



In-state Production for Low-THC Medical Cannabis Program

HB 324, also known as Georgia's Hope Act, was presented by Rep. Micah Gravley (R-Douglasville) and is now under consideration. While patients may register to possess certain types of low-THC cannabis products today, current state law does not allow cultivation, processing, or sales in Georgia, creating a catch-22 for patients. HB 324 would establish a regulatory approach to production and sales and represents a major improvement over current law. Here are some of its key provisions.

Licensed businesses

The measure would establish three categories of medical cannabis business licenses. Cultivation licensees would also be allowed to operate their own dispensaries.

Type	Qty	Description	# retail outlets per license
Class 1 production	5	No limit on cultivation capacity and includes processing. Producers may deliver to patients.	5
Class 2 production	5	Cap of 20,000 square feet for cultivation and also includes processing. Delivery to patients included.	3
Safe access retail licensee	10	A license includes up to 2 locations	2

- The state would issue licenses no later than January 1, 2020.
- If all licenses were awarded and retail outlets opened, there would be **60 retail outlets** in Georgia and **10 grower/processors**.
- While producers can deliver to patients (and may have associated storefronts), the current bill does not allow stand-alone dispensaries to deliver.
- The bill would create a robust set of regulations for businesses, including extensive security, inventory tracking, and other operational requirements.
- Licensees would carry a significant financial burden. In addition to other financial requirements:
 - Class 1 producers would pay \$50,000 to apply and \$100,000 to operate in their first year. The annual cost drops in subsequent years.
 - Class 2 would pay \$12,500 to apply and \$25,000 for the first year.
 - Retail licensee applicants would pay \$10,000 to apply and \$20,000 for their first year.
- Businesses would not be allowed within 1,000 feet of a school, daycare, or place of worship.

Regulatory oversight

- The Office of Low THC Oil Control would be created within the Department of Public Health to establish rules and administer and oversee the program.
- The bill would also establish the Low THC Oil License Oversight Board, which would review and approve license applications.