Senate Bill 344

By: Senators Thompson of the 5th, Lucas of the 26th, Butler of the 55th, Orrock of the 36th, Davenport of the 44th and others

A BILL TO BE ENTITLED AN ACT

- 1 To amend Title 43 of the Official Code of Georgia Annotated, relating to professions and
- 2 businesses, so as to provide for the regulation of the retail sale of marijuana; to provide for
- 3 a short title; to provide for legislative findings; to provide for definitions; to provide for the
- 4 regulatory authority of the Department of Revenue; to provide for licensing requirements and
- 5 restrictions; to provide for regulation of the cultivation, production, and retail sale of
- 6 marijuana; to prohibit certain acts; to provide for penalties; to provide for related matters; to
- 7 provide for a contingent effective date; to provide for automatic repeal under certain
- 8 conditions; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

- 11 Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,
- 12 is amended by adding a new chapter to read as follows:
- 13 "<u>CHAPTER 52</u>
- 14 <u>43-52-1.</u>
- 15 This chapter shall be known and may be cited as the 'Georgia Retail Marijuana Code.'
- 16 <u>43-52-2.</u>
- 17 <u>The General Assembly finds and declares that:</u>
- 18 (1) This chapter shall be deemed an exercise of the police powers of the state for the
- protection of the economic and social welfare and the health, peace, and morals of the
- 20 people of this state; and
- 21 (2) It is unlawful under state law to cultivate, manufacture, distribute, or sell retail
- 22 <u>marijuana</u>, except in compliance with the terms, conditions, limitations, and restrictions
- in this chapter.

- 24 43-52-3.
- 25 As used in this chapter, the term:
- 26 (1) 'Commissioner' means the state revenue commissioner.
- 27 (2) 'Department' means the Department of Revenue.
- 28 (3) 'Deputy commissioner' means the deputy revenue commissioner.
- 29 (4) 'Good cause,' for purposes of refusing or denying a license renewal, reinstatement,
- or initial license issuance, means the:
- 31 (A) Licensee or applicant violated, does not meet, or has failed to comply with any of
- 32 the terms, conditions, or provisions of this chapter, any rules promulgated pursuant to
- this chapter, or any supplemental local law, rules, or regulations;
- 34 (B) Licensee or applicant has failed to comply with any special terms or conditions that
- 35 were placed on its license pursuant to an order of the state or local licensing authority;
- 36 <u>or</u>
- 37 (C) Licensed premises have been operated in a manner that adversely affects the public
- health or the safety of the immediate neighborhood in which the establishment is
- 39 <u>located.</u>
- 40 (5) 'License' means to grant a license or registration pursuant to this chapter.
- 41 (6) 'Licensed premises' means the premises specified in an application for a license under
- 42 this chapter, which are owned or in possession of the licensee and within which the
- 43 <u>licensee is authorized to cultivate, manufacture, distribute, sell, or test retail marijuana</u>
- in accordance with this chapter.
- 45 (7) 'Licensee' means a person licensed or registered pursuant to this chapter.
- 46 (8) 'Local jurisdiction' means any county or municipality in this state and any duly
- 47 <u>authorized agency or instrumentality of a county or municipality.</u>
- 48 (9) 'Local licensing authority' means, for any local jurisdiction that has chosen to adopt
- 49 <u>a local licensing requirement in addition to the state licencing requirements of this</u>
- 50 chapter, an authority designated by municipal, county, or city and county charter,
- ordinance, or resolution, or the governing body of a municipality or city and county, or
- 52 <u>the board of county commissioners of a county if no such authority is designated.</u>
- 53 (10) 'Location' means a particular parcel of land that may be identified by an address or
- 54 <u>other descriptive means.</u>
- 55 (11) 'Marijuana accessories' means any equipment, products, or materials of any kind
- which are used, intended for use, or designed for use in planting, propagating, cultivating,
- 57 growing, harvesting, composting, manufacturing, compounding, converting, producing,
- 58 processing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing
- 59 <u>marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human</u>
- 60 <u>body.</u>

61 (12) 'Operating fees' means fees that may be charged by a local government for costs,

- 62 <u>including but not limited to inspection, administration, and enforcement of retail</u>
- 63 <u>marijuana establishments authorized pursuant to this chapter.</u>
- 64 (13) 'Person' means a natural person, partnership, association, company, corporation,
- 65 <u>limited liability company, or organization.</u>
- 66 (14) 'Premises' means a distinct and definite location, which may include a building, a
- part of a building, a room, or any other definite contiguous area.
- 68 (15) 'Retail marijuana' means all parts of the plant of the genus cannabis whether
- 69 growing or not, the seeds thereof, the resin extracted from any part of the plant, and every
- compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds,
- or its resin, including marijuana concentrate. The term does not include industrial hemp,
- nor does it include fiber produced from the stalks, oil, or cake made from the seed of the
- 73 plant, sterilized seed of the plant which is incapable of germination, or the weight of any
- 74 <u>other ingredient combined with marijuana to prepare topical or oral administrations, food,</u>
- 75 <u>drink, or other product.</u>
- 76 (16) 'Retail marijuana cultivation facility' means an entity licensed to cultivate, prepare,
- 77 <u>and package marijuana and sell marijuana to retail marijuana stores, to retail marijuana</u>
- 78 product manufacturers, and to other retail marijuana cultivation facilities, but not to
- 79 <u>consumers.</u>
- 80 (17) 'Retail marijuana establishment' means a retail marijuana store, a retail marijuana
- 81 <u>cultivation facility, a retail marijuana products manufacturer, or a retail marijuana testing</u>
- 82 <u>facility.</u>
- 83 (18) 'Retail marijuana products manufacturer' means an entity licensed to purchase
- 84 <u>marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and</u>
- 85 <u>marijuana products to other retail marijuana product manufacturers and to retail</u>
- 86 <u>marijuana stores, but not to consumers.</u>
- 87 (19) 'Retail marijuana store' means an entity licensed to purchase marijuana from retail
- 88 <u>marijuana cultivation facilities and marijuana and marijuana products from retail</u>
- 89 <u>marijuana product manufacturers and to sell marijuana and marijuana products to</u>
- 90 <u>consumers.</u>
- 91 (20) 'Retail marijuana testing facility' means an entity licensed to analyze and certify the
- 92 <u>safety and potency of marijuana.</u>
- 93 (21) 'School' means a public or private preschool or a public or private elementary,
- 94 <u>middle, junior high, or high school.</u>
- 95 (22) 'State licensing authority' means the authority created for the purpose of regulating
- and controlling the licensing of the cultivation, manufacture, distribution, and sale of
- 97 <u>retail marijuana in this state, pursuant to Code Section 43-52-6.</u>

- 98 <u>43-52-4.</u>
- 99 (a) A local jurisdiction may enact ordinances or regulations governing the time, place,
- manner, and number of retail marijuana establishments, which may include a local
- licensing requirement, or may prohibit the operation of retail marijuana establishments
- through the enactment of an ordinance or through a referred or initiated measure.
- 103 (b) This chapter sets forth the exclusive means by which the manufacture, sale,
- distribution, dispensing, and testing of retail marijuana may occur in the State of Georgia.
- 105 (c) Nothing in this chapter is intended to require an employer to permit or accommodate
- the use, consumption, possession, transfer, display, transportation, distribution, sale,
- growing, or testing of marijuana in the workplace or to affect the ability of employers to
- have policies restricting the use of marijuana by employees.
- 109 (d) Nothing in this chapter shall prohibit a person, employer, school, hospital, detention
- facility, corporation, or any other entity that occupies, owns, or controls a property from
- prohibiting or otherwise regulating the possession, consumption, use, display, transfer,
- distribution, sale, transportation, growing, or testing of marijuana on or in that property.
- 113 <u>43-52-5.</u>
- A limited access area shall be a building, room, or other contiguous area upon the licensed
- premises where retail marijuana is grown, cultivated, stored, weighed, packaged, or tested,
- under control of the licensee, with limited access to only those persons licensed by the state
- licensing authority. All areas of ingress or egress to limited access areas shall be clearly
- identified as such by a sign as designated by the state licensing authority.
- 119 <u>43-52-6.</u>
- 120 (a) For the purpose of regulating and controlling the licensing of the cultivation,
- manufacture, distribution, sale, and testing of retail marijuana in this state, there is created
- the state licensing authority which shall be the commissioner or the deputy commissioner
- if the commissioner so designates. The state licensing authority shall adopt regulations
- regarding retail marijuana by January 1, 2019.
- 125 (b) The commissioner shall be the chief administrative officer of the state licensing
- authority and may employ such employees as he or she determines to be necessary, who
- shall be a part of the department.
- 128 <u>43-52-7.</u>
- 129 (a) The state licensing authority has the authority to:
- (1) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, and
- testing of retail marijuana as provided by law; suspend, fine, restrict, or revoke such

18 LC 37 2460 132 licenses upon a violation of this chapter or any rule promulgated pursuant to this chapter; 133 and impose any penalty authorized by this chapter or any rule promulgated pursuant to 134 this chapter. The state licensing authority may take any action with respect to a 135 registration pursuant to this chapter as it may with respect to a license pursuant to this chapter, in accordance with the procedures established pursuant to this chapter; 136 137 (2) Promulgate such rules and such special rulings and findings as necessary for the 138 proper regulation and control of the cultivation, manufacture, distribution, sale, and 139 testing of retail marijuana and for the enforcement of this chapter; 140 (3) Hear and determine at a public hearing any contested state license denial and any 141 complaints against a licensee and administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the 142 143 determination of any hearing so held, all in accordance with Chapter 13 of Title 50, the 144 'Georgia Administrative Procedure Act'; (4) Maintain the confidentiality of reports or other information obtained from a licensee. 145 146 Such reports or other information may be used only for a purpose authorized by this 147 chapter or for any other state or local law enforcement purpose; (5) Develop such forms, licenses, identification cards, and applications as are necessary 148 149 or convenient in the discretion of the state licensing authority for the administration of 150 this chapter or any of the rules promulgated under this chapter; and (6) Prepare and transmit annually a report accounting to the Governor for the efficient 151 152 discharge of all responsibilities assigned by law or directive to the state licensing 153 authority. 154 (b) Rules promulgated pursuant to paragraph (2) of subsection (a) of this Code section 155 shall include, but need not be limited to, the following: 156 (1) Procedures consistent with this chapter for the issuance, renewal, suspension, and 157 revocation of licenses to operate retail marijuana establishments; 158 (2) A schedule of application, licensing, and renewal fees for retail marijuana 159 establishments; 160 (3) Qualifications for licensure under this chapter, including but not limited to the 161 requirement for a fingerprint based criminal history record check for all owners, officers, 162 managers, contractors, employees, and other support staff of entities licensed pursuant 163 to this chapter; 164 (4) Security requirements for any premises licensed pursuant to this chapter, including,

- 164 (4) Security requirements for any premises licensed pursuant to this chapter, including, 165 at a minimum, lighting, physical security, video, and alarm requirements, and other
- minimum procedures for internal control as deemed necessary by the state licensing
- authority to properly administer and enforce the provisions of this chapter, including
- reporting requirements for changes, alterations, or modifications to the premises;

(5) Requirements to prevent the sale or diversion of retail marijuana and retail marijuana

- products to persons under 21 years of age;
- 171 (6) Packaging and labeling requirements for retail marijuana and retail marijuana
- products sold by a retail marijuana establishment that are at least as stringent as those
- imposed by Article 2 of Chapter 2 of Title 26, the 'Georgia Food Act', and include but are
- not limited to:
- 175 (A) The license number of the retail marijuana cultivation license;
- 176 (B) The license number of the retail marijuana store;
- (C) An identity statement and standardized graphic symbol;
- 178 (D) The batch number;
- (E) A net weight statement;
- (F) Tetrahydrocannabinol potency and the potency of such other cannabinoids or other
- chemicals, including but not limited to cannabidiol, as determined relevant by the state
- licensing authority;
- 183 (G) A list of the nonorganic pesticides, fungicides, herbicides, and solvents used during
- cultivation or production;
- 185 (H) A statement to the effect of 'This product contains marijuana and was cultivated
- or produced without regulatory oversight for health, safety, or efficacy, and there may
- be health risks associated with the consumption of the product.';
- 188 (I) Warning labels;
- (J) Solvents used in the extraction process;
- 190 (K) Amount of tetrahydrocannabinol per serving and the number of servings per
- 191 <u>package for marijuana products;</u>
- (L) A list of ingredients and possible allergens for marijuana products;
- (M) A recommended use by or expiration date for marijuana products;
- (N) A nutritional fact panel; and
- (O) A universal symbol indicating the package contains marijuana or a marijuana
- 196 <u>product;</u>
- 197 (7) Health and safety regulations and standards for the manufacture of retail marijuana
- products and the cultivation of retail marijuana;
- (8) Limitations on advertising and display of retail marijuana and retail marijuana
- 200 <u>products;</u>
- 201 (9) Compliance with, enforcement of, or violation of any provision of this chapter, or any
- 202 <u>rule issued pursuant to this chapter, including procedures and grounds for denying,</u>
- 203 <u>suspending, fining, restricting, or revoking a state license issued pursuant to this chapter;</u>
- 204 <u>and</u>
- 205 (10) Creation of a range of civil penalties for use by the state licensing authority.

206 (c) Rules promulgated pursuant to paragraph (2) of subsection (a) of this Code section may

- 207 <u>also include:</u>
- 208 (1) Specifications of duties of officers and employees of the state licensing authority;
- 209 (2) Instructions for local licensing authorities and law enforcement officers;
- 210 (3) Requirements for inspections, investigations, searches, seizures, forfeitures, and such
- 211 <u>additional activities as may become necessary from time to time;</u>
- 212 (4) Prohibition of misrepresentation and unfair practices;
- 213 (5) Development of individual identification cards for owners, officers, managers,
- 214 contractors, employees, and other support staff of entities licensed pursuant to this
- 215 <u>chapter, including a fingerprint based criminal history record check as may be required</u>
- by the state licensing authority prior to issuing a card;
- 217 (6) Identification of state licensees and their owners, officers, managers, and employees;
- 218 (7) Regulation of the storage of, warehouses for, and transportation of retail marijuana;
- 219 (8) Sanitary requirements for retail marijuana stores, including but not limited to sanitary
- 220 requirements for the preparation of retail marijuana products;
- 221 (9) The specification of acceptable forms of picture identification that a retail marijuana
- store may accept when verifying a sale, including but not limited to government issued
- 223 <u>identification cards</u>;
- 224 (10) Records to be kept by licensees and the required availability of the records;
- 225 (11) State licensing procedures, including procedures for renewals, reinstatements, initial
- licenses, and the payment of licensing fees;
- 227 (12) The reporting and transmittal of monthly sales tax payments by retail marijuana
- 228 stores;
- 229 (13) Authorization for the department to have access to licensing information to ensure
- payment of sales, excise, and income taxes and the effective administration of this
- 231 <u>chapter</u>;
- 232 (14) Authorization for the department to issue administrative citations and procedures
- for issuing, appealing, and creating a citation violation list and a schedule of penalties;
- 234 <u>and</u>
- 235 (15) Such other matters as are necessary for the fair, impartial, stringent, and
- 236 <u>comprehensive administration of this chapter.</u>
- 237 (d) Rules promulgated pursuant to paragraph (2) of subsection (a) of this Code section
- shall also include the following:
- (1) Signage, marketing, and advertising, including but not limited to:
- 240 (A) Mass market campaigns that have a high likelihood of reaching minors;
- (B) Allowing packaging and accessory branding:

(C) A prohibition on health or physical benefit claims in advertising, merchandising,

- 243 <u>and packaging;</u>
- (D) A prohibition on unsolicited pop-up advertising on the Internet;
- (E) A prohibition on banner advertisements on mass market websites;
- 246 (F) A prohibition on opt-in marketing that does not permit an easy and permanent
- 247 <u>opt-out feature; and</u>
- 248 (G) A prohibition on marketing directed toward location based devices, including but
- 249 <u>not limited to cellular telephones;</u>
- 250 (2) Prohibiting the sale of retail marijuana and retail marijuana products unless:
- 251 (A) The product is packaged by the retail marijuana store or the retail marijuana
- 252 products manufacturer in packaging meeting requirements established by the state
- 253 <u>licensing authority similar to the federal Poison Prevention Packaging Act of 1970, 15</u>
- 254 <u>U.S.C. Section 1471, et seq.; or</u>
- 255 (B) The product is placed in an exit package or container meeting requirements
- established by the state licensing authority at the point of sale prior to exiting the retail
- 257 <u>marijuana store</u>;
- 258 (3) The safe and lawful transport of retail marijuana and retail marijuana products
- between licensees and testing laboratories;
- 260 (4) A serving size for edible retail marijuana products that does not contain more than
- 261 <u>10 milligrams of active tetrahydrocannabinol, labeling requirements regarding servings</u>
- 262 <u>for edible retail marijuana products, and limitations on the total amount of active</u>
- 263 <u>tetrahydrocannabinol in a package that is no more than 100 milligrams of active</u>
- 264 <u>tetrahydrocannabinol</u>;
- 265 (5) Labeling guidelines concerning the total content of THC per unit of weight;
- 266 (6) Prohibition or regulation of additives to any marijuana product, including but not
- 267 <u>limited to those that are toxic, designed to make the product more addictive, designed to</u>
- 268 <u>make the product more appealing to minors, or misleading to consumers; and</u>
- 269 (7) Permission for a local fire department to conduct an annual fire inspection of a retail
- 270 <u>marijuana cultivation facility.</u>
- 271 (e) Nothing in this chapter shall be construed as delegating to the state licensing authority
- 272 <u>the power to fix prices for retail marijuana.</u>
- 273 (f) Nothing in this chapter shall be construed to limit a law enforcement agency's ability
- 274 <u>to investigate unlawful activity in relation to a retail marijuana establishment. A law</u>
- 275 <u>enforcement agency shall have the authority to run a Georgia Crime Information Center</u>
- 276 <u>criminal history record check of a licensee, or employee of a licensee, during an</u>
- 277 <u>investigation of unlawful activity related to retail marijuana.</u>

(g)(1) The state licensing authority shall create a state-wide licensure class system for retail marijuana cultivation facilities. The classifications may be based upon square footage of the facility; lights, lumens, or wattage; lit canopy; the number of cultivated plants; a combination of the foregoing; or other reasonable metrics. The state licensing authority shall create a fee structure for the licensure class system.

(2) The state licensing authority may limit or increase the limit on the number of licenses

- (2) The state licensing authority may limit or increase the limit on the number of licenses that it issues and may place or modify a limit on the amount of production permitted by a retail marijuana cultivation license. Notwithstanding anything contained in this chapter to the contrary, in considering any such limitations, the state licensing authority, in addition to any other relevant considerations, shall:
- 288 (A) Consider the total current and anticipated demand for retail marijuana in Georgia; 289 and
 - (B) Attempt to minimize the market for unlawful marijuana in Georgia.
- 291 <u>43-52-8.</u>

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- 292 (a) Upon receipt of an application for initial licensing or renewal of an existing license for
- 293 any retail marijuana establishment, the state licensing authority shall provide a copy of the
- 294 <u>application to the local jurisdiction in which the establishment is to be located. The local</u>
- jurisdiction shall determine whether the application complies with local ordinances or
- 296 <u>regulations on the time, place, manner, and number of retail marijuana establishments. The</u>
- 297 <u>local jurisdiction shall inform the state licensing authority whether the application complies</u>
- with such local ordinances or regulations.
- 299 (b) A local jurisdiction may impose a separate local licensing requirement as part of its
- 300 ordinances or regulations on the time, place, manner, and number of retail marijuana
- 301 <u>establishments</u>. A local jurisdiction may decline to impose any local licensing
- requirements and shall notify the state licensing authority that it will not be acting on any
- 303 <u>applications it receives.</u>
- 304 <u>43-52-9.</u>
- 305 (a) If a local jurisdiction issues local licenses for a retail marijuana establishment, such
- 306 local jurisdiction may schedule a public hearing on the application. If the local jurisdiction
- 307 <u>schedules a hearing, it shall post and publish public notice thereof not less than ten days</u>
- prior to the hearing. The local jurisdiction shall give public notice by posting a sign in a
- 309 conspicuous place on the license applicant's premises for which a local license application
- has been made and by publication in a newspaper of general circulation in the county in
- 311 which the applicant's premises are located or on the website of the local jurisdiction.

312 (b) If a local jurisdiction does not issue local licenses, such local jurisdiction may give 313 public notice of the state application by posting a sign in a conspicuous place on the state 314 license applicant's premises for which license application has been made and by publication 315 in a newspaper of general circulation in the county in which the applicant's premises are 316 located or on the website of the local jurisdiction.

317 <u>43-52-10.</u>

- 318 (a) Before the state licensing authority issues a state license to an applicant, the applicant
 319 shall procure and file with the state licensing authority evidence of a good and sufficient
 320 bond in the amount of \$5,000.00 with corporate surety thereon duly licensed to do business
 321 with the state, approved as to form by the Attorney General, and conditioned upon the
 322 applicant reporting and paying all sales and use taxes due to the state, or for which the state
- is the collector or collecting agent, in a timely manner, as provided by law.
- 324 (b) A corporate surety shall not be required to make payments to the state claiming under 325 such bond until a final determination of failure to pay taxes due to the state is made by the
- 326 <u>state licensing authority or a court of competent jurisdiction.</u>
- 327 (c) All bonds required pursuant to this Code section shall be renewed at such time as the
- bondholder's license is renewed. The renewal may be accomplished through a continuation
- 329 <u>certificate issued by the surety.</u>

330 <u>43-52-11.</u>

331 (a) Applications for a state license under the provisions of this chapter shall be made to the 332 state licensing authority on forms prepared and furnished by the state licensing authority 333 and shall set forth such information as the state licensing authority may require to enable 334 the state licensing authority to determine whether a state license should be granted. The 335 information shall include the name and address of the applicant and the names and 336 addresses of its officers, directors, or managers. Each application must be verified by the 337 oath or affirmation of such person or persons as the state licensing authority may prescribe. 338 The state licensing authority may issue a state license to an applicant pursuant to this 339 subsection upon completion of the applicable criminal history background check associated 340 with the application, and the state license is conditioned upon local jurisdiction approval. 341 A license applicant is prohibited from operating a licensed retail marijuana establishment 342 without state and, if required, local jurisdiction approval. If the applicant does not receive local jurisdiction approval within one year from the date of state licensing authority 343 344 approval, the state license shall expire and may not be renewed. The denial of an 345 application by the local licensing authority may be considered as a basis for the state 346 licensing authority to revoke the state issued license.

347 (b) Nothing in this chapter preempts or otherwise impairs the power of a local government

- 348 to enact ordinances, resolutions, or regulations concerning matters authorized to local
- 349 governments.
- 350 <u>43-52-12.</u>
- 351 (a) The state licensing authority shall deny a state license if the premises on which the
- 352 applicant proposes to conduct its business does not meet the requirements of this chapter,
- and the state licensing authority may deny a license for good cause.
- 354 (b) If the state licensing authority denies a state license pursuant to subsection (a) of this
- 355 Code section, the applicant shall be entitled to a hearing pursuant to this chapter and to
- judicial review pursuant to Chapter 13 of Title 50, the 'Georgia Administrative Procedure
- 357 Act.' Jurisdiction and venue for judicial review are vested in the Superior Court of Fulton
- 358 County. The state licensing authority shall provide written notice of the grounds for denial
- of the state license to the applicant and to the local licensing authority at least 15 days prior
- 360 to the hearing.
- 361 (c) Decisions by the state licensing authority are subject to judicial review.
- 362 <u>43-52-13.</u>
- 363 (a) A license shall not be issued to or held by:
- 364 (1) A person until the annual fee therefor has been paid;
- 365 (2) A person whose criminal history indicates that he or she is not of good moral
- 366 <u>character</u>;
- 367 (3) A corporation, if the criminal history of any of its officers, directors, or stockholders
- indicates that the officer, director, or stockholder is not of good moral character;
- 369 (4) A person assisted by or financed in whole or in part by any other person whose
- 370 <u>criminal history indicates he or she is not of good character and reputation satisfactory</u>
- 371 <u>to the respective licensing authority;</u>
- 372 (5) A person under 21 years of age;
- 373 (6) A person licensed pursuant to this chapter who, during a period of licensure, or who,
- at the time of application, has failed to:
- (A) Provide a surety bond or file any tax return with a taxing agency related to a retail
- 376 <u>marijuana establishment; or</u>
- 377 (B) Pay any taxes, interest, or penalties due relating to a retail marijuana establishment;
- 378 (7) A person who has discharged a sentence in the five years immediately preceding the
- application date for a conviction of a felony or a person who has discharged a sentence
- in the ten years immediately preceding for a conviction of a felony pursuant to any state
- or federal law regarding the possession, distribution, manufacturing, cultivation, sale, or

382 use of a controlled substance; except that the licensing authority may grant a license to 383 an employee if the employee has a state felony conviction based on possession or use of 384 a controlled substance that would not be a felony if the person were convicted of the 385 offense on the date he or she applied for licensure; 386 (8) A person who employs another person at a retail marijuana establishment who has 387 not submitted fingerprints for a criminal history record check or whose criminal history 388 record check reveals that the person is ineligible; (9) A sheriff, deputy sheriff, police officer, prosecuting officer, or officer or employee 389 390 of the state licensing authority or a local licensing authority; 391 (10) A person whose application or license is for a premises that is currently licensed as 392 a retail food establishment or wholesale food registrant; or 393 (11) An owner, as defined by rule of the state licensing authority, who has not been a 394 resident of Georgia for at least two years prior to the date of the owner's application. 395 (b)(1) As used in this subsection, the term 'criminal justice agency' means any federal, 396 state, or municipal court or any governmental agency or subunit of such agency that 397 administers criminal justice pursuant to a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice. 398 399 (2) In investigating the qualifications of an applicant or a licensee, the state and local 400 licensing authorities shall have access to criminal history record information furnished 401 by a criminal justice agency, subject to any restrictions imposed by such agency. In the 402 event the state or local licensing authority considers the applicant's criminal history 403 record, the state or local licensing authority shall also consider any information provided 404 by the applicant regarding such criminal history record, including but not limited to 405 evidence of rehabilitation, character references, and educational achievements, especially 406 those items pertaining to the time between the applicant's last criminal conviction and the 407 consideration of the application for a state license. 408 (c) At the time of filing an application for issuance of a state retail marijuana establishment 409 license, an applicant shall submit a set of his or her fingerprints and file personal history 410 information concerning the applicant's qualifications for a state license on forms prepared 411 by the state licensing authority. The state or local licensing authority shall submit the 412 fingerprints to the Georgia Bureau of Investigation for the purpose of conducting fingerprint based criminal history record checks. The Georgia Bureau of Investigation 413 414 shall forward the fingerprints to the Federal Bureau of Investigation for the purpose of 415 conducting fingerprint based criminal history record checks. The state or local licensing 416 authority may acquire a name based criminal history record check for an applicant or a 417 license holder who has twice submitted to a fingerprint based criminal history record check 418 and whose fingerprints are unclassifiable. An applicant who has previously submitted

fingerprints for state licensing purposes may request that the fingerprints on file be used.

- 420 The state or local licensing authority shall use the information resulting from the fingerprint
- based criminal history record check to investigate and determine whether an applicant is
- 422 qualified to hold a license pursuant to this chapter. The state or local licensing authority
- 423 may verify any of the information an applicant is required to submit.
- 424 <u>43-52-14.</u>
- 425 (a) The state licensing authority shall not approve an application for the issuance of a state
- 426 <u>license pursuant to this chapter:</u>
- 427 (1) If the application for the license concerns a particular location that is the same as or
- 428 <u>within 1,000 feet of a location for which, within the two years immediately preceding the</u>
- date of the application, the state licensing authority denied an application for the same
- class of license due to the nature of the use or other concern related to the location;
- 431 (2) Until it is established that the applicant is, or will be, entitled to possession of the
- premises for which application is made under a lease, rental agreement, or other
- 433 <u>arrangement for possession of the premises or by virtue of ownership of the premises;</u>
- 434 (3) For a location in an area where the cultivation, manufacture, distribution, and sale of
- 435 retail marijuana as contemplated are not permitted under the applicable zoning laws of
- 436 <u>the municipality, city and county, or county; or</u>
- 437 (4) If the building in which retail marijuana is to be sold is located within 1,000 feet of
- 438 <u>a school, an alcohol or drug treatment facility, the principal campus of a college,</u>
- 439 <u>university</u>, or seminary, or a residential child care facility.
- 440 (b) The provisions of this Code section shall not affect the renewal or reissuance of a
- 441 <u>license once granted or apply to licensed premises located or to be located on land owned</u>
- by a municipality, nor shall the provisions of this Code section apply to an existing licensed
- premises on land owned by the state, or apply to a license in effect and actively doing
- 444 <u>business before such principal campus of a college, university, or seminary was</u>
- 445 <u>constructed. The local licensing authority of a city and county by rule or regulation, the</u>
- 446 governing body of a municipality by ordinance, and the governing body of a county by
- resolution may vary the distance restrictions imposed by this Code section for a license or
- 448 <u>may eliminate one or more types of schools, campuses, or facilities from the application</u>
- of a distance restriction established by or pursuant to this Code section.
- 450 (c) The distances referred to in this Code section are to be computed by direct
- 451 measurement from the nearest property line of the land used for a school or campus to the
- 452 <u>nearest portion of the building in which retail marijuana is to be sold, using a route of direct</u>
- 453 <u>pedestrian access.</u>

(d) The local licensing authority shall consider the evidence and make a specific finding
 of fact as to whether the building in which the retail marijuana is to be sold is located
 within any distance restrictions established by or pursuant to this Code section.

- 457 <u>43-52-15.</u>
- 458 (a) A state license granted under the provisions of this chapter shall not be transferable
- except as provided in this Code section, but this Code section shall not prevent a change
- of location as provided in Code Section 43-52-16.
- 461 (b) For a transfer of ownership, a license holder shall apply to the state licensing authority
- on forms prepared and furnished by the state licensing authority. Upon receipt of an
- 463 <u>application for transfer of ownership, the state licensing authority shall immediately submit</u>
- 464 <u>a copy of the application to the local jurisdiction to determine whether the transfer</u>
- 465 complies with local restriction on transfer of ownership. In determining whether to permit
- 466 <u>a transfer of ownership, the state licensing authority shall consider only the requirements</u>
- of this chapter, any rules promulgated by the state licensing authority, and any other local
- 468 <u>restrictions</u>. The local jurisdiction may hold a hearing on the application for transfer of
- ownership. The local jurisdiction shall not hold a hearing pursuant to this subsection until
- 470 the local jurisdiction has posted a notice of hearing in the manner described in Code
- Section 43-52-9 on the licensed premises for a period of ten days and has provided notice
- of the hearing to the applicant at least ten days prior to the hearing. Any transfer of
- ownership hearing by the state licensing authority shall be held in compliance with the
- 474 requirements specified in Code Section 43-52-12.
- 475 <u>43-52-16.</u>
- 476 (a) Local jurisdictions are authorized to adopt and enforce ordinances or regulations for
- 477 <u>retail marijuana establishments that are at least as restrictive as the provisions of this</u>
- 478 <u>chapter and any rule promulgated pursuant to this chapter.</u>
- 479 (b) A retail marijuana establishment shall not operate until it is licensed by the state
- 480 <u>licensing authority pursuant to this chapter</u>. If the state licensing authority issues the
- 481 <u>applicant a state license and the local jurisdiction subsequently denies the approval, the</u>
- 482 <u>state licensing authority shall consider the local jurisdiction denial as a basis for the</u>
- 483 <u>revocation of the state issued license</u>. In connection with a license, the applicant shall
- provide a complete and accurate application as required by the state licensing authority.
- 485 (c) A retail marijuana establishment shall notify the state licensing authority in writing
- 486 <u>within ten days after an owner, officer, manager, or employee ceases to work at, manage,</u>
- own, or otherwise be associated with the operation. The owner, officer, manager, or

488 employee shall surrender his or her identification card to the state licensing authority on 489 or before the date of the notification. 490 (d) A retail marijuana establishment shall notify the state licensing authority in writing of 491 the name, address, and date of birth of an owner, officer, manager, or employee before the new owner, officer, manager, or employee begins working at, managing, owning, or being 492 493 associated with the operation. The owner, officer, manager, or employee shall pass a 494 fingerprint based criminal history record check as required by the state licensing authority 495 and obtain the required identification prior to being associated with, managing, owning, or 496 working at the operation. 497 (e) A retail marijuana establishment shall not acquire, possess, cultivate, deliver, distribute, 498 transfer, transport, supply, sell, test, or dispense marijuana for any purpose except as 499 authorized by this chapter. 500 (f) All officers, managers, and employees of a retail marijuana establishment shall be 501 residents of Georgia upon the date of their license application. An owner shall meet the 502 residency requirements in paragraph (11) of subsection (a) of Code Section 43-52-13. All 503 <u>licenses granted pursuant to this chapter are valid for a period not to exceed two years after</u> 504 the date of issuance unless revoked or suspended pursuant to this chapter or the rules 505 promulgated pursuant to this chapter. 506 (g) Before granting a state license, the state licensing authority may consider, except when 507 this chapter specifically provides otherwise, the requirements of this chapter, any rules 508 promulgated pursuant to this chapter, and all other reasonable restrictions that are or may 509 be placed upon the licensee by the licensing authority. With respect to a second or 510 additional license for the same licensee or the same owner of another licensed retail 511 marijuana establishment pursuant to this chapter, each licensing authority shall consider the effect on competition of granting or denying the additional licenses to such licensee. 512 513 (h) Each license issued under this chapter shall be separate and distinct. It shall be 514 unlawful for a person to exercise any of the privileges granted under a license other than 515 the license that the person holds or for a licensee to allow any other person to exercise the 516 privileges granted under the licensee's license. A separate license shall be required for each 517 specific retail marijuana establishment or similar entity and each geographical location. 518 (i) A licensee shall possess and maintain, at all times, possession of the premises for which 519 the license is issued by ownership, lease, rental, or other arrangement for possession of the 520 premises. 521 (j) The licenses issued pursuant to this chapter shall specify the date of issuance, the period of licensure, the name of the licensee, and the address of the premises licensed. The 522 523 licensee shall conspicuously place the license at all times on the licensed premises.

524 (k) In computing any time prescribed by this chapter, the day of the act, event, or default from which the designated time begins to run shall not be included. Saturdays, Sundays, 525 526 and legal holidays shall be counted as any other day. 527 (1) A licensee shall report each transfer or change of financial interest in the license to the state and local licensing authorities 30 days prior to any transfer or change pursuant to 528 529 Code Section 43-52-15. A report is required for transfers of capital stock of any retail 530 marijuana establishment regardless of size. (m) Each licensee shall manage the licensed premises himself or herself or employ a 531 532 separate and distinct manager on the premises and shall report the name of the manager to 533 the state and local licensing authorities. The licensee shall report any change in manager 534 to the state and local licensing authorities within two business days after the change. 535 (n) A licensee may move his or her permanent location to any other place in Georgia once 536 permission to do so is granted by the local jurisdiction as provided for in this chapter. (o) Upon receipt of an application for change of location, the state licensing authority shall 537 538 immediately submit a copy of the application to the local jurisdiction to determine whether 539 the transfer complies with all local restrictions on change of location. 540 (p) In permitting a change of location, the state licensing authority shall consider all 541 reasonable restrictions that are or may be placed upon the new location by the governing 542 board of the municipality, city and county, or county, and any such change in location shall 543 be in accordance with all requirements of this chapter and rules promulgated pursuant to 544 this chapter. 545 <u>43-52-17.</u> 546 (a) Ninety days prior to the expiration date of an existing license, the state licensing 547 authority shall notify the licensee of the expiration date by first-class mail at the licensee's address of record with the state licensing authority. A licensee may apply for the renewal 548 549 of an existing license to the state licensing authority not less than 30 days prior to the date 550 of expiration. Upon receipt of an application for renewal of an existing license, the state 551 licensing authority shall immediately submit a copy of the application to the local 552 jurisdiction to determine whether the application complies with all local restrictions on

of expiration. Upon receipt of an application for renewal of an existing license, the state licensing authority shall immediately submit a copy of the application to the local jurisdiction to determine whether the application complies with all local restrictions on renewal of licenses. The state licensing authority shall not accept an application for renewal of a license after the date of expiration, except as provided in this Code section. The state licensing authority may extend the expiration date of the license and accept a late application for renewal of a license, provided that the applicant has filed a timely renewal application with the local licensing authority. The state or the local licensing authority, in its discretion, subject to the requirements of this subsection and based upon reasonable

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grounds, may waive the 30 day time requirement set forth in this subsection.

18 LC 37 2460 560 (b) Notwithstanding the provisions of subsection (a) of this Code section, a licensee whose license has been expired for not more than 90 days may file a late renewal application upon 561 562 the payment of a nonrefundable late application fee of \$500.00 to the state licensing 563 authority. A licensee who files a late renewal application and pays the requisite fee may continue to operate until the state licensing authority takes final action to approve or deny 564 565 the licensee's late renewal application unless the state licensing authority summarily 566 suspends the license pursuant to Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act,' this chapter, and rules promulgated pursuant to this chapter. 567 568 (c) The state licensing authority shall not accept a late renewal application more than 90 569 days after the expiration of a licensee's permanent annual license. A licensee whose 570 permanent annual license has been expired for more than 90 days shall not cultivate, 571 manufacture, distribute, sell, or test any retail marijuana until all required licenses are 572 obtained. 573 43-52-18. 574 The state licensing authority, in its discretion, may revoke or elect not to renew any license if it determines that the licensed premises have been inactive, without good cause, for at 575 576 least one year. 577 43-52-19. 578 (a) The state licensing authority shall require a complete disclosure of all persons having 579 a direct or indirect financial interest, and the extent of such interest, in each license issued 580 under this chapter. 581 (b) This Code section is intended to prohibit and prevent the control of the outlets for the 582 sale of retail marijuana by a person or party other than the persons licensed pursuant to the 583 provisions of this chapter. 584 <u>43-52-20.</u> (a) For the purpose of regulating the cultivation, manufacture, distribution, sale, and 585

- 586 <u>testing of retail marijuana, the state licensing authority in its discretion, upon receipt of an</u>
- 587 <u>application in the prescribed form, may issue and grant to the applicant a license from any</u>
- of the following classes, subject to the provisions and restrictions provided by this chapter:
- 589 (1) Retail marijuana store license;
- 590 (2) Retail marijuana cultivation facility license;
- 591 (3) Retail marijuana products manufacturing license;
- 592 (4) Retail marijuana testing facility license; and

593 (5) Occupational licenses and registrations for owners, managers, operators, employees,

- 594 contractors, and other support staff employed by, working in, or having access to
- restricted areas of the licensed premises, as determined by the state licensing authority.
- The state licensing authority may take any action with respect to a registration pursuant
- 597 to this chapter as it may with respect to a license pursuant to this chapter, in accordance
- with the procedures established pursuant to this chapter.
- (b) All persons licensed pursuant to this chapter shall collect sales tax on all retail sales
- 600 <u>made at a retail marijuana store.</u>
- 601 (c) A state chartered bank or a credit union may loan money to any person licensed
- 602 pursuant to this chapter for the operation of a licensed retail marijuana establishment.
- 603 <u>43-52-21.</u>
- 604 (a) A retail marijuana store license shall be issued only to a person selling retail marijuana
- 605 pursuant to the terms and conditions of this chapter.
- 606 (b) A retail marijuana store may cultivate its own retail marijuana if it obtains a retail
- 607 <u>marijuana cultivation facility license or it may purchase retail marijuana from a licensed</u>
- 608 retail marijuana cultivation facility. A retail marijuana store shall track all of its retail
- 609 marijuana from the point when it is either transferred from its retail marijuana cultivation
- 610 <u>facility or delivered to the retail marijuana store from another licensed retail marijuana</u>
- 611 <u>cultivation facility to the point of sale.</u>
- 612 (c) A retail marijuana store shall not accept any retail marijuana purchased from a retail
- 613 <u>marijuana cultivation facility unless the retail marijuana is affixed with evidence that the</u>
- 614 excise tax was paid.
- 615 (d) Notwithstanding the provisions of this Code section, a retail marijuana store licensee
- 616 may also sell retail marijuana products that are prepackaged and labeled as required by
- 617 <u>rules of the state licensing authority pursuant to Code Section 43-52-7.</u>
- 618 (e) A retail marijuana store licensee may contract with a retail marijuana products
- 619 <u>manufacturer for the purchase of retail marijuana products upon a retail marijuana products</u>
- 620 <u>manufacturer's licensed premises</u>. A retail marijuana store shall not accept any retail
- 621 <u>marijuana products purchased from a retail marijuana products manufacturer unless the</u>
- 622 retail marijuana products are affixed with evidence that the excise tax was paid.
- 623 (f) A retail marijuana store shall not sell more than a quarter of an ounce of retail
- 624 <u>marijuana and no more than a quarter of an ounce equivalent of a retail marijuana product</u>
- during a single transaction to a nonresident of the State of Georgia.
- 626 (g) Prior to initiating a sale, the employee of the retail marijuana store making the sale
- shall verify that the purchaser has a valid identification card showing the purchaser is 21
- 628 <u>years of age or older.</u>

629 (h) A retail marijuana store may provide a sample of its products to a facility that has a

- 630 retail marijuana testing facility license from the state licensing authority for testing and
- 631 research purposes. A retail marijuana store shall maintain a record of what was provided
- 632 to the testing facility and the identity of the testing facility.
- 633 (i) All retail marijuana sold at a retail marijuana store shall be packaged and labeled as
- 634 required by rules of the state licensing authority pursuant to Code Section 43-52-7.
- 635 (j) A retail marijuana store shall only sell retail marijuana, retail marijuana products, and
- 636 <u>marijuana accessories</u>. A retail marijuana store shall not sell any other items.
- 637 (k) A retail marijuana store shall not sell any retail marijuana products that contain
- 638 <u>nicotine or alcohol.</u>
- 639 (1) A retail marijuana store shall only sell retail marijuana and retail marijuana products
- in packaging that conforms to the regulations adopted by the state licensing authority.
- 641 (m) The premises of a retail marijuana store is the only place where an automatic
- dispensing machine that contains retail marijuana may be located. If a licensed retail
- 643 <u>marijuana store uses an automatic dispensing machine that contains retail marijuana, it</u>
- shall comply with the regulations promulgated by the state licensing authority for its use.
- 645 <u>43-52-22.</u>
- 646 (a) A retail marijuana cultivation facility license shall be issued only to a person who
- 647 grows and cultivates retail marijuana for sale and distribution to licensed retail marijuana
- 648 <u>stores or retail marijuana products manufacturers.</u>
- 649 (b) A retail marijuana cultivation facility shall remit the excise tax due based on the
- average wholesale price set by the state licensing authority.
- 651 (c) A retail marijuana cultivation facility shall track the marijuana it cultivates from seed
- 652 to wholesale purchase. Prior to delivery of any sold retail marijuana, the retail marijuana
- 653 <u>cultivation facility shall affix evidence that it paid the excise tax on the retail marijuana.</u>
- 654 <u>43-52-23.</u>
- 655 (a) A retail marijuana products manufacturing license shall be issued only to a person who
- 656 manufactures retail marijuana products, pursuant to the terms and conditions of this
- 657 <u>chapter.</u>
- 658 (b) A retail marijuana products manufacturer may cultivate its own retail marijuana if it
- obtains a retail marijuana cultivation facility license or it may purchase retail marijuana
- 660 from a licensed retail marijuana cultivation facility. A retail marijuana products
- 661 manufacturer shall track all of its retail marijuana from the point when it is either
- 662 <u>transferred from its retail marijuana cultivation facility or delivered to the retail marijuana</u>

products manufacturer from another licensed retail marijuana cultivation facility to the

- 664 point of sale.
- 665 (c) A retail marijuana products manufacturer shall not accept any retail marijuana
- purchased from a retail marijuana cultivation facility unless the retail marijuana is affixed
- with evidence that the excise tax was paid.
- 668 (d) Retail marijuana products shall be prepared on a licensed premises that is used
- 669 exclusively for the manufacture and preparation of retail marijuana products and using
- 670 equipment that is used exclusively for the manufacture and preparation of retail marijuana
- 671 products.
- 672 (e) All licensed premises on which retail marijuana products are manufactured shall meet
- 673 the sanitary standards for retail marijuana product preparation promulgated pursuant to
- 674 <u>Code Section 43-52-7.</u>
- 675 (f) All retail marijuana products shall be sealed and conspicuously labeled in compliance
- with this chapter and any rules promulgated pursuant to this chapter.
- 677 (g) Retail marijuana products shall not be consumed on any premises licensed pursuant to
- 678 <u>this chapter.</u>
- 679 (h) Notwithstanding any other provision of state law, sales of retail marijuana products
- shall not be exempt from state or local sales tax.
- (i) A retail marijuana products manufacturer may provide a sample of its products to a
- 682 <u>facility that has a retail marijuana testing facility license from the state licensing authority</u>
- 683 <u>for testing and research purposes. A retail marijuana products manufacturer shall maintain</u>
- 684 <u>a record of what was provided to the testing facility and the identity of the testing facility.</u>
- 685 (j) An edible retail marijuana product may list its ingredients and comparability with
- dietary practices.
- 687 (k) A retail marijuana products manufacturer shall package and label each product
- 688 manufactured as required by rules of the state licensing authority pursuant to Code Section
- 689 <u>43-52-7.</u>
- 690 (1) All retail marijuana products that require refrigeration to prevent spoilage shall be
- 691 <u>stored and transported in a refrigerated environment.</u>
- 692 <u>43-52-24.</u>
- 693 (a) A retail marijuana testing facility license shall be issued only to a person who performs
- 694 testing and research on retail marijuana. Such facility may develop and test retail
- 695 <u>marijuana products.</u>
- (b) The state licensing authority shall promulgate rules pursuant to its authority in Code
- Section 43-52-7 related to acceptable testing and research practices, including but not
- 698 <u>limited to testing, standards, quality control analysis, equipment certification and</u>

699 <u>calibration, and chemical identification and other substances used in bona fide research</u>

- 700 methods.
- 701 (c) A facility that has a retail marijuana testing facility license from the state licensing
- authority for testing purposes shall not have any interest in a retail marijuana store, a retail
- 703 <u>marijuana cultivation facility, or a retail marijuana products manufacturer.</u> A person that
- has an interest in a retail marijuana store, a retail marijuana cultivation facility, or a retail
- 705 marijuana products manufacturer shall not have an interest in a facility that has a retail
- 706 <u>marijuana testing facility license.</u>
- 707 <u>43-52-25.</u>
- 708 (a) The state licensing authority may charge and collect fees under this chapter.
- 709 (b) The application fee for a person applying pursuant to this chapter shall be \$5,000.00.
- 710 (c) On or before September 30, 2019, and on or before September 30 of each year
- thereafter, the state licensing authority shall provide a written report to the General
- Assembly detailing the amount of revenue generated by retail marijuana, including excise
- 713 taxes, sales taxes, application and license fees, and any other fees. The report shall also
- 714 <u>include a report on the progress of the regulatory environment for marijuana in Georgia.</u>
- 715 (d) A local jurisdiction in which a license under this chapter may be permitted may adopt
- and impose operating fees in an amount determined by the local jurisdiction on retail
- 717 <u>marijuana establishments located within the local jurisdiction.</u>
- 718 <u>43-52-26.</u>
- 719 (a) In addition to any other sanctions prescribed by this chapter or rules promulgated
- pursuant to this chapter, the state licensing authority has the power, on its own motion or
- on complaint, after investigation and opportunity for a public hearing at which the licensee
- shall be afforded an opportunity to be heard, to suspend or revoke a license issued by the
- 523 state licensing authority for a violation by the licensee or by any of the agents or employees
- of the licensee of the provisions of this chapter, or any of the rules promulgated pursuant
- 725 to this chapter, or of any of the terms, conditions, or provisions of the license issued by the
- state licensing authority. The state licensing authority shall have the power to administer
- oaths and issue subpoenas to require the presence of persons and the production of papers.
- books, and records necessary to the determination of a hearing that the state licensing
- 729 <u>authority is authorized to conduct.</u>
- 730 (b) The state licensing authority shall provide notice of suspension, revocation, fine, or
- other sanction, as well as the required notice of the hearing pursuant to this Code section,
- by mailing the same in writing to the licensee at the address contained in the license.
- Except in the case of a summary suspension, a suspension shall not be for a period longer

18 LC 37 2460 734 than six months. If a license is suspended or revoked, the fees paid therefor shall not be returned to the licensee. Any license or permit may be summarily revoked by the state 735 736 licensing authority without notice pending any prosecution, investigation, or public hearing 737 pursuant to the terms of Code Section 43-52-18. Nothing in this Code section shall prevent 738 the summary revocation of a license pursuant to Code Section 43-52-18. 739 (c) Whenever a decision of the state licensing authority suspending a license for 14 days 740 or less becomes final, the licensee may, before the operative date of the suspension, petition 741 for permission to pay a fine in lieu of having the license suspended for all or part of the 742 suspension period. Upon receipt of the petition, the state licensing authority may, in its 743 sole discretion, stay the proposed suspension and cause any investigation to be made which it deems desirable and may, in its sole discretion, grant the petition if the state licensing 744 745 authority is satisfied that the: 746 (1) Public welfare would not be impaired by permitting the licensee to operate during the 747 period set for suspension and that the payment of the fine will achieve the desired 748 disciplinary purposes; 749 (2) Books and records of the licensee are kept in such a manner that the loss of sales that 750 the licensee would have suffered had the suspension gone into effect can be determined 751 with reasonable accuracy; and 752 (3) Licensee has not had his or her license suspended or revoked, nor had any suspension stayed by payment of a fine, during the two years immediately preceding the date of the 753 754 motion or complaint that resulted in a final decision to suspend the license or permit. 755 (d) The fine levied shall be not less than \$500.00 nor more than \$100,000.00. 756 (e) Payment of a fine pursuant to the provisions of subsection (d) of this Code section shall 757 be in the form of cash or in the form of a certified check or cashier's check made payable to the state or local licensing authority, whichever is appropriate. 758 759 (f) Upon payment of the fine pursuant to subsection (e) of this Code section, the state

- licensing authority shall enter its further order permanently staying the imposition of the
- suspension. Fines paid to the state licensing authority pursuant to subsection (e) of this
- Code section shall be transmitted to the state treasurer.
- 763 (g) In connection with a petition pursuant to subsection (c) of this Code section, the
- authority of the state licensing authority is limited to the granting of such stays as are
- necessary for the state licensing authority to complete its investigation and make its
- findings and, if the state licensing authority makes such findings, to the granting of an order
- permanently staying the imposition of the entire suspension or that portion of the
- suspension not otherwise conditionally stayed.

769 (h) If the state licensing authority does not make the findings required in subsection (c) of

- this Code section and does not order the suspension permanently stayed, the suspension
- shall go into effect on the operative date finally set by the state licensing authority.
- 772 (i) No later than January 15 of each year, the state licensing authority shall compile a
- report of the preceding year's actions in which fines, suspensions, or revocations were
- imposed by the state licensing authority. The state licensing authority shall file one copy
- of the report with the Clerk of the House of Representatives and one copy with the
- Secretary of the Senate.
- 777 <u>43-52-27.</u>
- 778 (a) The provisions of this Code section shall apply in addition to any criminal, civil, or
- administrative penalties and in addition to any other penalties prescribed by this chapter
- or any rules promulgated pursuant to this chapter.
- (b) Every licensee licensed under this chapter shall be deemed, by virtue of applying for,
- holding, or renewing such person's license, to have expressly consented to the procedures
- 783 <u>set forth in this Code section.</u>
- 784 (c) A state or local agency shall not be required to cultivate or care for any retail marijuana
- or retail marijuana product belonging to or seized from a licensee. A state or local agency
- shall not be authorized to sell marijuana, retail or otherwise.
- 787 (d) If the state licensing authority issues a final agency order imposing a disciplinary
- 788 <u>action against a licensee pursuant to Code Section 43-52-26, then, in addition to any other</u>
- remedies, the state licensing authority's final agency order may specify that some or all of
- 790 <u>the licensee's marijuana or marijuana product is not retail marijuana or retail marijuana</u>
- 791 product and is an illegal controlled substance. The order may further specify that the
- 792 <u>licensee shall lose any interest in any of the retail marijuana or retail marijuana product</u>
- 793 even if the retail marijuana or retail marijuana product previously qualified as retail
- 794 <u>marijuana or retail marijuana product.</u> The final agency order may direct the destruction
- of any such retail marijuana and retail marijuana products, except as provided in
- subsections (e) and (f) of this Code section. The authorized destruction may include the
- 797 <u>incidental destruction of any containers, equipment, supplies, and other property associated</u>
- 798 with the retail marijuana or retail marijuana product.
- 799 (e) Following the issuance of a final agency order by the state licensing authority against
- 800 <u>a licensee and ordering destruction authorized by subsection (d) of this Code section, a</u>
- licensee shall have 15 days within which to file a petition for stay of agency action with the
- 802 Superior Court of Fulton County, which county shall be deemed to be the residence of the
- state licensing authority for purposes of this Code section. The licensee shall serve the
- petition in accordance with the rules of civil procedure. The superior court shall promptly

rule upon the petition and determine whether the licensee has a substantial likelihood of success on judicial review so as to warrant delay of the destruction authorized by subsection (d) of this Code section or whether other circumstances, including but not limited to the need for preservation of evidence, warrant delay of such destruction. If destruction is so delayed pursuant to judicial order, the court shall issue an order setting forth terms and conditions pursuant to which the licensee may maintain the retail marijuana and retail marijuana product pending judicial review and prohibiting the licensee from using or distributing the retail marijuana or retail marijuana product pending the review. The state licensing authority shall not carry out the destruction authorized by subsection (d) of this Code section until 15 days have passed without the filing of a petition for stay of agency action, or until the court has issued an order denying stay of agency action pursuant to this subsection. (f) The state licensing authority shall not carry out the destruction authorized by subsection (d) of this Code section until it has notified the district attorney for the judicial district in which the marijuana is located to determine whether the marijuana or marijuana product constitutes evidence in a criminal proceeding such that it should not be destroyed and until 15 days have passed from the date of the issuance of such notice.

- 822 (g) On or before January 1, 2019, the state licensing authority shall promulgate rules
- 823 governing the implementation of this Code section.
- 824 <u>43-52-28.</u>

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- 825 (a) Each licensee shall keep a complete set of all records necessary to show fully the business transactions of the licensee, all of which shall be open at all times during business
- 827 <u>hours for inspection and examination by the state licensing authority or its duly authorized</u>
- 828 representatives. The state licensing authority may require any licensee to furnish such
- 829 <u>information as it considers necessary for the proper administration of this chapter and may</u>
- require an audit to be made of the books of account and records on such occasions as it
- may consider necessary by an auditor to be selected by the state licensing authority who
- 832 <u>shall likewise have access to all books and records of the licensee, and the expense thereof</u>
- shall be paid by the licensee.
- (b) The licensed premises, including any places of storage where retail marijuana is grown,
- stored, cultivated, sold, dispensed, or tested, shall be subject to inspection by the state or
- 836 <u>local licensing authorities and their investigators, during all business hours and other times</u>
- of apparent activity, for the purpose of inspection or investigation. Access shall be
- 838 required during business hours for examination of any inventory or books and records
- required to be kept by the licensees. When any part of the licensed premises consists of a
- locked area, upon demand to the licensee by authorized representatives of the state or local

licensing authority, such area shall be made available for inspection without delay, and the

- licensee shall open the area for inspection.
- 843 (c) Each licensee shall retain all books and records necessary to show fully the business
- 844 <u>transactions of the licensee for a period of the current tax year and the three immediately</u>
- prior tax years.
- 846 <u>43-52-29.</u>
- 847 (a) Except as otherwise provided in this chapter, it shall be unlawful for a person to
- 848 consume retail marijuana in a licensed retail marijuana establishment, and it shall be
- 849 <u>unlawful for a licensee to allow retail marijuana to be consumed upon its licensed premises.</u>
- (b) It shall be unlawful for a person to:
- 851 (1) Buy, sell, transfer, give away, or acquire retail marijuana except as allowed pursuant
- 852 to this chapter; or
- 853 (2) Have an unreported financial interest or a direct interest in a license pursuant to this
- chapter; except that this paragraph shall not apply to banks, savings and loan associations,
- or industrial banks supervised and regulated by an agency of the state or federal
- government, or to mortgagees approved by the Federal Housing Administration, or to
- 857 <u>stockholders, directors, or officers thereof.</u>
- 858 (c) It shall be unlawful for a person licensed pursuant to this chapter to:
- 859 (1) Be within a limited access area unless the person's license badge is displayed as
- required by this chapter, except as provided in Code Section 43-52-28;
- 861 (2) Fail to designate areas of ingress and egress for limited access areas and to post signs
- in conspicuous locations as required by this chapter;
- (3) Fail to report a transfer required by Code Section 43-52-15;
- 864 (4) Fail to report the name of or a change in managers as required by Code Section
- 865 <u>43-52-16</u>; or
- 866 (5) Fail to pay the excise tax.
- 867 (d) It shall be unlawful for any person licensed to sell retail marijuana pursuant to this
- 868 <u>chapter to:</u>
- (1) Display any signs that are inconsistent with local laws or regulations;
- 870 (2) Use advertising material that is misleading, deceptive, or false, or that is designed to
- appeal to minors;
- 872 (3) Provide public premises, or any portion thereof, for the purpose of consumption of
- 873 <u>retail marijuana in any form;</u>
- 874 (4) Offer for sale or solicit an order for retail marijuana in person except within the
- 875 <u>licensed premises;</u>

876 (5) Have in possession or upon the licensed premises any retail marijuana, the sale of 877 which is not permitted by the license; 878 (6) Buy retail marijuana from a person not licensed to sell as provided by this chapter; 879 (7) Sell retail marijuana, except in the permanent location specifically designated in the 880 license for sale; 881 (8) Sell retail marijuana to a person under 21 years of age; 882 (9) Sell more than a quarter of an ounce of retail marijuana and no more than a quarter of an ounce equivalent of a retail marijuana product during a single transaction to a 883 884 nonresident of the State of Georgia; 885 (10) Have on the licensed premises any retail marijuana or marijuana accessories that show evidence of the retail marijuana having been consumed or partially consumed; 886 887 (11) Burn or otherwise destroy marijuana or any substance containing marijuana for the purpose of evading an investigation or preventing seizure; or 888 (12) Abandon a licensed premises or otherwise cease operation without notifying the 889 890 state and local licensing authorities at least 48 hours in advance and without accounting for and forfeiting to the state licensing authority for destruction of all marijuana or 891 892 products containing marijuana. 893 (e) A person committing any acts that are unlawful pursuant to this chapter or the rules 894 authorized and adopted pursuant to this chapter shall be punished as for a misdemeanor, 895 except for violations that would also constitute a violation of Chapter 13 of Title 16, which

SECTION 2.

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This Act shall become effective on January 1, 2019, only if there is ratified at the November, 2018, general election a constitutional amendment authorizing the General Assembly to provide for the legalization and regulation of the production and sale of marijuana and provide that the taxes from such production and sale be appropriated to education and transportation infrastructure purposes. If such an amendment to the Constitution of Georgia is not so ratified, then this Act shall not become effective and shall stand repealed by operation of law.

violation shall be charged and prosecuted pursuant to Chapter 13 of Title 16."

905 **SECTION 3.**

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