, or licensed childcare facilities.
- Licensees may not advertise to registered patients or the public.
- Licensees must provide on-demand access for inspection to the Georgia Bureau of Investigation, the commission, and local law enforcement.
- Licensees may not hold an ownership interest in more than one category of license.
- No licensee may transfer ownership within five years of issuance. All subsequent transfers must be approved by the commission and require the payment of a transfer fee.
- Physicians who certify patients may not have a financial interest in or be employed by any low-THC licensee.
- Smoking and vaporizing medical cannabis is illegal.

Taxes

Standard sales and use taxes apply to low-THC oil.

Medical Cannabis Commission Oversight Committee

A Medical Cannabis Commission Oversight Committee will be appointed by the speaker and lieutenant governor and will have the power to inspect production facilities.

For information on what patients qualify to use medical cannabis (and how), [see our summary of the 2015 Haleigh's Hope Act.](#)

[1] In light of federal law prohibiting cannabis, even for medical purposes, it is far from certain that universities or pharmacies will participate.