

Georgia Hemp Plan

2022

The Georgia Department of Agriculture (“GDA”) has developed this plan to regulate hemp production in the State of Georgia. As authorized by Section 297B(a)(3)(B) of the Agricultural Improvement Act of 2018, the Georgia Hemp Plan incorporates the Georgia Hemp Farming Act, O.C.G.A. § 2-23-1, *et seq.* (the “GHFA”), as well as the Department regulations governing Georgia’s hemp program, Ga. Comp. R. & Regs. r. 40-32-1, *et seq.* (the “Rules”).

The Georgia Hemp Program meets each of the plan requirements set forth in 7 C.F.R. § 990, as described below.

State and Tribal plans; Plan requirements (7 C.F.R. § 990.3)

7 C.F.R. § 990.3 states “(a) *General Requirements.* A State or Tribal plan submitted to the Secretary for approval must include the practice and procedures described in this paragraph (a).”

(1) “A State or Tribal plan must include a practice to collect, maintain, and report to the Secretary relevant, real-time information for each producer licensed or authorized to produce hemp under the State or Tribal plan regarding:

(i) Contact information as described in §990.70(a)(1);

GA. Comp. R. & Regs. r. 40-32-2-.01 requires any person desiring to cultivate and handle hemp in Georgia to submit a Hemp Grower License Application which includes, but is not limited to an individual applicant’s full name, street address, mailing address, telephone number, and email address. Legal entity applicants must also submit the applicant’s business name, entity type, principal business location, primary contact information, a certification of entity existence, employer identification number, and personal information of each key participant. Approved licensees must submit notice and a request to GDA prior to changing any of the above information. GA. Comp. R. & Regs. r. 40-32-2-.01(8).

(ii) A legal description of the land on which the producer will produce hemp in the State or territory of the Indian Tribe including, to the extent practicable, its geospatial location; and

O.C.G.A. § 2-23-5(b)(1) and GA. Comp. R. & Regs. r. 40-32-2-.01 require any person desiring to cultivate and handle hemp in Georgia to submit a Hemp Grower License Application which includes, but is not limited to, a legal description of land on which hemp will be cultivated or handled, GPS coordinates for each grow site, and aerial maps or photographs of growing and handling locations. Approved licensees must submit notice and a request to GDA prior to cultivation or storage of hemp at a site not previously approved. GA. Comp. R. & Regs. r. 40-32-2-.01(8).

(iii) The status and number of the producer's license or authorization in a format

prescribed by USDA.”

Approved hemp grower license applicants are provided a license number in the format prescribed by USDA through GDA’s online application and licensing portal.

GA. Comp. R. & Regs. r. 40-32-2-.10 requires GDA maintain all relevant records and information regarding licensees and land on which hemp is produced in Georgia, including a legal description of the land, for a period of not less than three calendar years. GA. Comp. R. & Regs. r. 40-32-2-.10 also requires GDA collect, maintain, and report to USDA via fax, certified mail, email, or other method deemed acceptable by USDA (including the USDA’s HeMP system) the information described in the three subsections above.

(2) “A State or Tribal plan must include a procedure for accurate and effective sampling of hemp that includes the requirements in this paragraph (a)(2).

(i) Samples from cannabis plants must be collected within 30 days prior to the anticipated harvest, for total delta-9 tetrahydrocannabinol concentration level testing. Samples must be collected by a sampling agent. Producers may not collect samples from their own growing facilities.

GA. Comp. R. & Regs. r. 40-32-2-.03(1) requires licensees to have a GDA-approved sampling agent collect a sample from the cannabis plants in a lot within 30 days prior to its anticipated harvest for delta-9 tetrahydrocannabinol concentration level testing. Only samples taken by a GDA-approved sampling agent will be considered official samples. GA. Comp. R. & Regs. r. 40-32-2-.03(7). GDA maintains a Memorandum of Agreement with one GDA-approved sampling agent, and such sampling agent does not produce cannabis in any capacity.

(ii) Samples shall be obtained from the flowering tops of plants when flowering tops are present, and shall be approximately five to eight inches in length from the “main stem” (that includes the leaves and flowers), “terminal bud” (that occurs at the end of a stem), or “central cola” (cut stem that could develop into a bud) of the flowering top of the plant.

GA. Comp. R. & Regs. r. 40-32-2-.03(2) requires all official sampling be conducted in accordance with USDA’s current *Sampling Guidelines for Hemp, U.S. Domestic Hemp Production Program*.

(iii) The method used for sampling must be sufficient at a confidence level of 95 percent that no more than one percent of the plants in each lot would exceed the acceptable hemp THC level and ensure that a representative sample is collected that represents a homogeneous composition of the lot. Alternatively, States and Tribes may adopt a performance-based method that meets the requirements in paragraphs (a)(2)(iii)(A) and (B) of this section.

GA. Comp. R. & Regs. r. 40-32-2-.03(2) requires all official sampling be conducted in accordance with USDA’s current *Sampling Guidelines for Hemp, U.S. Domestic Hemp Production*

Program.

(A) The alternative method must be part of the State or Tribe’s hemp plan and is subject to USDA approval.

(B) The alternative method must have the potential to ensure, at a confidence level of 95 percent, that the cannabis plant species *Cannabis sativa* L. that will be subject to the alternative method will not test above the acceptable hemp THC level. The alternative method may consider one or more of the following factors:

(1) Seed certification process or process that identifies varieties that have consistently demonstrated to result in compliant hemp plants in that State or territory of the Indian Tribe;

(2) Whether the producer is conducting research on hemp;

(3) Whether a producer has consistently produced compliant hemp plants over an extended period of time; and

(4) Factors similar to those in this paragraph (a)(2)(iii)(B).

(iv) During a scheduled sample collection, the producer or an authorized representative of the producer shall be present at the growing site if possible.

GA. Comp. R. & Regs. r. 40-32-2-.03(4) requires that during a scheduled sample collection, the licensee or an authorized representative of the licensee must be present at the grow site.

(v) Sampling agents shall be provided with complete and unrestricted access during business hours to all hemp and other cannabis plants (whether growing or harvested), to areas where hemp is grown and stored, and to all land, buildings, and other structures used for the cultivation, handling, and storage of all hemp and other cannabis plants, and all locations listed in the producer license.

GA. Comp. R. & Regs. r. 40-32-2-.03(8) requires that the GDA-approved sampling agent(s) must be provided with complete and unrestricted access during business hours to all hemp and other cannabis plants and material, whether growing or harvested, and all land, buildings, and other structures used for the cultivation, handling, or storage of all hemp and other cannabis plants, and all locations listed in the Hemp Grower License.

(vi) A producer shall not harvest the cannabis crop prior to samples being taken.

GA. Comp. R. & Regs. r. 40-32-2-.03(9) provides that a licensee must not harvest any cannabis prior to samples being taken.

(vii) Sampling agents must be trained using USDA, State, or Tribal training procedures. States and Indian Tribes must maintain information, available to producers, about trained sampling agents.”

GDA maintains a Memorandum of Agreement with an approved sampling agent. That Memorandum of Agreement requires that the sampling agent “train each sampling agent using the USDA’s most current *U.S. Domestic Hemp Production Program Hemp Sampling Training*.” The GDA-approved sampling agent has complied with this requirement. GDA posts the GDA-approved sampling agent on its Hemp Program webpage for the information of licensees.

(3) “A State or Tribal plan must include a procedure for testing that is able to accurately identify whether the sample contains a total delta-9 tetrahydrocannabinol content concentration level that exceeds the acceptable hemp THC level. The procedure must include a validated testing methodology that uses post-decarboxylation or other similarly reliable methods. The testing methodology must consider the potential conversion of THCA in hemp into THC and the test result must report the total available THC derived from the sum of the THC and THCA content. Testing methodologies meeting the requirements of this paragraph (a)(3) include, but are not limited to, gas or liquid chromatography with detection. The total THC concentration level shall be determined and reported on a dry weight basis.

GA. Comp. R. & Regs. r. 40-32-2-.03(2) requires all cannabis sampling be conducted in accordance with the USDA’s most current *Testing Guidelines for Hemp Growing Facilities*. GA. Comp. R. & Regs. r. 40-32-2-.04(4)-(5) requires that at a minimum, analytical testing of samples for delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the USDA. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (“THCA”) in hemp into delta-9 tetrahydrocannabinol (“THC”), and the test result must reflect the total available THC derived from the sum of the THC and THCA content. Testing methodologies meeting the requirements of this Rule include, but are not limited to, gas or liquid chromatography with detection. Total delta-9 tetrahydrocannabinol concentration level must be determined and reported on a dry weight basis. Laboratories testing cannabis samples determine and report total delta-9 tetrahydrocannabinol concentration level on a dry weight basis alongside the measurement of uncertainty. GA. Comp. R. & Regs. r. 40-32-2-.04(5)-(6). GDA implemented an acceptable hemp THC level defined term mirroring the definition found in U.S.D.A.’s Final Rule. GA. Comp. R. & Regs. r. 40-32-1-.02(1).

(i) Any test of a representative sample resulting in higher than the acceptable hemp THC level shall be conclusive evidence that the lot represented by the sample is not in compliance with this part and shall be disposed of or remediated in accordance with §990.27.

GA. Comp. R. & Regs. r. 40-32-2-.03(16) states that in the event that a tested official sample for a lot exceeds the acceptable hemp THC level upon its final retest, the licensee’s entire lot with the same GPS coordinates must either be disposed of or remediated in accordance with the Rules.

(ii) Samples of hemp plant material from one lot shall not be commingled with hemp plant material from other lots.

GA. Comp. R. & Regs. r. 40-32-2-.03(18) requires licensees to ensure that hemp and hemp plant material from one lot is not commingled with hemp or hemp plant material from other lots.

(iii) Laboratories conducting analytical testing for purposes of detecting the concentration levels of Total THC shall meet the following requirements:

(A) Laboratory quality assurance must ensure the validity and reliability of test results;

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(a) requires laboratories testing cannabis to implement quality assurance that ensures the validity and reliability of test results. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(B) Analytical method selection, validation, and verification must ensure that the testing method used is appropriate (fit for purpose), and that the laboratory can successfully perform the testing;

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(b) requires laboratories testing cannabis to use analytical method selection, validation, and verification to ensure that the testing method used is appropriate (fit for purpose), and that the laboratory can successfully perform the testing. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(C) The demonstration of testing validity must ensure consistent, accurate analytical performance;

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(c) requires laboratories testing cannabis to demonstrate testing validity so as to ensure consistent, accurate analytical performance. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(D) Method performance specifications must ensure analytical tests are sufficiently sensitive for the purposes of the detectability requirements of this part; and

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(d) requires laboratories testing cannabis to use method performance specifications sufficient to ensure analytical tests are sufficiently sensitive for the purposes of the detectability requirements of this Rule. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(E) Effective disposal procedures for non-compliant samples that do not meet the requirements of this part.

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(e) requires laboratories testing cannabis to

implement effective disposal procedures for non-compliant samples that do not meet the acceptable THC limit. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(F) Measurement of uncertainty (“MU”) must be estimated and reported with test results. Laboratories shall use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.

GA. Comp. R. & Regs. r. 40-32-3-.04(6) requires that MU be estimated and reported with test results. Laboratories must use appropriate, validated methods and procedures for all testing activities and evaluate MU. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(G) Sample preparation of pre- or post-harvest samples shall require grinding of sample to ensure homogeneity of plant material prior to testing. Sample preparation may follow a procedure described by USDA.

GA. Comp. R. & Regs. r. 40-32-3-.04(3)(f) requires sample preparation of pre- or post-harvest samples shall require grinding of the sample to ensure homogeneity prior to testing. Laboratories performing official hemp sample testing in Georgia attest to this accordingly.

(H) After December 31, 2022, States and Indian Tribes shall require that only laboratories registered with the DEA may conduct testing under this section.”

GA. Comp. R. & Regs. r. 40-32-3-.04(2) requires that analytical testing for purposes of detecting the concentration levels of total delta-9 tetrahydrocannabinol must be conducted and reported by laboratory registered with the DEA to handle controlled substances under the Controlled Substances Act, 21 C.F.R. 1301.13.

(4) “A State or Indian Tribe shall require testing laboratories to comply with USDA reporting requirements in subpart F of this part. Laboratories shall only submit test results used to determine compliance with this part. Test results from informal testing conducted throughout the growing season shall not be reported to USDA.”

GDA requires laboratories testing official hemp samples for Georgia hemp growers to sign affidavits. One of the provisions in that affidavit requires laboratories to report all official grower sample results to USDA using USDA’s HeMP platform in accordance with subpart F. A form of this affidavit is attached as Exhibit C.

(5) “A State or Tribal plan must include a procedure to comply with the enforcement procedures in §990.6.”

O.C.G.A. § 2-23-10 and GA. Comp. R. & Regs. r. 40-32-2-.12 address violations of the Georgia Hemp Farming Act and Rules.

Negligent Violations. O.C.G.A. § 2-23-10(b)(1) provides that a licensee will be required to conduct a corrective action plan if the Commissioner determines that the licensee negligently violated the Act or Rules. Potential violations include (a) failing to provide a legal description and global positioning coordinates sufficient for locating fields and greenhouses the licensee uses to cultivate and harvest hemp, (b) failing to properly obtain a license from GDA, (c) producing *Cannabis sativa L.* with more than the federally defined THC level for hemp, or (d) otherwise violating the GHFA or Rules. (Id.). Ga. Comp. R. & Regs. r. 40-32-2-.12(2)(a)(2) states that licensees do not commit a negligent violation if they make reasonable efforts to grow hemp and the resultant cannabis does not have a total delta-9 tetrahydrocannabinol concentration of more than 1.0 percent on a dry weight basis. Corrective action plans include a reasonable date by which the producer will correct the negligent violation and a requirement that the licensee shall periodically report to the Commissioner on the compliance status of the licensee with the corrective action plan for a period of not less than two calendar years after the violation. O.C.G.A. § 2-23-10(b)(2). O.C.G.A. § 2-23-10(d) provides that a licensee committing three negligent violations in a five-year period will have its license immediately revoked and will be ineligible to reapply for a license for five years after the date of the third violation. O.C.G.A. § 2-23-10(c) provides that licensees committing negligent violations of the GHFA or Rules are not subject to criminal or civil enforcement action by any government agency other than corrective action plans. Ga. Comp. R. & Regs. r. 40-32-2-.12 further specifies potential violations of the GHFA and Rules and corrective action plan procedures, including that GDA will inspect as necessary to ensure compliance with corrective action plans.

Violations with a Culpable Mental State Greater than Negligence. O.C.G.A. § 2-23-10(e) provides that if the Commissioner determines that a licensee has violated state law with a culpable mental state greater than negligence, the Commissioner will immediately report the licensee to the US Attorney General and the Georgia Attorney General, and the safe harbor in O.C.G.A. § 2-23-10(c) will not apply to the violation.

Felonies and False Statements. O.C.G.A. § 2-23-5(c)(3) states no license shall be issued to any applicant who has been convicted of a misdemeanor involving sale of or trafficking in a controlled substance or a felony or who materially falsifies any information contained in a license application. Each applicant provides at least one criminal history report pursuant to O.C.G.A. § 2-23-5(c).

(6) “A State or Tribal plan must include a procedure for the disposal or remediation of cannabis plants if the sample representing that plant tests above the acceptable hemp THC level.

(i) The disposal must be conducted either by using a DEA-registered reverse distributor or law enforcement; or on site at the farm or hemp production facility.

Ga. Comp. R. & Regs. r. 40-32-2-.06 requires that licensees dispose of non-compliant cannabis using a DEA-registered reverse distributor or through an activity that transitions the non-compliant cannabis into a non-retrievable form (including plowing, tilling, or disking plant material into the soil; mulching, composting, chopping, or bush mowing plant material into green manure; burning plant material; or burying the plant material into the earth and covering it with

soil). Non-compliant cannabis must not be removed from a grow site or where the cannabis is handled or stored. Ga. Comp. R. & Regs. r. 40-32-2-.06(7).

(ii) The State or Tribal plan must include procedures to verify the disposal or remediation of the cannabis plant. This may come in the form of in-person verification by State or Tribal representatives, or alternative requirements that direct growers to provide pictures, videos, or other proof that disposal or remediation occurred successfully. Disposal and remediation means are described at AMS’s website.

Ga. Comp. R. & Regs. r. 40-32-2-.06(8) requires licensees to submit a Disposal or Remediation Report to GDA within 14 days of the disposal or remediation of non-compliant cannabis, which includes the components therein. Licensees may verify disposal by certification of the reverse distributor or by providing evidence sufficient in GDA’s discretion to document the disposal, including by video or time-stamped photographic evidence of the disposal. (Id.) Licensees attempting to remediate non-compliant cannabis must also submit a written description of the remediation performed and post-remediation official sample results. (Id.)

(iii) If a producer elects to perform remediation activities, an additional sampling and testing of the post-remediated crop must occur to determine THC concentration levels.”

Prior to disposal, licensees may attempt to remediate non-compliant cannabis by removing and destroying flower material while retaining stalk, stems, leaf material, and seeds; or by shredding the entire plant into a biomass like material. Ga. Comp. R. & Regs. r. 40-32-2-.06(3). Remediated material must be sampled by the GDA-approved sampling agent to confirm the lot contains an acceptable THC level prior to entering the stream of commerce. (Id.). Cannabis that remains non-compliant after an attempted remediation must be disposed. (Id.).

(7) “A State or Tribal plan must include a procedure for conducting annual inspections of, at a minimum, a random group of producers to verify that hemp is not produced in violation of this part.”

GA. Comp. R. & Regs. r. 40-32-2-.11 provides for annual compliance inspections of licensed hemp growers, including each of the below elements. Inspections include verification of a licensee’s operational procedures, documentation, recordkeeping, and other practices. GDA may assess whether required reports, records, and documentation are properly maintained for accuracy and completeness. If during a compliance inspection GDA determines that a licensee is not in compliance with the GHFA or the Rules, GDA may require a corrective action plan. The licensee’s implementation of a corrective action plan will be reviewed by GDA during future compliance inspections. Compliance inspections may be unannounced and conducted at any time during regular business hours. GDA will have complete and unrestricted access to all hemp plants, material, and seeds, whether growing or harvested, as well as to all land, buildings, and other structures used for the cultivation, handling, or storage of hemp. GDA will also have full access to any and all records, documents, and information required to be kept and maintained in accordance with the Rules.

(8) “A State or Tribal plan must include a procedure for submitting the report described in §990.70 to the Secretary by the first of each month. If the first of the month falls on a weekend or holiday, the report is due by the first business day following the due date. All such information must be submitted to the USDA in a format that is compatible with USDA’s information sharing system.”

GA. Comp. R. & Regs. r. 40-32-2-.10(2)(c)-(e) provides a procedure for GDA to submit the Hemp Producer Report, Disposal or Remediation Report, Annual Report, and Test Results Report encompassing the requisite information set forth in 7 C.F.R. § 990.70, within the timeframes prescribed therein, and in a format compatible with the USDA’s information sharing system.

(9) “The State or Tribal government must certify that the State or Indian Tribe has the resources and personnel to carry out the practices and procedures described in paragraphs (a)(1) through (9) of this section.”

The Department has the resources and personnel to carry out the practices and procedures described herein, as stated in the attached Certification Statement.

(10) “The State or Tribal plan must include a procedure to collect and share information with USDA to support the information sharing requirements in 7 U.S.C. 1639q(d). The State or Tribal government is responsible for reporting the information identified in paragraphs (a)(10)(i) through (iii) of this section with AMS. The State or Tribal hemp production plan must include the following:

(i) A requirement that producers report their hemp crop acreage to the FSA, consistent with the requirement in §990.7.

GA. Comp. R. & Regs. r. 40-32-2-.10(1)(e) requires licensees to report their hemp crop acreage to FSA, including, at a minimum, hemp crop acreage; total acreage planted, harvested, remediated, and disposed; license number; street address; geospatial location of each lot; and covered growing facility square footage.

(ii) Assignment of a license or authorization identifier for each producer in a format prescribed by USDA.

Each licensee receives a numerical identifier from GDA’s online application and management portal in the format prescribed by USDA.

(iii) A requirement that producers report the total acreage of hemp planted, harvested, and, if applicable, disposed or remediated. The State or Tribal government shall collect this information and report it to AMS.”

GA. Comp. R. & Regs. r. 40-32-2-.10(1)(d)(1) requires licensees to report annual information to GDA, including, at a minimum, licensee’s name; address; license number; lot

locations; acreage dedicated to the production of hemp; and total acreage of hemp planted, harvested, remediated, and disposed. GA. Comp. R. & Regs. r. 40-32-2-.10(1)(d)(2) requires GDA to submit that information to AMS as required by the USDA Final Rule.

Additional Plan Features (USDA Plan Checklist):

- O.C.G.A. § 2-23-3(7) and GA. Comp. R. & Regs. r. 40-32-1-.02(37) provide definitional guidance for legal entity applicants identifying “key” participants and participants with executive managerial control.
- O.C.G.A. § 2-23-5(c) and GA. Comp. R. & Regs. r. 40-32-2-.01(4) provide for GDA to conduct a criminal background check and obtain a federal criminal history report for individuals, or in the case of legal entities, key participants, applying for a license.
- GA. Comp. R. & Regs. r. 40-32-2-.02(18) requires licensees to ensure that hemp and hemp plant material from one lot is not commingled with hemp or hemp plant material from other lots. Licensees must label or otherwise reasonably identify lots sufficiently to enable GDA inspectors or law enforcement to distinguish different lots. Lots must contain the same variety or strain of cannabis throughout. GA. Comp. R. & Regs. r. 40-32-1-.02(41).

EXHIBIT A
Georgia Hemp Farming Act

§ 2-23-1. Short title.

This chapter shall be known and may be cited as the "Georgia Hemp Farming Act."

§ 2-23-2. Intent.

The intent of this chapter is to:

- (1) Promote exploration of the cultivation and processing of hemp and the potential to open up new commercial markets for farmers and businesses through the sale of hemp products;
- (2) Explore expansion of the state's hemp industry and allow farmers and businesses to begin to cultivate, handle, and process hemp and sell hemp products for commercial purposes;
- (3) Encourage and empower research into growing hemp and creating hemp products at universities and in the private sector;
- (4) Ultimately move the state and its citizens to the forefront of the hemp industry;
- (5) Balance the desire to explore the cultivation and processing of hemp with public health, safety, and welfare regarding the potential for unwanted and unlawful uses of chemical elements of hemp; and
- (6) Enable the department, licensees, and universities to promote the cultivation and processing of hemp and the commercial sale of hemp products.

§ 2-23-3. Definitions.

As used in this chapter, the term:

- (1) "Commercial sale" means the sale of products in the stream of commerce at retail, at wholesale, and online.
- (2) "Cultivate" means to plant, water, grow, and harvest a plant or crop.
- (3) "Federally defined THC level for hemp" means a delta-9-THC concentration of not more than 0.3 percent on a dry weight basis, or as defined in 7 U.S.C. Section 1639o, whichever is greater.
- (4) "Handle" means to possess or store hemp plants for any period of time on premises owned, operated, or controlled by a person licensed to cultivate or permitted to process hemp, or to possess or store hemp plants in a vehicle for any period of time other than during the actual transport of such plants from the premises of a person licensed to cultivate or permitted to process hemp or a college or university authorized to conduct research pursuant to Code Section 2-23-4 to the premises of another licensed or permitted person or to a college or university authorized to conduct research pursuant to Code Section 2-23-4; provided, however, that this term shall not include possessing or storing finished hemp products.
- (5) "Hemp" means the Cannabis sativa L. plant and any part of such plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with the federally defined THC level for hemp or a lower level.
- (6) "Hemp products" means all products with the federally defined THC level for hemp derived from, or made by, processing hemp plants or plant parts that are prepared in a form available for

legal commercial sale, but not including food products infused with THC unless approved by the United States Food and Drug Administration.

(7) "Key participant" means a sole proprietor, a partner in a partnership, or a person with executive managerial control in a corporation when such sole proprietor, partnership, or corporation is an applicant to be a licensee or a permittee. A person with executive managerial control in a corporation includes persons serving as a chief executive officer, chief operating officer, chief financial officer, or any other individual identified in regulations promulgated by the department. This term shall not include nonexecutive managers, such as farm, field, or shift managers.

(8) "Licensee" means an individual or business entity possessing a hemp grower license issued by the department under the authority of this chapter to handle and cultivate hemp in the State of Georgia.

(9) "Permittee" means an individual or business entity possessing a hemp processor permit issued by the department under the authority of this chapter to handle and process hemp in the State of Georgia.

(10)

(A) "Process" or "processing," except as otherwise provided in subparagraph (B) of this paragraph, means converting an agricultural commodity into a legally marketable form.

(B) Such term shall not include:

(i) Merely placing raw or dried material into another container or packaging raw or dried material for resale; or

(ii) Traditional farming practices such as those commonly known as drying, shucking and bucking, storing, trimming, and curing.

(11) "Research" or "researching" means experimental field, greenhouse, or laboratory activity for the ultimate purpose of developing new hemp varieties and products, improving existing hemp products, developing new uses for existing hemp products, or developing or improving methods for producing hemp products.

(12) "THC" means tetrahydrocannabinol, tetrahydrocannabinolic acid, or a combination of tetrahydrocannabinol and tetrahydrocannabinolic acid.

§ 2-23-4. Required licenses; research by colleges and universities; processing of other products.

(a) Except as otherwise provided in subsection (b) of this Code section, it shall be unlawful for:

(1) Any person to cultivate, handle, or process hemp in this state unless such person holds a hemp grower license or a hemp processor permit issued by the department pursuant to this chapter or is employed by a licensee or permittee;

(2) A permittee to accept hemp for processing from any person other than a licensee or a college or university authorized to conduct research pursuant to subsection (b) of this Code section, except as otherwise provided in paragraph (4) of this subsection;

(3) A licensee to provide or sell hemp to any person other than another licensee, a college or university authorized to conduct research pursuant to subsection (b) of this Code section, or a permittee with whom the licensee enters into an agreement pursuant to Code Section 2-23-7, unless such person is located in a state with a plan to regulate hemp production that is approved by the Secretary of Agriculture of the United States, or

otherwise in accordance with regulations promulgated by the United States Department of Agriculture, and such person is authorized to grow or process hemp in that state;

(4) A permittee to accept for processing any hemp grown outside of the State of Georgia, unless such hemp is grown in a state with a plan to regulate hemp production that is approved by the Secretary of Agriculture of the United States or otherwise in accordance with regulations promulgated by the United States Department of Agriculture;

(5) A permittee to process hemp pursuant to a hemp processor permit outside of the State of Georgia, unless such processing occurs in a state with a plan to regulate hemp production that is approved by the Secretary of Agriculture of the United States or otherwise in accordance with regulations promulgated by the United States Department of Agriculture;

(6) Any licensee or permittee to otherwise fail to comply with the requirements of this chapter or any applicable state or federal law or regulation;

(7) Any person to offer for sale at retail the unprocessed flower or leaves of the hemp plant; or

(8) Any person to cultivate or handle hemp in any structure that is used for residential purposes.

(b) Colleges and universities of the University System of Georgia and institutions of higher education as defined in 20 U.S.C. Section 1001 are hereby authorized pursuant to a plan to regulate hemp production pursuant to 7 U.S.C. Section 1639p, to conduct research under an agricultural pilot program or other agricultural or academic research, including research on the cultivation and uses of hemp grown within the State of Georgia, breeding and developing new hemp varieties, seed development, consumer uses, and marketing. Pursuant to a written agreement, colleges and universities authorized to conduct research pursuant to this Code section shall also be authorized to engage third parties to assist in the conduct of such research, and such third parties may cultivate, handle, and process hemp when assisting such college or university in such research pursuant to the terms of such written agreement.

(c) It shall be lawful for a permittee to process products other than hemp products at a facility when such products are lawfully processed in the state and stored separately from hemp products.

§ 2-23-5. Procedure for licensing; fees; qualified agricultural producer; requirements; limitations on licenses.

(a)

(1) Except as otherwise provided in this chapter, application for, consideration and issuance of, and revocation of hemp grower licenses issued by the department pursuant to this Code section shall be accomplished in accordance with Chapter 5 of this title, and such licenses shall otherwise be governed by such chapter.

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

(b) Any person applying for a hemp grower license shall provide with such application to the department:

(1) A legal description and global positioning coordinates sufficient for locating fields and greenhouses to be used to cultivate and harvest hemp; and

(2) Written consent, allowing representatives of the department, the Georgia Bureau of Investigation, and other affected state and local law enforcement agencies to enter all premises

where hemp is being cultivated, harvested, or handled for the purpose of conducting physical inspections and ensuring compliance with the requirements of this chapter.

(c)

(1) Upon receipt of an application for a hemp grower license, the department shall conduct a criminal background check and is authorized to obtain a federal criminal history report in accordance with paragraph (2) of this subsection for an individual or, if the applicant is a business entity, all key participants seeking to obtain a hemp grower license.

(2) At least one set of classifiable electronically recorded fingerprints of the individual applicant or, if the applicant is a business entity, one set of classifiable electronically recorded fingerprints of each key participant shall be submitted to the department in accordance with the fingerprint system of identification established by the director of the Federal Bureau of Investigation. The department shall transmit the fingerprints to the Georgia Crime Information Center, which shall submit the fingerprints to the Federal Bureau of Investigation for a search of bureau records and an appropriate report and shall promptly conduct a search of state records based upon the fingerprints. After receiving the report from the Georgia Crime Information Center and the Federal Bureau of Investigation, the department shall review the record for all individuals or key participants, as applicable.

(3) No license shall be issued to any applicant who has been convicted of a misdemeanor involving sale of or trafficking in a controlled substance or a felony or who materially falsifies any information contained in a license application.

(d)

(1) No person shall be issued more than one hemp grower license, nor shall any person be permitted to have a beneficial interest in more than one hemp grower license issued under this chapter, regardless of the degree of such interest.

(2) Nothing contained in this subsection shall prohibit the reissuance of a valid hemp grower license if the license has been held by marriage prior to the creation of any of the relationships defined in paragraph (3) of this subsection.

(3) For purposes of this subsection:

(A) The term "person" shall include all members of a licensee's family and all corporations, limited partnerships, limited liability companies, and other business entities in which a licensee holds more than a 50 percent ownership interest; the term "family" shall include any person related to the holder of the hemp grower license within the first degree of consanguinity and affinity as computed according to the canon law and who is claimed as a dependent by the licensee for income tax purposes; and

(B) The beneficiaries of a trust shall be considered to have a beneficial interest in any business forming a part of the trust estate.

§ 2-23-6. Procedure for permitting; limitations on permits and interests.

(a) Except as otherwise provided in this chapter, consideration, issuance, and revocation of hemp processor permits issued by the department pursuant to this Code section shall be accomplished in accordance with Chapter 5 of this title, and such permits shall otherwise be governed by such chapter.

(b) Any person applying for a hemp processor permit pursuant to this Code section shall provide to the department:

- (1)** A legal description and global positioning coordinates sufficient for locating facilities for processing hemp;
 - (2)** Written consent allowing representatives of the department, the Georgia Bureau of Investigation, and other affected state and local law enforcement agencies to enter all premises where hemp is being processed or handled for the purpose of conducting physical inspections and ensuring compliance with the requirements of this chapter; and
 - (3)** A surety bond as described in Code Section 2-23-6.1.
- (c)**
- (1)** Upon receipt of an application for a hemp processor permit, the department shall conduct a criminal background check and is authorized to obtain a federal criminal history report in accordance with paragraph (2) of this subsection for an individual or, if the applicant is a business entity, all key participants seeking to obtain a hemp processor permit.
 - (2)** At least one set of classifiable electronically recorded fingerprints of the individual applicant or, if the applicant is a business entity, one set of classifiable electronically recorded fingerprints of each key participant shall be submitted to the department in accordance with the fingerprint system of identification established by the director of the Federal Bureau of Investigation. The department shall transmit the fingerprints to the Georgia Crime Information Center, which shall submit the fingerprints to the Federal Bureau of Investigation for a search of bureau records and an appropriate report and shall promptly conduct a search of state records based upon the fingerprints. After receiving the report from the Georgia Crime Information Center and the Federal Bureau of Investigation, the department shall review the record for all individuals or key participants, as applicable.
 - (3)** No permit shall be issued to any applicant who has been convicted of a misdemeanor involving sale of or trafficking in a controlled substance or a felony or who materially falsifies any information contained in a license application.
 - (d)** The department shall annually accept applications for hemp processor permits to be issued by the department.
 - (e)** Hemp processor permits shall be issued for one calendar year at an annual permit fee of \$25,000.00, so long as no administrative action has been taken by the department regarding such permittee under this chapter.
 - (f)** Issuance of any hemp processor permit shall be conditioned upon the permittee's compliance with Code Section 2-23-7 prior to initiating hemp processing activities.
 - (g)** A permittee may also apply for and be issued no more than one hemp grower license.
- (h)**
- (1)** No person shall be issued more than one hemp processor permit, nor shall any person be permitted to have a beneficial interest in more than one hemp processor permit issued under this chapter, regardless of the degree of such interest.
 - (2)** Nothing contained in this subsection shall prohibit the reissuance of a valid hemp processor permit if the permit has been held by marriage prior to the creation of any of the relationships defined in paragraph (3) of this subsection.
 - (3)** For purposes of this subsection:
 - (A)** The term "person" shall include all members of a licensee's family and all corporations, limited partnerships, limited liability companies, and other business entities in which a licensee holds more than a 50 percent ownership interest; the term "family" shall include any person related to the holder of the hemp processor permit within the first degree of consanguinity and

affinity as computed according to the canon law and who is claimed as a dependent by the licensee for income tax purposes; and

(B) The beneficiaries of a trust shall be considered to have a beneficial interest in any business forming a part of the trust estate.

§ 2-23-6.1. Bond requirements; breach of bond; hearing; enforcement; insufficient bond funds.

(a) Any applicant for a hemp processor permit shall make and deliver to the Commissioner a surety bond executed by a surety corporation authorized to transact business in this state and approved by the Commissioner. Any and all bond applications shall be accompanied by a certificate of good standing issued by the Commissioner of Insurance. If any company issuing a bond shall be removed from doing business in this state, it shall be the duty of the Commissioner of Insurance to notify the Commissioner within 30 days. The bond shall be in such amount as the Commissioner may determine, not exceeding an amount equal to 2 percent of the amount of hemp purchased from licensees by the permittee in the most recent calendar year; provided, however, that the minimum amount of such bond shall be \$300,000.00 and the maximum amount shall be \$1,000,000.00. Such bond shall be upon a form prescribed or approved by the Commissioner and shall be conditioned to secure the faithful accounting for and payment to licensees for hemp purchased by such permittee as well as to secure the permittee's compliance with the requirements of this chapter. Whenever the Commissioner shall determine that a previously approved bond has for any cause become insufficient, the Commissioner may require an additional bond or bonds to be given in compliance with this Code section. Unless the additional bond or bonds are given within the time fixed by written demand therefor, or if the bond of a permittee is canceled, the permit of such permittee shall be immediately revoked by operation of law without notice or hearing, and such permittee shall be ineligible to reapply for such permit for a period of four years after such revocation.

(b) Any person claiming that he or she has been damaged by a breach of the conditions of a bond given by a permittee may file a complaint with the Commissioner. Such complaint shall be a written statement of the facts constituting the complaint and must be made within 180 days of the alleged breach. If the Commissioner determines that the complaint is prima facie a breach of the bond, and the matter cannot be amicably resolved within 15 days of the filing of the complaint, the Commissioner shall publish a solicitation for additional complaints regarding breaches of the bond for a period of not less than five consecutive issues in such publications as the Commissioner shall prescribe. Additional complaints must be filed within 60 days following initial public notification of a breach of the bond. Civil actions on the breach of such bond shall not be commenced less than 120 days nor more than 547 days from the initial date of public notification of such breach of the bond.

(c) Upon the filing of such complaint in the manner provided in this Code section, the Commissioner shall investigate the charges made and at his or her discretion order a hearing before him or her, giving the complainant and the respondent notice of the filing of such complaint and the time and place of such hearing. At the conclusion of the hearing, the Commissioner shall report his or her findings and render his or her conclusions upon the matter complained of to the complainant and respondent in each case, who shall have 15 days thereafter in which to make effective and satisfy the Commissioner's conclusions.

(d) If such settlement is not effected within such time, the Commissioner or the licensee may bring an action to enforce the claim. If the licensee is not satisfied with the ruling of the Commissioner, he or she may commence and maintain an action against the principal and surety on the bond of the parties complained of as in any civil action.

(e) If the bond or collateral posted is insufficient to pay in full the valid claims of licensees, the Commissioner may direct that the proceeds of such bond shall be divided pro rata among such licensees.

§ 2-23-7. Business agreements; transportation; reimbursement for crop destruction.

(a) Every permittee shall at all times have in place written agreements with each licensee governing their business relationship. Each permittee shall provide a copy of each such agreement, and any amendments thereto, to the department within ten days of execution of each such agreement or amendment thereto.

(b) (1) (A) All hemp being shipped, transported, or otherwise delivered into, within, or through this state must be accompanied by documentation sufficient to prove that the hemp being shipped, transported, or delivered:

(i) Was lawfully produced under a state or tribal hemp plan approved by the United States Department of Agriculture, under a hemp license issued by the United States Department of Agriculture, or otherwise in accordance with federal regulations through the state or territory of the Indian tribe, as applicable; and

(ii) Does not exceed the federally defined THC level for hemp.

(B) Any person shipping, transporting, or delivering hemp must also carry a bill of lading that includes:

(i) Name and address of the owner of the hemp;

(ii) Point of origin;

(iii) Point of delivery, including name and address;

(iv) Kind and quantity of packages or, if in bulk, the total quantity of hemp in the shipment; and

(v) Date of shipment.

(C) The person shipping, transporting, or delivering hemp must act in compliance with all state and federal laws and regulations.

(2) (A) All hemp products being shipped into or transported within or through this state must be accompanied by documentation sufficient to prove that the hemp products being shipped or transported were produced from hemp that was lawfully produced under a state or tribal hemp plan approved by the United States Department of Agriculture, under a hemp license issued by the United States Department of Agriculture, or otherwise in accordance with federal regulations through the state or territory of the Indian tribe, as applicable.

(B) Any person transporting hemp products must also carry a bill of lading that includes:

(i) Name and address of the owner of the hemp products;

(ii) Point of origin;

(iii) Point of delivery, including name and address;

(iv) Kind and quantity of packages or, if in bulk, the total quantity of hemp products in the shipment; and

(v) Date of shipment.

(C) The person transporting hemp products must act in compliance with all state and federal laws and regulations.

(c) Until December 31, 2022, when a licensee disposes of a lot pursuant to Code Section 2-23-8, the permittee with whom the licensee has entered into an agreement pursuant to this Code section shall reimburse the licensee for half of the amount of the combined value of the seed, fertilizer, labor costs, and any other reasonable and customary input expenses incurred with such disposed of lot.

§ 2-23-8. Sampling and random testing of hemp.

(a)

(1) The department shall have the right, either through its own personnel or through an independent contractor as provided for in Code Section 2-23-9, to collect samples of hemp for testing as provided for in this chapter from the fields and greenhouses of all licensees. Samples shall be representative of each lot with the same global positioning coordinates. No hemp shall be harvested until such samples are collected. Such testing, and the harvesting of the hemp tested, shall be conducted in compliance with this chapter and with regulations promulgated by the department.

(2) In the event that a test sample reveals a delta-9-THC concentration of more than the federally defined THC level for hemp, the licensee's entire lot with the same global positioning coordinates shall be disposed of in compliance with this chapter and with regulations promulgated by the department.

(b)

(1) The department shall, as provided for in Code Section 2-23-9, randomly test hemp products of the facilities of all permittees. Such testing shall be conducted in compliance with this chapter and with regulations promulgated by the department.

(2) In the event that a test sample reveals a delta-9-THC concentration of more than the federally defined THC level for hemp, all related hemp products shall be disposed of in compliance with this chapter and with regulations promulgated by the department.

(3) In the event that THC is removed from hemp during processing and not subsequently returned to hemp products produced from such hemp, such THC shall be disposed of in compliance with this chapter and with regulations promulgated by the department.

§ 2-23-9. Contracting for testing, certification, regulatory, and grading functions.

The department shall be authorized to enter into a contract or contracts with one or more entities to conduct the testing provided for in Code Section 2-23-8 as well as to include the certification, regulatory, and grading functions pursuant to this chapter and regulations promulgated by the department. The department shall additionally comply with all federal inspection, reporting, and auditing requirements.

§ 2-23-10. Enforcement; corrective action plan; revocation of licenses; reporting of licensees and permittees to Attorney General.

(a) A violation of a plan authorized by Code Section 2-23-11 and approved by the secretary of agriculture of the United States by a licensee or permittee shall be subject to enforcement in accordance with this Code section.

(b) (1) A licensee or permittee under this chapter shall be required to conduct a corrective action plan if the Commissioner determines that the licensee or permittee has negligently violated this chapter or has violated rules and regulations promulgated by the department pursuant to this chapter by:

(A) Failing to provide a legal description and global positioning coordinates sufficient for locating fields and greenhouses the licensee uses to cultivate and harvest hemp or facilities at which the permittee processes hemp;

(B) Failing to properly obtain a license or permit from the department;

(C) Producing *Cannabis sativa* L. with more than the federally defined THC level for hemp; or

(D) Otherwise negligently violating this chapter.

(2) A corrective action plan required by this Code section shall include:

(A) A reasonable date by which the licensee or permittee shall correct the negligent violation; and

(B) A requirement that the licensee or permittee shall periodically report to the Commissioner on the compliance status of the licensee or permittee with the corrective action plan for a period of not less than two calendar years after the violation.

(c) Except as provided in subsection (d) of this Code section, a licensee or permittee that negligently violates this chapter or rules and regulations promulgated by the department pursuant to this chapter shall not as a result be subject to any criminal or civil enforcement action by any government agency other than the enforcement action authorized under subsection (b) of this Code section.

(d) A licensee or permittee that negligently violates the corrective action plan under subsection (b) of this Code section three times in a five-year period shall have its license or permit issued pursuant to this chapter immediately revoked and shall be ineligible to reapply for a license or permit for a period of five years after the date of the third violation.

(e) If the Commissioner determines that a licensee or permittee has violated state law with a culpable mental state greater than negligence, the Commissioner shall immediately report the licensee or permittee to the United States Attorney General and the state Attorney General, and subsection (a) of this Code section shall not apply to the violation.

(f) Laws enacting criminal offenses, including laws provided for in Title 16, not in conflict with this chapter shall continue to be enforceable and of full force and effect.

§ 2-23-11. Plan for regulation; approval.

(a) Within 60 days of May 10, 2019, the Commissioner, in consultation with the Governor and Attorney General, shall submit to the secretary of agriculture of the United States a plan under which the department intends to regulate hemp production and which shall include:

(1) A practice to maintain relevant information regarding land on which hemp is produced in this state, including a legal description of the land, for a period of not less than three calendar years;

- (2) A procedure to test delta-9-THC concentration levels, by using post-decarboxylation or other similarly reliable methods, for hemp produced in this state;
 - (3) A procedure to effectively dispose of products that are produced in violation of this chapter; and
 - (4) A procedure to comply with the enforcement procedures outlined in Code Section 2-23-10.
- (b) If the secretary of agriculture of the United States disapproves the plan, the Commissioner, in consultation with the Governor and Attorney General, shall submit to the secretary of agriculture of the United States an amended plan.

§ 2-23-12. Rules and regulations.

The department, in consultation with the Georgia Bureau of Investigation, shall promulgate rules and regulations as necessary to implement the provisions of this chapter. Such rules and regulations shall include the plan provided for in Code Section 2-23-11 upon the approval of such plan by the secretary of agriculture of the United States.

EXHIBIT B
Georgia Department of Agriculture Hemp Grower and Producer Rules

**RULES OF THE
GEORGIA DEPARTMENT OF AGRICULTURE**

**CHAPTER 40-32
HEMP GROWERS AND PROCESSORS**

TABLE OF CONTENTS

40-32-1	General Provisions
40-32-2	Hemp Growers
40-32-3	Hemp Processors

**SUBJECT 40-32-1
GENERAL PROVISIONS**

TABLE OF CONTENTS

40-32-1-.01	Authority and Purpose of Rules
40-32-1-.02	Definitions
40-32-1-.03	Compliance with Federal Law
40-32-1-.04	Georgia Hemp Plan – Incorporation by Reference
40-32-1-.05	Consultation with the Georgia Bureau of Investigation
40-32-1-.06	Severability

40-32-1-.01 Authority and Purpose of Rules

Pursuant to the authority vested in the Georgia Department of Agriculture under the Georgia Hemp Farming Act, O.C.G.A. § 2-23-1 et. seq., the purpose of these Rules is to establish the standards, practices, procedures, and requirements for growing and processing hemp in Georgia.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-1-.02 Definitions

Words used in these Rules in the singular form will be deemed to impart the plural, and vice versa, as the case may demand. For the purposes of these Rules, unless the context otherwise requires, the following terms will be construed, respectively, to mean:

- (1) “Acceptable hemp THC level” – when a laboratory tests a sample, it must report the total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis and the measurement of uncertainty. The acceptable hemp THC level is when the application of the measurement of uncertainty to the reported total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis produces a distribution or range that includes 0.3% or less. For example, if the reported total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis is 0.35% and the measurement of uncertainty is +/- 0.06%, the measured total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis for this sample ranges from 0.29% to 0.41%. Because 0.3% is within the distribution or range, the sample is within the acceptable hemp THC level for the purpose of compliance.
- (2) “Agricultural Marketing Service” or “AMS” – the Agricultural Marketing Service of the United States Department of Agriculture.
- (3) “Applicant” – a person or entity that submits an application for a Hemp Grower License or a Hemp Processor Permit. An application for an entity may be submitted by a person serving in an official capacity for the entity or by an agent who is authorized to sign for the entity.

- (4) “Application” – the necessary and required written request which must be submitted to the Department by an applicant, as required by the Department, and which includes, but may not be limited to, all requirements of O.C.G.A. §§ 2-5-1 through 2-5-4.1 as stated therein.
- (5) “Cannabis” - A genus of flowering plants in the family Cannabaceae of which Cannabis sativa is a species, and Cannabis indica and Cannabis ruderalis are subspecies thereof. Cannabis refers to any form of the plant in which the total delta-9 tetrahydrocannabinol concentration on a dry weight basis has not yet been determined.
- (6) “Commercial sale” – the sale of a product in the stream of commerce at retail, at wholesale, and online.
- (7) “Commissioner” – the Georgia Commissioner of Agriculture.
- (8) “Controlled Substances Act” or “CSA” – the federal Controlled Substances Act as codified in 21 U.S.C. 801 et seq.
- (9) “Conviction” – a final judgment of conviction entered upon a verdict or finding of guilty of a crime or upon a plea of guilty.
- (10) “Corrective Action Plan” – a plan established by the Department for a Licensee or Permittee to correct negligent violations of or non-compliance with the Georgia Hemp Farming Act or these Rules.
- (11) “Covered growing facility” – a greenhouse, building or other structure identified by a licensee as a grow site and not used for residential purposes.
- (12) “Culpable mental state greater than negligence” – to act intentionally, knowingly, willfully, or recklessly.
- (13) “Cultivate” - means to plant, water, grow, and harvest a plant or crop for commercial use.
- (14) “Decarboxylated” – the completion of the chemical reaction that converts THC-acid (THC-A) into delta-9-THC, the intoxicating component of cannabis. The decarboxylated value is also calculated using a molecular mass conversion ratio that sums delta-9 THC and eighty-seven and seven tenths (87.7) percent of THC-acid ((delta-9 THC) + (0.877 * THCA)).
- (15) “Decarboxylation” – the removal or elimination of carboxyl group from a molecule or organic compound.

- (16) “Delta-9 tetrahydrocannabinol” or “Delta-9 THC” – the primary psychoactive component of cannabis. For the purposes of this part, delta-9 THC and THC are interchangeable.
- (17) “Department” – the Georgia Department of Agriculture, its agent(s), or its designee(s).
- (18) “Dispose” or “Disposal” – an activity that transitions the non-compliant cannabis or cannabis product into a non-retrievable or non-ingestible form. Such activities include plowing, tilling, or disking plant material into the soil; mulching, composting, chopping, or bush mowing plant material into green manure; burning plant material; and burying plant material into the earth and covering with soil.
- (19) “Drug Enforcement Administration” or “DEA” – the United States Drug Enforcement Administration.
- (20) “Dry weight basis” – the ratio of the amount of moisture in a sample to the amount of dry solid in a sample. A basis for expressing the percentage of a chemical in a substance after removing the moisture from the substance. Percentage of THC on a dry weight basis means the percentage of THC, by weight, in a cannabis item (plant, extract, or other derivative), after excluding moisture from the item.
- (21) “Entity” – a corporation, joint stock company, association, limited partnership, limited liability partnership, limited liability company, irrevocable trust, estate, charitable organization, or other similar organization, including any such organization participating in the hemp production as a partner in a general partnership, a participant in a joint venture, or a participant in a similar organization.
- (22) “Farm Service Agency” or “FSA” – the Farm Service Agency of the United States Department of Agriculture.
- (23) “Federal Criminal History Report” – the Federal Bureau of Investigation's Identity History Summary.
- (24) “Federally defined THC level for hemp” – a delta-9-THC concentration of not more than 0.3 percent on a dry weight basis, or as defined in 7 U.S.C. Section 1639o, whichever is greater.
- (25) “Gas chromatography” or “GC” – a type of chromatography in analytical chemistry used to separate, identify, and quantify each component in a mixture. GC relies on heat for separating and analyzing compounds that can be vaporized without decomposition.
- (26) “Georgia Hemp Farming Act” – the Georgia law authorizing the Department to regulate hemp growers and processors, as provided in O.C.G.A. § 2-23-1 et. seq.

- (27) “Geospatial location” or “GPS coordinates” – a location designated through a global system of navigational satellites used to determine the precise ground position of a place or object.
- (28) “Grow site” – a contiguous lot, parcel, or tract of land identified in an approved Hemp Grower License on which a Licensee cultivates or intends to cultivate hemp. A Grow Site may include fields or covered growing facilities, as well as land and buildings that are not used to cultivate hemp. Each lot, parcel, or tract of land separated by a barrier or buffer of at least twelve feet (12’) in width will be considered a separate Grow Site.
- (29) “Handle” – to possess, dry, or store hemp plants for any period of time on premises owned, operated, or controlled by a person licensed to cultivate or permitted to process hemp, or to possess or store hemp plants in a vehicle for any period of time other than during the actual transport of such plants from the premises of a person licensed to cultivate or permitted to process hemp or a college or university authorized to conduct research pursuant to Code Section 2-23-4 to the premises of another licensed or permitted person or to a college or university authorized to conduct research pursuant to Code Section 2-23-4; provided, however, that this term does not include possessing or storing finished hemp products.
- (30) “Harvest” – means the process of cutting, collecting, or otherwise removing, by hand or machinery, all or part of a live hemp plant, including but not limited to cuttings, flowers, foliage, or seeds, from their habitat in a field or covered growing facility.
- (31) “Hemp” – the Cannabis sativa L. plant and any part of such plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with the federally defined THC level for hemp or a lower level.
- (32) “Hemp Crop” – one (1) or more unprocessed hemp plant(s) or plant parts.
- (33) “Hemp Grower License” or “Grower License” – a license issued by the Department under the authority of the Georgia Hemp Farming Act authorizing a person to handle and cultivate hemp in the State of Georgia
- (34) “Hemp Processor Permit” or “Processor Permit” – a permit issued by the Department under the authority of the Georgia Hemp Farming Act authorizing a person to handle and process hemp in the State of Georgia.
- (35) “Hemp Product” – all products with the federally defined THC level for hemp derived from, or made by, processing hemp plants or plant parts that are prepared in a form available for commercial sale, but not including food products infused with THC unless approved by the United States Food and Drug Administration.

- (36) “Information sharing system” – the database that allows USDA to share information collected under State, Tribal, and USDA plans with Federal, State, Tribal, and local law enforcement.
- (37) “Key participant” – a sole proprietor, a partner in partnership, a person with executive managerial control in any entity, or persons who have a direct financial interest in the entity producing hemp. A person with executive managerial control includes, but is not limited to, persons such as a chief executive officer, chief operating officer, and chief financial officer. This definition does not include non-executive managers such as farm, field, or shift managers.
- (38) “Law enforcement” or “Law enforcement agency” – any Federal, State, or local law enforcement agency.
- (39) “Licensee” – an individual or business entity possessing a Hemp Grower License issued by the Department under the authority of the Georgia Hemp Farming Act to handle and cultivate hemp for commercial purposes in the State of Georgia.
- (40) “Live Hemp Plant” – for purposes of these Rules, any whole or propagative part of the cannabis plant capable or intended for propagation or growth, including living cannabis flowers and plants, immature plants, and vegetative stage plants, but excluding cannabis seeds.
- (41) “Lot” - a contiguous area in a field or covered growing facility containing the same variety or strain of cannabis throughout the area.
- (42) “Measurement of Uncertainty” or “MU” – the parameter, associated with the result of a measurement, that characterizes the dispersion of the values that could reasonably be attributed to the particular quantity subject to measurement.
- (43) “Negligence” – failure to exercise the level of care that a reasonably prudent person would exercise in complying with the Georgia Hemp Farming Act and these Rules.
- (44) “Permittee” – an individual or business entity possessing a Hemp Processor Permit issued by the Department under the authority of the Georgia Hemp Farming Act to handle and process hemp in the State of Georgia.
- (45) “Person” – a natural person, corporation, foundation, organization, business trust, estate, limited liability company, licensed corporation, trust, partnership, limited liability partnership, association, or other form of legal business entity, as well as a state or local government entity.
- (46) “Phytocannabinoid” – cannabinoid chemical compounds found in the cannabis plant, two of which are Delta-9 tetrahydrocannabinol (delta-9 THC) and cannabidiol (CBD).

- (47) “Postdecarboxylation” – in the context of testing methodologies for THC concentration levels in hemp, means a value determined after the process of decarboxylation that determines the total potential delta-9 tetrahydrocannabinol content derived from the sum of the THC and THCA content and reported on a dry weight basis. The postdecarboxylation value of THC can be calculated by using a chromatograph technique using heat, gas chromatography, through which THCA is converted from its acid form to its neutral form, THC. Thus, this test calculates the total potential THC in a given sample. The postdecarboxylation value of THC can also be calculated by using a liquid chromatograph technique, which keeps the THCA intact. This technique requires the use of the following conversion: [Total THC = (0.877 x THCA) + THC] which calculates the potential total THC in a given sample. See the definition for decarboxylation.
- (48) “Process” or “processing” – converting an agricultural commodity, including hemp, into a legally marketable form. This definition does not include:
1. Merely placing raw or dried material into another container or packaging raw or dried material for resale; or
 2. Traditional farming practices such as those commonly known as drying, shucking and bucking, storing, trimming, and curing.
- (49) “Produce” – to grow hemp plants for market, or for cultivation for market, in the United States.
- (50) “Product lot” – a specific quantity of finished hemp products having uniform character and quality within specified limits.
- (51) “Remediate” or “Remediation” – the process of rendering non-compliant cannabis, compliant. Remediation can occur by removing and destroying flower material, while retaining stalk, stems, leaf material, and seeds. Remediation can also occur by shredding the entire plant into a biomass like material, then re-testing the shredded biomass material for compliance.
- (52) “Residential Purposes” – use or intended use of a building or portion thereof, including but not limited to apartments, townhomes, and other multi-family structures, for occupancy by one or more persons for living, sleeping, cooking, or eating.
- (53) “Reverse distributor” – a person who is registered with the DEA in accordance with 21 CFR 1317.15 to dispose of marijuana under the Controlled Substances Act.
- (54) “Secretary” – the United States Secretary of Agriculture.

- (55) “THC” – tetrahydrocannabinol, tetrahydrocannabinolic acid, or a combination of tetrahydrocannabinol and tetrahydrocannabinolic acid.
- (56) “Total THC” – the value determined after the process of decarboxylation, or the application of a conversion factor if the testing methodology does not include decarboxylation, that expresses the potential total delta-9 tetrahydrocannabinol content derived from the sum of the THC and THCA content and reported on a dry weight basis. This post-decarboxylation value of THC can be calculated by using a chromatograph technique using heat, such as gas chromatography, through which THCA is converted from its acid form to its neutral form, THC. Thus, this test calculates the total potential THC in a given sample. The total THC can also be calculated by using a liquid chromatograph technique, which keeps the THCA intact. This technique requires the use of the following conversion: [Total THC = (0.877 x THCA) + THC] which calculates the potential total THC in a given sample.
- (57) “USDA” – the United States Department of Agriculture.
- (58) “Variety” – a group of plants or an individual plant that exhibits distinctive observable physical characteristic(s) or has a distinct genetic composition. For purposes of these Rules, “variety” is synonymous and interchangeable with “strain”.
- (59) "Volunteer cannabis plant" – any cannabis plant that: (a) Grows of its own accord from seeds or roots in the years following an intentionally planted cannabis crop; and (b) Is not intentionally planted.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-1-.03 Compliance with Federal Law

Nothing in these Rules will be construed as authorizing any person to violate any Federal law or regulation.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-1-.04 Georgia Hemp Plan – Incorporation by Reference

Pursuant to the requirements of O.C.G.A. § 2-23-11, the Georgia Department of Agriculture, in consultation with the Governor and Attorney General, has submitted to the Secretary of Agriculture of the United States a plan under which the Department intends to regulate hemp production in Georgia. Upon approval of the Georgia Hemp Plan, or an amended plan, by the Secretary of Agriculture, such plan will be deemed incorporated into these Rules by reference. The approved plan will be posted on the Department’s website at agr.georgia.gov.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-1-.05 Consultation with the Georgia Bureau of Investigation

Pursuant to the requirements of O.C.G.A. § 2-23-12, these Rules, which are necessary to implement the provisions of the Georgia Hemp Farming Act, have been developed in consultation with the Georgia Bureau of Investigation.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-1-.06 Severability

If any provision of these Rules or the application thereof to any person or circumstance is held invalid for any reason, the invalidity shall not affect the other provisions or any other application of these Rules which can be given effect without the invalid provisions or application. To this end all provisions of these sections are declared to be severable.

Authority: O.C.G.A. Sec. 2-23-12.

**SUBJECT 40-32-2
HEMP GROWERS**

TABLE OF CONTENTS

40-32-2-.01	Application for Hemp Grower License
40-32-2-.02	Grower License Terms and Conditions
40-32-2-.03	Grower Sampling Requirements
40-32-2-.04	Grower Laboratory Testing Requirements
40-32-2-.05	Grower Responsibilities and Restrictions
40-32-2-.06	Disposal or Remediation of Non-Compliant Cannabis
40-32-2-.07	Sale of Cannabis Seed and Live Hemp Plants
40-32-2-.08	Storage of Hemp
40-32-2-.09	Pesticide Use
40-32-2-.10	Recordkeeping and Reporting Requirements
40-32-2-.11	Hemp Grower Compliance Inspections
40-32-2-.12	Violations and Enforcement

40-32-2-.01 Application for Hemp Grower License

- (1) Any person desiring to cultivate and handle hemp in Georgia must submit a complete and accurate Hemp Grower License Application online at the Department's website, agr.georgia.gov.
- (2) Any person producing or intending to produce hemp must have a valid Hemp Grower License prior to receiving, producing, cultivating, handling, or storing hemp. A valid license means that the license has been issued and is unexpired, unsuspended, and unrevoked.
- (3) As part of the Hemp Grower License Application, each applicant must submit to the Department the following:
 - (a) An annual Hemp Grower License fee of \$50.00 per acre cultivated up to a maximum application fee of \$5,000.00;
 1. The applicant must provide the maximum total acres of hemp intended to be cultivated in fields during the relevant licensing period.
 2. Applicants cultivating hemp in covered growing facilities must identify the maximum number and size, in square footage, of covered growing facilities intended to be used for cultivation during the relevant licensing period.
 3. The license fee will not be prorated for fractions of acres. Fractional acreage will be rounded up to the next whole number for fee calculation purposes.

4. Each covered growing facility in which hemp is cultivated will be considered a separate acre for fee calculation purposes. Acreage calculations for each covered growing facility will be determined on a 43,560 square-foot basis.
5. Any Licensee who cultivates more acreage than is listed on the Hemp Grower License Application will be deemed to have violated their Hemp Grower License and will be subject to enforcement under the Georgia Hemp Farming Act and these Rules.

(b) Contact information including, but not limited to:

1. Name;
2. Street Address;
3. Mailing Address;
4. Telephone Number; and
5. Email Address.

(c) If the applicant is a business entity, information including, but not limited to:

1. Legal business name or trade name;
2. Business structure type;
3. Address of the principal business location;
4. Primary contact information;
5. Current Certificate of Existence obtained through the Georgia Secretary of State's Office;
 - i. If an applicant is an entity formed in a foreign jurisdiction, including a different State, it must submit an equivalent certificate of existence from its home jurisdiction, as well as a Georgia Certificate of Authority to conduct business.
6. Employer Identification Number (EIN); and
7. Name, title, and current primary contact information, including telephone number and email address, for each owner, key participant, and person holding a beneficial interest in the Hemp Grower License for which an application is being made.

(d) Information sufficient for locating fields and covered growing facilities to be used to cultivate and harvest hemp, specifically;

1. If hemp is cultivated or is intended to be cultivated in a field:

- i. A legal description, obtained from the relevant county courthouse property records, of land on which hemp will be cultivated or handled;
- ii. GPS coordinates provided in decimal of degrees and taken at the approximate center of each Grow Site; and
- iii. An aerial map or photograph that clearly shows the boundaries and dimensions of each Grow Site in acres or square feet.

2. If hemp is cultivated or is intended to be cultivated in a covered growing facility:

- i. A legal description, obtained from the relevant county courthouse property records, of land on which hemp will be cultivated or handled;
- ii. GPS coordinates provided in decimal of degrees and taken at the approximate entrance of the covered growing facility composing the Grow Site;
- iii. The approximate dimension or square feet of the covered growing facility composing the Grow Site; and
- iv. An aerial map or photograph that clearly shows the boundaries and dimensions of each Grow Site in acres or square feet.

(e) Information sufficient for locating hemp storage facilities including, but not limited to:

1. A legal description, obtained from the relevant county courthouse property records, of land on which hemp will be stored;

- i. A licensee need not identify a field as a storage facility to the extent that a licensee leaves harvested hemp to ret in a field. However, a licensee must identify a field as a storage facility if the licensee intends to bail or otherwise prepare the hemp for long term storage in the field.

2. GPS coordinates provided in decimal of degrees and taken at the approximate entrance of each storage facility;

3. The approximate dimension or square feet of each storage facility; and

4. An aerial map or photograph that clearly shows the boundaries and dimensions of each storage facility.
 - (f) An attestation that property to be used for the cultivation, handling, or storage of hemp is not used for residential purposes.
 - (g) Written consent allowing representatives of the Department, the Georgia Bureau of Investigation, and other federal, state, and local law enforcement agencies to enter all premises where hemp is being cultivated, harvested, or handled for the purpose of conducting physical inspections and ensuring compliance with the requirements of the Georgia Hemp Farming Act and these Rules;
 - (h) An acknowledgement of the Grower License Terms and Conditions;
 - (i) An attestation that the applicant owns or has legal permission to cultivate, handle, or store hemp on property listed on the application; and
 1. For purposes of satisfying this requirement, sufficient ownership of property or legal permission to cultivate, handle, or store hemp on property includes property specifically deeded or leased to the respective applicant, whether an individual or entity, use of which will not be in violation of local zoning or other real estate ordinances.
 - (j) Any other information, disclosure, or documents required to be submitted by Georgia or Federal law or regulation.
- (4) Upon receipt of an otherwise complete application for a Hemp Grower License, the Department will conduct a criminal background check and obtain a federal criminal history report for the applicant or, if the applicant is a business entity, all key participants, as outlined below:
- (a) At least one set of classifiable electronically recorded fingerprints of the individual applicant or, if the applicant is a business entity, one set of classifiable electronically recorded fingerprints of each key participant must be submitted to the Department in accordance with the fingerprint system of identification established by the director of the Federal Bureau of Investigation.
 - (b) The Department will transmit the fingerprints to the Georgia Crime Information Center, which will submit the fingerprints to the Federal Bureau of Investigation for a search of bureau records and generation of an appropriate report, and the Georgia Crime Information Center will promptly conduct a search of state records based upon the fingerprints and generate an appropriate report.

- (c) After receiving reports from the Georgia Crime Information Center and the Federal Bureau of Investigation, the Department will review the record for all individuals or key participants, as applicable.
- (5) Hemp Grower Licenses will be issued on January 1 of each year, or otherwise when approved by the Department.
- (6) Hemp Grower Licenses will expire on December 31 of each year unless suspended, cancelled, or revoked at an earlier date.
- (7) A current and valid Hemp Grower License may be renewed by submitting a renewal application, annual license fee, annual criminal background checks dated within 60 days prior to the renewal application submission date, and all other required information online at the Department's website, agr.georgia.gov, by December 1 of each year.
 - (a) A Licensee may not renew their Hemp Grower License until they have submitted all required Disposal or Remediation Reports and their Annual Report.
 - (b) A Licensee that begins, but does not finalize, a renewal application of its Hemp Grower License within 60 days of January 1 of a given year, must subsequently complete a full application as if applying for the first time.
- (8) A Licensee may request select changes to a Hemp Grower License. To request a change to a Hemp Grower License, the Licensee must, at least ten (10) calendar days prior to making the change, provide written notice of the proposed change to the Department via e-mail to hemp@agr.georgia.gov, or submit the proposed changes on the Department's website used to administer Hemp Grower Licenses. Changes to a Grower License in accordance with such written notice and updated information will be valid only upon the Department's approval. No such change will exempt a Licensee from compliance with all requirements of a Grower License, including acceptable background checks for all key participants.

Licensees may request changes to the following:

- (a) The information originally submitted in Licensee's Grower License application in satisfaction of Rules 40-32-2-.01(3)(b), (c), (d), and (e).
 1. If a Licensee provides written notice and updated information regarding additional acreage, different Grow Sites locations, or different storage locations where Licensee intends to cultivate, handle, or store hemp, Licensee must submit payment for any additional acreage within ten (10) days of the Department's approval of the requested change.
 2. Changes reflecting a reduction in cultivated field or covered growing facility acreage will not entitle a Licensee to a refund of previously paid fees.

3. Licensees will be limited to a maximum of three (3) changes per calendar year made in accordance with this Rule 40-32-2-.01(8)(a).
 - (b) Prior to any change in a Licensee's key participants, the Licensee must submit a proposed change to the Grower License reflecting the change of key participant. The Department will conduct a background check on new key participants in accordance with Rule 40-32-2-.01(4).
- (9) Any person who materially falsifies any information contained in an application for a Hemp Grower License will be ineligible to receive a Hemp Grower License or otherwise participate in the Georgia Hemp Program.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.02 Grower License Terms and Conditions

Each Licensee must acknowledge and agree to the terms and conditions governing the Hemp Grower License which include, but are not limited to, the following:

- (1) Except as explicitly provided for in these Rules or corrections of typographical errors approved by the Department, no alterations will be allowed to any Hemp Grower License or to any Grow Site once approved.
- (2) The Licensee must notify the Department, via e-mail to hemp@agr.georgia.gov, of any theft or loss of hemp or hemp materials, whether growing or not, within forty-eight (48) hours of the discovery of such theft or loss.
- (3) The Licensee must report any felony convictions or misdemeanor convictions, of itself or any of its key participants, relating to controlled substances under Georgia law or under Federal law to the Department, via e-mail to hemp@agr.georgia.gov, within five (5) calendar days of receiving notice of such conviction.
- (4) The Licensee must notify the Department, via e-mail to hemp@agr.georgia.gov, within ten (10) calendar days of the following:
 - (a) A disciplinary proceeding or enforcement action by another government entity that may affect the Licensee's business; and
 - (b) Temporary closures of more than thirty (30) calendar days or permanent closure of any Grow Site or storage facility.
- (5) Any information provided to the Department may be publicly disclosed in accordance with the Georgia Open Records Act (O.C.G.A. § 50-18-70 et. seq.) and may be provided to law enforcement agencies without further notice to the applicant.

- (6) No Hemp Grower License shall be issued to any applicant who has been convicted of a misdemeanor involving the sale of or trafficking in a controlled substance or a felony or who materially falsifies any information contained in a license application. Each owner, key participant, and person holding a beneficial interest in the Licensee will be subject to this restriction for purposes herein.
- (7) No person will be issued more than one Hemp Grower License, nor will any person be permitted to have a beneficial interest in more than one Hemp Grower License, regardless of the degree of such interest, as provided in O.C.G.A. § 2-23-5.
- (8) Hemp Grower Licenses cannot be sold, assigned, transferred, pledged, or otherwise disposed of, alienated, or encumbered to or by another person, business, individual, or entity.
- (9) The Licensee must have the legal right to cultivate hemp on the Grow Site(s) listed on the Hemp Grower License and must have the legal authority to grant the Department physical access to all land and buildings for inspection and sampling purposes. Legal authority includes, but is not limited to, clear title, necessary easements, necessary licenses, and/or current leases.
- (10) The Licensee must allow and fully cooperate with all required sampling, testing, audits, and inspections.
- (11) The Licensee must provide for a right of way or other access point allowing the Department and law enforcement agencies to access the licensed Grow Site(s).
- (12) The Licensee must maintain all records, documents, or information and make all reports within the applicable time frames as required in these Rules.
- (13) Hemp must not be cultivated, handled, harvested, or stored in any location that is not listed in the Hemp Grower License.
- (14) The Licensee must scout and monitor unlicensed fields for volunteer cannabis plants and dispose of those volunteer cannabis plants for three (3) years past the last date of planting reported to the Department. In fulfilling Licensee's obligation under this Rule, Licensee is not required to enter property for which it does not have a legal right to enter.
- (15) The Department will require disposal, without compensation, of plants located in an area that is not licensed by the Department as well as plants not accounted for in records required to be maintained by the Licensee.
- (16) In the event that a tested official sample for a lot exceeds the acceptable hemp THC level upon its final retest, the Licensee's entire lot with the same GPS coordinates must either be disposed of or remediated in accordance with these Rules.

- (17) The Licensee must not handle, dry, process, store, sell, transfer, ship, transport, deliver, distribute, or otherwise provide any cannabis that exceeds the acceptable hemp THC level. The Licensee must ensure that cannabis exceeding the acceptable hemp THC level does not enter the stream of commerce.
- (18) The Licensee must ensure that hemp and hemp plant material from one lot is not commingled with hemp or hemp plant material from other lots. Licensees must label or otherwise reasonably identify lots sufficiently to enable Department inspectors or law enforcement to distinguish different lots.
- (19) The Licensee must not ship, transport, deliver, or allow Live Hemp Plants and materials produced by the Licensee to be shipped, transported, or otherwise delivered to unlicensed areas including, but not limited to, trade shows, county fairs, educational events, or other events.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.03 Grower Sampling Requirements

- (1) Within 30 days prior to the anticipated harvest of any lot of cannabis plants, the Licensee must have a Department-approved sampling agent collect samples from cannabis plants in the lot for total delta-9 tetrahydrocannabinol concentration level testing.
 - (a) Notwithstanding any other requirement in these Rules, the following sampling procedures apply to a lot of hemp that is never allowed to flower and that is grown solely to produce cuttings for sale to other licensed growers for propagation:
 - 1. If an official sample taken from such a lot yields an acceptable hemp THC level, the official sample will be deemed sufficient and representative of all additional harvests of cuttings from the same lot within 30 days of the original sample.
 - 2. Cuttings harvested from such a lot more than 30 days after the original sample will require an additional sample, which if yielding an acceptable THC level, will be deemed sufficient and representative of all additional harvests of cuttings from the same lot within 30 days of that subsequent sample.
- (2) Sampling will be conducted in accordance with the USDA's most current *Sampling Guidelines for Hemp, U.S. Domestic Hemp Production Program*, which will be made available on the Department's website at agr.georgia.gov.
- (3) The method used for sampling must be sufficient at a confidence level of 95 percent that no more than one percent (1%) of the plants in the sampled lot would exceed the acceptable hemp THC level. The method used for sampling must ensure that a representative sample is collected that represents a homogeneous composition of the lot.

- (4) During a scheduled sample collection, the Licensee or an authorized representative of the Licensee must be present at the grow site.
- (5) The cannabis material to be collected for sampling will be determined by the Department-approved sampling agent, in accordance with the USDA's most current *Sampling Guidelines for Hemp, U.S. Domestic Hemp Production Program*.
- (6) The Licensee will be responsible for paying all sampling fees. No compensation will be owed by the Department to the Licensee for any such sampling or for any samples collected by the Department-approved sampling agent.
- (7) Only samples taken by a Department-approved sampling agent will be considered official samples.
- (8) The Department-approved sampling agent(s) must be provided with complete and unrestricted access during business hours to all hemp and other cannabis plants and material, whether growing or harvested, and all land, buildings, and other structures used for the cultivation, handling, or storage of all hemp and other cannabis plants, and all locations listed in the Hemp Grower License.
- (9) A Licensee must not harvest any cannabis prior to samples being taken.
- (10) Only post-harvest samples may be used for remediated biomass.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.04 Grower Laboratory Testing Requirements

- (1) Standard testing procedures are specified for samples taken in accordance with the sampling procedures for the Georgia Hemp Program to measure the total delta-9 tetrahydrocannabinol (THC) concentration levels of those samples on a dry weight basis.
- (2) Analytical testing for purposes of detecting the concentration levels of total delta-9 tetrahydrocannabinol (THC) must be conducted and reported by a laboratory registered with DEA to handle controlled substances under the Controlled Substances Act (CSA), 21 CFR part 1301.13.
- (3) Analytical testing for purposes of detecting the concentration levels of total delta-9 tetrahydrocannabinol (THC) must be conducted in accordance with the USDA's most current *Laboratory Testing Guidelines, U.S. Domestic Hemp Production Program*, which will be made available on the Department's website at agr.georgia.gov. Such testing must meet the following standards:

- (a) Laboratory quality assurance must ensure the validity and reliability of test results;
 - (b) Analytical method selection, validation, and verification must ensure that the testing method used is appropriate (fit for purpose) and that the laboratory can successfully perform the testing;
 - (c) The demonstration of testing validity must ensure consistent, accurate analytical performance;
 - (d) Method performance specifications must ensure analytical tests are sufficiently sensitive for the purposes of the detectability requirements of this Rule;
 - (e) Implement effective disposal procedures for non-compliant samples that do not meet the acceptable hemp THC level; and
 - (f) Sample preparation of pre- or post-harvest samples shall require grinding of the sample to ensure homogeneity prior to testing.
- (4) At a minimum, analytical testing of samples for delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary or Commissioner. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THCA) in hemp into delta-9 tetrahydrocannabinol (THC) and the test result reflect the total available THC derived from the sum of the THC and THC-A content. Testing methodologies meeting the requirements of this Rule include, but are not limited to, gas or liquid chromatography with detection.
- (5) The total delta-9 tetrahydrocannabinol concentration level must be determined and reported on a dry weight basis.
- (6) Measurement of uncertainty (MU) must be estimated and reported with test results. Laboratories must use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.
- (7) Any final sample test result exceeding the acceptable hemp THC level will be conclusive evidence that the lot represented by the sample is not in compliance with these Rules.
- (8) Each Licensee must ensure that the DEA-registered laboratory conducting the analytical testing of the sample(s) from the Licensee's lots submits results for all tested samples to the Department via e-mail to hemp@agr.georgia.gov. Laboratories are only required to submit test results performed to comply with Rule 40-32-2-.03. Laboratories are not required to report test results from informal testing conducted throughout the growing season. The test results must be reported using the

Department's "Grower Laboratory Test Results Report" form and must contain the following information for each sample tested:

- (a) Producer's license or authorization identifier;
 - (b) Name of producer;
 - (c) Business address of producer;
 - (d) Lot identification number for the sample;
 - (e) GPS coordinates of the lots sampled;
 - (f) Name and DEA registration number of the laboratory;
 - (g) Date of test and report;
 - (h) Identification of a pre-harvest retest;
 - (i) Measurement of uncertainty (MU); and
 - (j) Test result.
- (9) The Licensee will be responsible for paying all testing fees. No compensation will be owed by the Department to the Licensee for any such testing.
- (10) A Licensee must not transfer, transport, or otherwise distribute any lot of cannabis prior to receiving analytical testing results verifying that the lot does not exceed the acceptable hemp THC level.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.05 Grower Responsibilities and Restrictions

- (1) The Licensee must harvest the lot not more than thirty (30) days following the date of sample collection. The day the Department-approved sampling agent collects a sample serves as the first of the 30 days allowable to complete harvest of the sampled lot. If an additional sample is collected by the Department-approved sampling agent in connection with a demand for additional pre-harvest testing by a Grower, the day such additional sample is collected will serve as the first of the 30 days allowable to complete harvest of the sampled lot.
- (2) If the Licensee fails to complete harvest within thirty (30) days of sample collection, a new pre-harvest sample of the lot will be required to be submitted for testing.

- (3) Harvested lots of hemp plants must not be commingled with other harvested lots or other material without prior written permission from the Department.
- (4) Only lots that meet the acceptable hemp THC level may enter the stream of commerce.
- (5) A Licensee may demand one additional pre-harvest test of a lot if it is believed that the original total delta-9 tetrahydrocannabinol concentration level test results were in error. Additional pre-harvest testing must be conducted at the same laboratory that originally tested the lot sample.
 - (a) Additional pre-harvest testing may use the original sample, provided sufficient sample material remains, or an additional sample from the lot collected by a Department-approved sampling agent.
- (6) Any lot yielding an official sample test result, or additional pre-harvest official sample test result, as applicable, exceeding the acceptable hemp THC level, must not enter the stream of commerce and the Licensee must either dispose of or remediate the lot in accordance with these Rules.
- (7) A Licensee must not:
 - (a) Cultivate or handle hemp on any Grow Site not listed on the Hemp Grower License and must take immediate steps to prevent the inadvertent growth of hemp outside of the authorized Grow Site(s);
 - (b) Cultivate or handle any cannabis that is not hemp;
 - (c) Cultivate or handle hemp in any structure that is used for residential purposes;
 - (d) Cultivate any other crop within a lot of hemp;
 - (e) Allow unsupervised public access to hemp or hemp Grow Sites; or
 - (f) Cultivate or handle hemp on property owned by, leased from, or previously submitted in a Hemp Grower License Application by any person who is ineligible for, was terminated from, or was denied admission to the program for failure to obtain an acceptable criminal history report or for violations of the Georgia Hemp Farming Act or these Rules.
- (8) The Licensee must post weatherproof signage at the entrance to each Grow Site. The signage must be at least three feet (3') in length and two feet (2') in height or the maximum allowable size for signage pursuant to applicable local ordinances, whichever is smaller, and must include at least the following information:
 - (a) The statement, "Georgia Department of Agriculture Licensed Hemp Grower";

- (b) The name of the Licensee;
 - (c) The Georgia Department of Agriculture Hemp Grower License number; and
 - (d) The Department's telephone number, (404) 656-3600.
- (9) The Licensee must comply with all applicable local, state, and federal laws, rules, regulations, and ordinances at all times.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.06 Disposal or Remediation of Non-Compliant Cannabis

- (1) Cannabis exceeding the acceptable hemp THC level constitutes marijuana, a schedule I controlled substance under Georgia law and federal law.
- (2) Licensees must either arrange for a Reverse Distributor to dispose of non-compliant cannabis or ensure the disposal of non-compliant cannabis at the Grow Site using one of the methods identified in these Rules.
- (3) Prior to disposal, Licensees may attempt to remediate non-compliant cannabis using one of the methods identified in these Rules. After attempted remediation, an additional sample of the lot must be taken by a Department-approved sampling agent and tested in accordance with these Rules to confirm the lot contains an acceptable THC level.
 - (a) A lot that has undergone attempted remediation and yields an official sample test result that exceeds the acceptable THC level must not enter the stream of commerce and must be disposed of in accordance with these Rules.
- (4) Upon notice and confirmation that a lot has exceeded the acceptable hemp THC level, the Department will issue an Order of Disposal or Remediation requiring the entire lot to be disposed of or remediated within a reasonable time to be determined by the Department. Within five days of receipt of an Order of Disposal or Remediation, a Licensee must notify the Department by email to hemp@agr.georgia.gov of its intent to either dispose of or attempt remediation of the non-compliant cannabis.
- (5) The Licensee will be responsible for arranging disposal through a reverse distributor, disposal at the Grow Site using one of the methods identified in these Rules, or remediation.
- (6) The Licensee will be responsible for all costs and fees associated with the disposal or remediation of cannabis exceeding the acceptable hemp THC level. No compensation will be owed by the Department to the Licensee for any such disposal or remediation.
- (7) Cannabis subject to disposal or remediation must not be removed from the Grow Site or from any other area where such cannabis is being handled or stored.

- (8) Within 14 days of the date of completion of disposal or remediation, the Licensee must submit a “Disposal or Remediation Report” form to the Department, which must contain the following information:
- (a) Name and address of the Licensee;
 - (b) Hemp Grower License number;
 - (c) Geospatial location, including location type, or other valid land descriptor, for the production area subject to disposal or remediation;
 - (d) Descriptive information related to the disposal or remediation, including, as applicable:
 - 1. Information on the reverse distributor agent handling the disposal and reverse distributor certification of completion of the disposal;
 - 2. Evidence sufficient, in the Department’s sole discretion, to document disposal of the non-compliant cannabis at the Grow Site by Licensee; or
 - i. Video or time-stamped photographic evidence of disposal will constitute sufficient evidence of disposal in most cases.
 - 3. A written description of the remediation performed and post-remediation official sample test results.
 - (e) Total acreage or square footage disposed or remediated;
 - (f) Date of completion of disposal or remediation; and
 - (g) Signature of the Licensee.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.07 Sale of Hemp Seed and Live Hemp Plants

- (1) Each person or entity, including any Licensee, that sells hemp seed to a Licensee must comply with the Georgia Seed Law, O.C.G.A. § 2-11-20, et seq. and Seed Division Regulations, GA. Comp. R. & Regs. Rules 40-12-1, et seq., including obtaining any required license thereunder.
- (2) Each person or entity, including any Licensee, that sells Live Hemp Plants to a Licensee must comply with the Entomology Act, O.C.G.A. § 2-7-1, et seq. and Live Plant

Regulations, GA. Comp. R. & Regs. Rules 40-4-9, et seq., including obtaining any required license thereunder.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.08 Storage of Hemp

- (1) A Licensee may store hemp cultivated by said Licensee provided:
 - (a) The Licensee identifies each storage facility on the Hemp Grower License;
 - (b) The Licensee maintains complete and accurate records detailing the harvest lot(s), including the amount being stored at each storage facility. Harvest lots in storage must be separated in such a manner that maintains the unique identity of each harvest lot stored at the storage facility;
 1. In the event that a tested official sample of a harvested lot held at a storage facility exceeds the acceptable hemp THC level, the harvested lot and all comingled hemp held at the storage facility will be promptly disposed of or remediated in accordance with these Rules.
 - (c) The storage facility is owned or leased by the Licensee; and
 - (d) The storage facility is secured with physical containment and reasonable security measures.
- (2) No Licensee may warehouse or otherwise store hemp that is not owned by the Licensee.
- (3) All storage area(s) will be subject to inspection by Department officials.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.09 Pesticide Use

- (1) Any Licensee who uses a pesticide on hemp must comply with all Georgia laws and regulations pertaining to applications of pesticides including, but not limited to, licensing requirements.
- (2) Licensees must not apply pesticides to hemp in violation of the product label.
- (3) A Licensee who uses a pesticide on a site where hemp will be planted must comply with the longest of any planting restriction interval on the product label prior to planting the hemp.

- (4) The Department may perform random pesticide testing or may perform for-cause testing if the Department has reason to believe that a pesticide may have been applied to hemp in violation of the product label.
- (5) Hemp seeds, plants, and materials bearing pesticide residue in violation of the pesticide label may be subject to forfeiture or destruction without compensation.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.10 Recordkeeping and Reporting Requirements

(1) Licensee Recordkeeping and Reporting

- (a) Licensees must maintain records of all hemp plants acquired, produced, handled, or disposed of or remediated as will substantiate any and all reports required by the Department.
- (b) All records must be made available for inspection by the Department during reasonable business hours. Such records must include, but are not limited to, the following:
 - 1. Records regarding acquisition of hemp;
 - 2. Records regarding all written agreements with Licensees and Permittees, or out of state processors, governing their business relationship;
 - 3. Records regarding production and handling of hemp;
 - 4. Records regarding hemp sampling and testing analyses;
 - 5. Records regarding storage of hemp;
 - 6. Records regarding the transfer, remediation, and disposal of hemp; and
 - 7. Records regarding remediation or disposal of all cannabis plants exceeding the acceptable hemp THC level.

(c) Planting Report

- 1. Each Licensee must submit a planting report to the Department within 30 days of planting a lot of hemp. The planting report must be submitted through the Department's website used for administering licenses, and will include the following information for each lot of hemp planted:
 - (i) Street address and geospatial location of each lot, covered growing facility, or site where hemp will be produced;

- (ii) Total acreage or square footage of hemp planted;
- (iii) Varietal or cultivar of hemp planted;
- (iv) Planting date;
- (v) Intended end use of the hemp planted (i.e. – seed, fiber, floral, or cannabinoids);
- (vi) Expected harvest date; and
- (vii) Source of propagative material (i.e. – from where the Licensee obtained its seeds, cuttings, clones, or seedlings).

- 2. The Department may, but is not required to, aggregate Planting Report data and prepare a report of plantings on an anonymized basis. No Licensee may receive a copy of the Department’s report unless that Licensee submitted a Planting Report for each of its lots planted.

(d) Annual Report

- 1. Each Licensee must submit an annual report to the Department. The report form must be submitted by November 30 of each year and contain the following information:
 - (i) Licensee’s name;
 - (ii) Licensee’s address;
 - (iii) Georgia Hemp Grower License Number;
 - (iv) Street address and geospatial location of each lot, covered growing facility, or site where hemp will be produced;
 - (v) Acreage dedicated to the production of hemp, or covered growing facility square footage dedicated to the production of hemp; and
 - (vi) Total acreage of hemp planted, harvested, remediated and disposed.
- 2. The Department will report all information collected in the Annual Report to AMS as required by USDA.

(e) Reporting to FSA Required

1. All Licensees must report hemp crop acreage with FSA and must provide, at minimum, the following information to FSA:
 - (i) Hemp crop acreage;
 - (ii) Total acreage of hemp planted, harvested, remediated and disposed;
 - (iii) Georgia Hemp Grower License Number;
 - (iv) Street address;
 - (v) Geospatial location of each lot, covered growing facility, or site where hemp will be produced. All locations where hemp is produced must be reported to FSA; and
 - (vi) Acreage of covered growing facility square footage dedicated to the production of hemp.
- (f) All records and reports must be kept and maintained by the Licensee for not less than three calendar years and in a manner such that they can be readily provided to the Department upon request.

(2) Department Recordkeeping and Reporting

- (a) The Department will maintain all relevant records and information regarding Licensees and land on which hemp is produced in Georgia, including a legal description of the land, for a period of not less than three calendar years.
- (b) The Department will collect, maintain, and report to USDA via fax, certified mail, email, or other method deemed acceptable by USDA the following contact and real-time information for each Licensee in Georgia:
 1. The contact information of each Licensee collected pursuant to Rule 40-32-2-.01.
 2. A legal description of the land on which hemp is grown including its geospatial location; and
 3. The status of licensed growers (and any changes) and Hemp Grower License number of each hemp grower.
- (c) By the first of each month, and not more than thirty (30) days after receipt, the Department will provide the following information to the United States Secretary of Agriculture or the Secretary's designee in a format that is compatible with USDA's Information Sharing System whenever possible. If the first of the month

falls on a weekend or holiday, the report will be submitted by the first business day following the due date:

1. Hemp Grower Report, which will contain the following:

- (i) For each new Licensee who is an individual and is licensed under the Georgia Hemp Plan, the report will include the full name of the individual; Georgia Hemp Grower License number; business address; telephone number; email address (if available); the legal description of the land on which the Licensee will produce hemp including, to the extent practicable, its geospatial location; and the scope of activity authorized;
- (ii) For each new Licensee that is an entity and is licensed under the Georgia Hemp Plan, the report will include the full name of the entity; the principal business location address; EIN number; Georgia Hemp Grower License number; the full name, title, and email address (if available) of each person for whom the entity is required to submit a criminal history record report; the legal description of the land on which the Licensee will produce hemp including, to the extent practicable, its geospatial location; and the scope of activity authorized;
- (iii) For each Licensee that was included in a previous report and whose reported information has changed, the report will include the previously reported information and the new information;
- (iv) The status of each hemp grower's license;
- (v) The period covered by the report; and
- (vi) Indication that there were no changes during the current reporting cycle, if applicable.

2. Hemp Disposal or Remediation Report, which will contain the following:

- (i) Name and contact information of the Licensee;
- (ii) Hemp Grower License number;
- (iii) Location information, such as lot number, location type, and geospatial location or other location descriptor for the production area subject to disposal;
- (iv) A copy of the respective test results;

- (v) Information on the agent handling the disposal, as applicable;
 - (vi) Disposal or remediation completion date; and
 - (vii) Total acreage disposed or remediated.
- (d) Annual Report
1. The Department will submit an annual report to USDA. The report form will be submitted by December 15 of each year and contain the following information:
 - (i) Total planted acreage;
 - (ii) Total harvested acreage; and
 - (iii) Total acreage disposed and remediated.
- (e) Test Results Report
1. The Department will promptly notify USDA by certified mail or electronically of any occurrence of cannabis plants or plant material that do not meet the definition of hemp and will attach copies of analytical test results as well as records demonstrating appropriate disposal of all of those plants and materials in the lot from which the representative samples were taken.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.11 Hemp Grower Compliance Inspections

- (1) Licensees may be subject to annual compliance inspections.
- (2) The Licensee's operational procedures, documentation, recordkeeping, and other practices may be verified during the compliance inspection.
- (3) The Department may assess whether required reports, records, and documentation are being properly maintained and may assess accuracy and completeness.
- (4) If during a compliance inspection the Department determines that the Licensee is not in compliance with the Georgia Hemp Farming Act or these Rules, the Department will require a Corrective Action Plan. The Licensee's implementation of a Corrective Action Plan will be reviewed by the Department during future compliance inspections.
- (5) Compliance inspections may be unannounced and conducted at any time during regular business hours. The Department will have complete and unrestricted access to all hemp plants, material, and seeds, whether growing or harvested, as well as to all land, buildings,

and other structures used for the cultivation, handling, or storage of hemp. The Department will also have full access to any and all records, documents, and information required to be kept and maintained in accordance with these Rules.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-2-.12 Violations and Enforcement

- (1) Violations include, but are not limited to, the following:
 - (a) Cultivating or handling hemp without a Hemp Grower License from the Department;
 - (b) Cultivating or handling any cannabis that is not hemp;
 - (c) Cultivating hemp that exceeds the acceptable hemp THC level;
 - (d) Selling, transferring, shipping, transporting, delivering, distributing, or otherwise providing hemp that exceeds the acceptable hemp THC level;
 - (e) Cultivating or handling hemp on a site not approved by the Department as part of the Hemp Grower License;
 - (f) Allowing unsupervised public access to hemp growing or handling areas, including storage areas;
 - (g) Denying any Department or law enforcement official access for compliance, sampling, or inspection purposes;
 - (h) Failure to keep and maintain any records, documents, or information required by these Rules;
 - (i) Failure to make any timely report required by these Rules;
 - (j) Failure to comply with any of the Grower Responsibilities and Restrictions;
 - (k) Failure to comply with any of the Grower License Term and Conditions; and
 - (l) Failure to comply with, or any violation of, any other provision of the Georgia Hemp Farming Act or these Rules.
- (2) A violation of the Georgia Hemp Farming Act or these Rules will be subject to enforcement in accordance with O.C.G.A. § 2-23-10.

- (a) In the event the Department determines that a Licensee has negligently violated the Georgia Hemp Farming Act or these Rules, then the Department will issue a Corrective Action Plan to said Licensee.
 - 1. The Corrective Action Plan will include, but may not be limited to:
 - (i) A reasonable date by which the Licensee must correct the negligent violation, which may include disposal or remediation of hemp in accordance with these Rules;
 - (ii) A requirement that the Licensee must periodically report to the Commissioner on the compliance status of the Licensee with the Corrective Action Plan for a period of not less than two (2) years after the violation; and
 - (iii) Any and all reasonable steps the Department deems necessary and proper to address the negligent violation(s).
 - 2. Licensees do not commit a negligent violation if they make reasonable efforts to grow hemp and the cannabis (marijuana) does not have a total delta-9 tetrahydrocannabinol concentration of more than 1.0 percent on a dry weight basis.
 - 3. The Department will monitor and conduct any and all inspections necessary to determine if the Corrective Action Plan has been implemented as required.
- (b) If the Commissioner determines that a Licensee has violated the Georgia Hemp Farming Act or these Rules with a culpable mental state greater than negligence, the Commissioner will immediately report the Licensee to the United States Attorney General and the Georgia Attorney General, and such violations will be subject to enforcement in accordance with applicable law.
- (c) Persons who violate the Georgia Hemp Farming Act or these Rules are subject to enforcement in accordance with the Georgia Hemp Farming Act, these Rules, and other applicable state law.
- (d) Violations of the Georgia Hemp Farming Act or these Rules may constitute a public nuisance under Georgia law, and civil enforcement may result.

Authority: O.C.G.A. Sec. 2-23-12.

**SUBJECT 40-32-3
HEMP PROCESSORS**

TABLE OF CONTENTS

40-32-3-.01	Application for Hemp Processor Permit
40-32-3-.02	Processor Permit Terms and Conditions
40-32-3-.03	Processor Sampling
40-32-3-.04	Processor Laboratory Testing
40-32-3-.05	Permittee Restrictions
40-32-3-.06	Disposal of Non-Compliant Cannabis Products
40-32-3-.07	Permittee Surety Bonds
40-32-3-.08	Storage of Hemp
40-32-3-.09	Recordkeeping Requirements
40-32-3-.10	Hemp Processor Compliance Inspections
40-32-3-.11	Violations and Enforcement

40-32-3-.01 Application for Hemp Processor Permit

- (1) Any person desiring to process and handle hemp in Georgia must submit a complete and accurate Hemp Processor Permit Application online at the Department’s website, agr.georgia.gov.
- (2) Any person processing or intending to process hemp must have a valid Hemp Processor Permit prior to receiving, processing, handling, or storing hemp. A valid permit means the permit has been issued and is unexpired, unsuspended, and unrevoked.
- (3) As part of the Hemp Processor Permit Application, each applicant must submit to the Department the following:
 - (a) An annual Hemp Processor Permit fee of \$25,000.00;
 - (b) A surety bond in compliance with the requirements for Permittee surety bonds set forth herein;
 - (c) Information regarding the applicant’s business including, but not limited to:
 1. Legal business name or trade name;
 2. Business structure type;
 3. Address of the principal business location;
 4. Primary contact information;
 5. Current Certificate of Existence obtained through the Georgia Secretary of State’s Office;

- (i) If applicant is an entity formed in a foreign jurisdiction, including a different State, it must submit an equivalent certificate of existence from its home jurisdiction, as well as a Georgia Certificate of Authority to conduct business.
6. Employer Identification Number (EIN); and
 7. Name, title, and current primary contact information, including telephone number and email address, for each owner, key participant, and person holding a beneficial interest in the Hemp Processor Permit for which an application is being made.
- (d) A legal description, obtained from the relevant county courthouse property records, for property on which each processing or handling facility is located;
 - (e) An attestation that the applicant owns or has legal permission to process, handle, or store hemp on property listed on the application.
 1. For purposes of satisfying this requirement, sufficient ownership of property or legal permission to process, handle, or store hemp on property includes property specifically deeded or leased to the respective applicant, whether an individual or entity, use of which will not be in violation of local zoning or other real estate ordinances.
 - (f) An attestation that property to be used for the processing, handling, or storage of hemp is not used for residential purposes.
 - (g) GPS coordinates provided in decimal of degrees and taken at the approximate entrance of each facility;
 - (h) The approximate dimension or square feet of each facility;
 - (i) An aerial map or photograph of the processing facilities showing clear boundaries of each facility;
 - (j) Information sufficient for locating hemp storage facilities including, but not limited to:
 1. A legal description, obtained from the relevant county courthouse property records, for property on which each storage facility is located;
 2. GPS coordinates provided in decimal of degrees and taken at the approximate entrance of each storage facility;
 3. The approximate dimension or square feet of each storage facility; and

4. An aerial map or photograph that clearly shows the boundaries and dimensions of each storage facility.
 - (k) A description of all hemp products to be produced as well as an estimate of the volume of each such product projected to be produced;
 - (l) A statement of the intended end use and/or disposal plan for all parts of hemp plants and hemp material received for processing;
 - (m) Written consent, allowing representatives of the Department, the Georgia Bureau of Investigation, and other affected state and local law enforcement agencies to enter all premises where hemp is being processed or handled for the purpose of conducting physical inspections and ensuring compliance with the requirements of the Georgia Hemp Farming Act and these Rules;
 - (n) An acknowledgment of the Processor Permit Terms and Conditions; and
 - (o) Any other information, disclosure, or documents required to be submitted by Georgia or Federal law or regulation.
- (4) Hemp Processor Permits will be issued on January 1 of each year, or otherwise when approved by the Department.
 - (5) After the first full calendar year of holding a Hemp Processor Permit, a Permittee will be entitled to an automatic permit renewal annually upon timely submission of a permit fee of \$25,000.00 per year as well as annual criminal background checks, so long as no administrative action has been taken by the Department against the Permittee and provided the information in the Permit application is unchanged.
 - (a) Renewal fees and annual criminal background checks dated within 60 days prior to the submission date must be submitted by December 1 of each year. Permits will expire on December 31 of each year if renewal fees are not timely submitted as required hereunder.
 - (b) A Permittee that begins, but does not finalize, the renewal of its Hemp Processor Permit within 60 days of January 1 of a given year, must subsequently complete a full application as if applying for the first time.
 - (6) Upon receipt of an otherwise complete application for a Processor Permit, the Department will conduct a criminal background check and obtain a federal criminal history report for the applicant or, if the applicant is a business entity, all key participants, as outlined below:
 - (a) At least one set of classifiable electronically recorded fingerprints of the individual applicant or, if the applicant is a business entity, one set of classifiable electronically recorded fingerprints of each key participant must be submitted to

the Department in accordance with the fingerprint system of identification established by the director of the Federal Bureau of Investigation.

- (b) The Department will transmit the applicant's fingerprints to the Georgia Crime Information Center, which will submit the fingerprints to the Federal Bureau of Investigation for a search of Bureau records and generation of an appropriate report, and the Georgia Crime Information Center will promptly conduct a search of state records based upon the fingerprints.
 - (c) After receiving the reports from the Georgia Crime Information Center and the Federal Bureau of Investigation, the Department will review the record for all individuals or key participants, as applicable.
- (7) A Permittee may request select changes to a Hemp Processor Permit. To request a change to a Hemp Processor Permit, the Permittee must, at least ten (10) calendar days prior to making the change, provide written notice of the proposed change to the Department via e-mail to hemp@agr.georgia.gov, or submit the proposed changes on the Department's website used to administer Hemp Processor Permits. Changes to a Hemp Processor Permit in accordance with such written notice and updated information will be valid only upon the Department's approval. No such change will exempt a Permittee from compliance with all requirements of a Hemp Processor Permit, including acceptable background checks for all key participants.

Licensees may request changes to the following:

- (a) The information originally submitted in Permittee's Hemp Processor Permit application in satisfaction of Rules 40-32-3-.01(3)(c), (d), (g), (h), (j) and (k).
 - 1. Permittees will be limited to a maximum of three (3) changes per permit year made in accordance with this Rule 40-32-3-.01(8)(a).
 - (b) Prior to any change in a Permittee's key participants, the Permittee must submit a proposed change to the Hemp Processor Permit reflecting the change of key participant. The Department will conduct a background check on new key participants in accordance with Rule 40-32-3-.01(7).
- (8) Any person who materially falsifies any information contained in an application for a Hemp Processor Permit will be ineligible to receive a Hemp Processor Permit or otherwise participate in the Georgia Hemp Program.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.02 Processor Permit Terms and Conditions

Each Permittee must acknowledge and agree to the terms and conditions governing the Hemp Processor Permit which include, but are not limited to, the following:

- (1) Except as explicitly provided for in these Rules or corrections of typographical errors approved by the Department, no alterations will be allowed to any Hemp Processor Permit once approved.
- (2) The Permittee must notify the Department, via e-mail to hemp@agr.georgia.gov, of any theft or loss of hemp or hemp products within forty-eight (48) hours of discovery of such theft or loss.
- (3) The Permittee must report any felony convictions or misdemeanor convictions, of itself or any of its key participants, relating to controlled substances under Georgia law or under Federal law to the Department, via e-mail to hemp@agr.georgia.gov, within five (5) calendar days of receiving notice of such conviction.
- (4) The applicant or Permittee must notify the Department in writing within ten (10) calendar days of the following:
 - (a) A disciplinary proceeding or enforcement action by another government entity that may affect the Permittee's business; and
 - (b) Temporary closures of more than thirty (30) days or permanent closure of any processing or storage facility.
- (5) Any information provided to the Department may be publicly disclosed in accordance with the Georgia Open Records Act (O.C.G.A. § 50-18-70 et. seq.) and may be provided to law enforcement agencies without further notice to the applicant.
- (6) Issuance of a Hemp Processor Permit will be conditioned upon the applicant's compliance with O.C.G.A. § 2-23-7 prior to initiating hemp processing activities.
- (7) A Permittee may also apply for and be issued no more than one Hemp Grower License. Any person holding both a Hemp Processor Permit and a Hemp Grower License must comply with Georgia Rules governing both Licensees and Permittees.
- (8) No person will be issued more than one Hemp Processor Permit, nor will any person be permitted to have a beneficial interest in more than one Hemp Processor Permit, regardless of the degree of such interest, as provided in O.C.G.A. § 2-23-5.
- (9) Hemp Processor Permits cannot be sold, assigned, transferred, pledged, or otherwise disposed of, alienated, or encumbered to or by another person, business, individual, or entity.

- (10) The Permittee must only process hemp at facilities identified in the Hemp Processor Permit and must have the legal authority to grant the Department access to any and all such facilities for inspection and sampling.
- (11) The Permittee must allow and fully cooperate with all required inspections and sampling.
- (12) The Permittee must maintain all records and information and make all reports within the applicable time frames as required in these Rules.
- (13) The Permittee must only accept for processing hemp that was lawfully produced under a State or Tribal hemp plan approved by the USDA, under a hemp license issued by USDA, or under 7 U.S.C. 5940 through the State or territory of the Indian Tribe, as applicable.
- (14) The Permittee must not handle, process, store, sell, transfer, ship, transport, deliver, distribute, or otherwise provide any cannabis or cannabis product that exceeds the acceptable hemp THC level. The Permittee must ensure that cannabis or cannabis products exceeding the acceptable hemp THC level do not enter the stream of commerce.
- (15) The Department will require forfeiture and disposal, without compensation, of hemp discovered at a processing facility for which records are not available to prove that said hemp was received from a Licensee or from a state or tribe with a plan to regulate hemp production that is approved by the USDA Secretary of Agriculture or otherwise in accordance with regulations promulgated by the USDA. Any hemp comingled with such hemp for which records are not available will also be subject to disposal.
- (16) In the event that a tested official sample exceeds the acceptable hemp THC level, the Department will require all related hemp products be disposed by a reverse distributor without compensation to the Permittee and under the supervision of local law enforcement.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.03 Processor Sampling

- (1) Hemp products are subject to sampling by a Department-approved sampling agent for total delta-9 tetrahydrocannabinol concentration level testing. The frequency of sampling and number of hemp products sampled for such testing will be determined by the Department.
- (2) Sampling will be conducted in accordance with the Department's most current *Sampling and Testing Guidelines for Hemp Processing Facilities*, which will be made available on the Department's website at agr.georgia.gov.

- (3) The method used for sampling must ensure that a representative sample is collected that represents a homogeneous composition of the product lot.
- (4) During a scheduled sample collection, the Permittee or an authorized representative of the Permittee must be present at the facility.
- (5) The Permittee will be responsible for paying all sampling fees. No compensation will be owed by the Department to the Permittee for any such sampling or for any samples collected by the Department-approved sampling agent.
- (6) Only samples taken by a Department-approved sampling agent will be considered official samples.
- (7) The Department-approved sampling agent(s) must be provided with complete and unrestricted access during business hours to all hemp, hemp products, land, buildings and other structures used for the processing, handling, and storing of hemp and hemp products. The Department must also be provided with complete and unrestricted access to any and all records, documents, and information required to be kept and maintained in accordance with these Rules.
- (8) A Permittee must not transfer, transport, or otherwise distribute hemp products from a sampled product lot prior to receiving analytical testing results verifying that the product lot sampled does not exceed the acceptable hemp THC level.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.04 Processor Laboratory Testing

- (1) Standard testing procedures are specified for samples taken to measure the total delta-9 tetrahydrocannabinol (THC) concentration levels of those samples.
- (2) Analytical testing for purposes of detecting the concentration levels of total delta-9 tetrahydrocannabinol (THC) must be conducted and reported by a laboratory registered with DEA to handle controlled substances under the Controlled Substances Act (CSA), 21 CFR part 1301.13.
- (3) Analytical testing for purposes of detecting the concentration levels of total delta-9 tetrahydrocannabinol (THC) must be conducted in accordance with the Department's *Sampling and Testing Guidelines for Hemp Processing Facilities*, which will be made available on the Department's website at agr.georgia.gov. Such testing must meet the following standards:
 - (a) Laboratory quality assurance must ensure the validity and reliability of test results;

- (b) Analytical method selection, validation, and verification must ensure that the testing method used is appropriate (fit for purpose) and that the laboratory can successfully perform the testing;
 - (c) The demonstration of testing validity must ensure consistent, accurate analytical performance;
 - (d) Method performance specifications must ensure analytical tests are sufficiently sensitive for the purposes of the detectability requirements of this Rule; and
 - (e) Implement effective disposal procedures for non-compliant samples that do not meet the acceptable hemp THC level.
- (4) At a minimum, analytical testing of samples for total delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary or Commissioner. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THCA) in hemp into delta-9 tetrahydrocannabinol (THC) and the test result reflect the total available THC derived from the sum of the THC and THC-A content. Testing methodologies meeting the requirements of this paragraph include, but are not limited to, gas or liquid chromatography with detection.
- (5) The total delta-9 tetrahydrocannabinol concentration level must be determined and reported. Additionally, measurement of uncertainty (MU) must be estimated and reported with test results. Laboratories must use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.
- (6) Any hemp products yielding an official sample test result exceeding the acceptable hemp THC level, must not enter the stream of commerce and the Permittee must dispose of the hemp products in accordance with these Rules.
- (7) Measurement of uncertainty (MU) must be estimated and reported with test results. Laboratories must use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.
- (8) Each Processor must ensure that the DEA-registered laboratory conducting the analytical testing of the sample(s) from the Processor's product lots submits results for all tested samples to the Department via e-mail to hemp@agr.georgia.gov. Laboratories are only required to submit the results of tests performed to comply with Rule 40-32-3-.04(3). Laboratories are not required to report test results from informal testing conducted by Permittees. The test results must be reported using the Department's "Processor Laboratory Test Results Report" form and must contain the following information for each sample tested:
- (a) Georgia Processor Permit number;

- (b) Name of Processor;
 - (c) Business address of Processor;
 - (d) Lot identification number for the sample;
 - (e) Name and DEA registration number of the laboratory;
 - (f) Date of test and report;
 - (g) Identification of a retest;
 - (h) Measurement of uncertainty (MU); and
 - (i) Test result.
- (9) The Permittee will be responsible for paying all testing fees. No compensation will be owed by the Department to the Permittee for any such testing.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.05 Permittee Restrictions

- (1) A Permittee must not:
- (a) Process or handle hemp on any site not listed on the Hemp Processor Permit;
 - (b) Process or handle any cannabis that is not hemp;
 - (c) Sell, transfer, ship, transport, deliver, distribute, or otherwise provide hemp products that exceed the acceptable hemp THC level;
 - (d) Process or handle hemp or hemp products in any structure that is used for residential purposes;
 - (e) Process hemp with other products. Hemp must be processed separately from other products unless otherwise authorized in writing by the Department;
 - (f) Store hemp products with other products. Hemp products must be physically stored separately from other products at a processing or storage facility unless otherwise authorized in writing by the Department;
 - (g) Allow unsupervised public access to hemp or hemp processing and storage facilities; or

- (h) Process or handle hemp on property owned by, leased from, or previously submitted in a permit application by any person who is ineligible for, was terminated from, or was denied admission to the program for failure to obtain an acceptable criminal background check or for violations of the Georgia Hemp Farming Act or these Rules.
- (2) The Permittee must comply with all applicable local, state, and federal laws, rules, regulations, and ordinances at all times including, but not limited to, the federal Food Drug and Cosmetic Act, 21 U.S.C. Chapter 9, and all laws, rules, regulations, and ordinances relating to product development, product manufacturing, consumer safety, and public health.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.06 Disposal of Non-Compliant Cannabis Products

- (1) Cannabis products exceeding the acceptable hemp THC level constitute marijuana, a schedule I controlled substance under Georgia law and federal law.
- (2) Cannabis products exceeding the acceptable hemp THC level must be disposed of in accordance with the CSA and DEA regulations found at 21 CFR 1317.15 by a reverse distributor or as otherwise approved in writing by the Department.
- (3) The Permittee must immediately notify the Department via email to hemp@agr.georgia.gov any time analytical testing determines that cannabis products exceed the acceptable hemp THC level.
- (4) Upon notice and confirmation that a cannabis product has exceeded the acceptable hemp THC level, the Department will issue an Order of Disposal requiring all related cannabis products to be disposed within a reasonable time to be determined by the Department.
- (5) The Permittee will be responsible for arranging disposal through a reverse distributor.
- (6) The Permittee will be responsible for all costs and fees associated with the disposal of cannabis exceeding the acceptable hemp THC level. No compensation will be owed by the Department to the Permittee for any such disposal.
- (7) Cannabis products subject to disposal must not be removed from the permitted facility or from any other area where such cannabis is being processed, handled, or stored.
- (8) Within 14 days of the date of completion of disposal, the Processor must submit a “Disposal Report” form to the Department, which must contain the following information:
 - (a) Name and address of the Permittee;

- (b) Georgia Processor Permit number;
- (c) Information on the reverse distributor agent handling the disposal.
- (d) Date of completion of disposal;
- (e) Signature of the Permittee; and
- (f) Reverse distributor certification of completion of the disposal.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.07 Permittee Surety Bonds

- (1) Each applicant for a Hemp Processor Permit must make and deliver to the Commissioner a surety bond, the form and substance of which must be approved by the Commissioner. Such surety bond shall be conditioned to secure the faithful accounting for and payment to hemp growers licensed under a State or Tribal hemp plan approved by the USDA, the USDA Hemp Production Plan, or under 7 U.S.C. 5940 through the State or territory of the Indian Tribe, as applicable, for hemp purchased by such Permittee, as well as to secure the Permittee's compliance with the requirements of the Georgia Hemp Farming Act and these Rules.
 - (a) For purposes of this Rule, a Permittee's surety bond may be executed by any surety corporation authorized to transact business in Georgia.
 - (b) Applicants must include a certificate of good standing issued by the Commissioner of Insurance with all submitted surety bonds.
 - (c) If the company issuing a Permittee's surety bond becomes disqualified from conducting business in Georgia, Permittee must obtain a replacement bond for at least an equivalent amount within 30 days, subject to the Commissioner's approval. The effective term of a replacement bond must begin on the day the previous bond became ineffective.
- (2) The Commissioner shall determine the amount of a Permittee's surety bond in accordance with the Georgia Hemp Farming Act.
 - (a) The Department may require a Permittee to complete the Georgia Permitted Processor Report of Hemp Purchased to better determine Permittee's requisite bond amount.
 - 1.A Permittee with no history of hemp purchases will provide the Department with a good faith estimate of the dollar value of hemp it plans to purchase during the applied for Permit year.

- (b) If at any time the Commissioner determines that a Permittee's previously approved surety bond is insufficient to satisfy the purpose set forth in these Rules, the Commissioner may require the Permittee to obtain an additional bond or bonds. Permittee shall submit such additional bond or bonds to the Commissioner in an amount and within the time fixed in a written demand therefor.
- (3) Permittee's Processor Permit shall be immediately revoked by operation of law and without notice or hearing, and Permittee shall be ineligible to reapply for a Processor Permit for a period of four years after such revocation, if:
 - (a) Permittee's surety bond is cancelled;
 - (b) Permittee fails to provide a replacement bond within 30 days after its surety is disqualified from conducting business in Georgia; or
 - (c) Permittee fails to provide an additional bond or bonds in the amount and timeframe specified by the Commissioner in accordance with these Rules.
- (4) Any person claiming to be damaged by a Permittee's breach of its surety bond conditions may file a complaint with the Commissioner.
- (5) Upon receipt of a valid complaint, the Commissioner will determine if the complaint constitutes a prima facie breach of the Permittee's bond. If so, and the matter has not been resolved between the complainant and the Permittee within 15 days of the Department's receipt of the complaint, the Commissioner will publish a solicitation for additional complaints regarding breach of Permittee's bond for at least five consecutive issues of the Farmers and Consumers Market Bulletin and any additional publication the Commissioner chooses.
 - (a) To be valid, a complaint must:
 - 1. Provide a written statement of facts constituting the alleged breach; and
 - 2. Be received by the Department within the permitted timeframe, as follows:
 - i. Within 180 days of Permittee's alleged breach of the conditions of its surety bond for original complaints; and
 - ii. Within 60 days of the Commissioner's initial public notification of the breach of bond for additional complaints.
- (6) The Commissioner shall investigate the charges made in valid complaints, and may order a hearing, the time and place of which the Commissioner will give the complainant and Permittee reasonable notice. Hearings will be conducted under the Department Administrative Rules of Practice and Procedure, GA. Comp. R. & Regs. Rules 40-1-2, *et seq.*

- (a) At the conclusion of a hearing, the Commissioner shall report their findings and conclusions to the complainant and Permittee in each case. The complainant and Permittee will have 15 days to implement the Commissioner's conclusions.
- (b) Should the complainant and Permittee not affect a settlement within 15 days of the Commissioner's findings, the Commissioner or complainant may bring an action to enforce the claim.
- (c) If the complainant is not satisfied with the ruling of the Commissioner, they may commence an action against the principal and surety on the bond as in any civil action.
 - 1.No civil action claiming a breach of a Permittee security bond may be commenced less than 120 days nor more than 547 days from the initial date of the Commissioner's public notification of the complaint on the bond.
- (d) If a Permittee's security bond is insufficient to pay all valid claims in full, then the Commissioner will direct the pro rata distribution of bond proceeds between licensees with valid claims.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.08 Storage of Hemp

- (1) A Permittee may store hemp obtained from licensed growers and/or processed by said Permittee provided:
 - (a) The Permittee identifies each storage facility on the Hemp Processor Permit;
 - (b) The Permittee maintains complete and accurate records detailing the licensed growers from whom hemp at each storage facility was received, varieties stored at each storage facility, and amount of each hemp variety stored at each storage facility. Product lots in storage must be separated in such a manner that maintains the unique identity of each product lot stored at the storage facility;
 - 1. In the event analytical testing determines that an official sample of hemp or hemp products held at a storage facility exceeds the acceptable hemp THC level, all comingled hemp or hemp products held at the storage facility must be promptly disposed of in accordance with the CSA and DEA regulations found at 21 CFR 1317.15 by a reverse distributor.
 - (c) The storage facility is owned or leased by the Permittee; and
 - (d) The storage facility is secured with physical containment and reasonable security measures.

- (2) No Permittee may warehouse or otherwise store hemp that is not owned by the Permittee.
- (3) All storage area(s) will be subject to inspection by the Department.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.09 Recordkeeping Requirements

- (1) Permittees must keep and maintain copies of all written agreements with licensed growers, including growers holding a Georgia Hemp Grower License as well as growers licensed by the USDA or authorized to produce hemp under other USDA approved state or tribal hemp plans, governing their business relationship.
- (2) Permittees must keep and maintain the following records:
 - (a) Hemp intake records, which include:
 1. Name, location, and license number (Georgia Hemp Grower License number or other valid hemp grower identification number) for each grower from whom the Permittee accepts hemp for processing;
 2. The date(s) on which hemp is received from each licensed grower;
 3. Copies of analytical testing results confirming that each lot of hemp received for processing does not exceed the acceptable hemp THC level;
 4. The amount of each variety received from each licensed grower; and
 5. The hemp products for which each variety of hemp received from each licensed grower will be used.
 - (b) Inventory records for hemp products being processed and stored, which include:
 1. Date of inventory;
 2. Location of stored inventory;
 3. Total amount of each hemp product on hand;
 4. Total amount of hemp and hemp seed of each variety on hand;
 5. Total amount of unusable hemp and hemp seed of each variety on hand; and
 6. Name, signature, and title of the employee performing inventory.

- (c) Disposal records for all unusable hemp, which include:
 - 1. Date of disposal;
 - 2. Amount of each hemp variety disposed;
 - 3. Method of disposal;
 - 4. Location of disposal; and
 - 5. Name, signature, and title of employee responsible for disposal.

 - (d) Processing records, which include:
 - 1. List of products produced from hemp; and
 - 2. List of buyers or recipients of hemp products including:
 - (i) Name, address, and phone number of each buyer or recipient;
 - (ii) Description of each product purchased or otherwise distributed;
 - (iii) Quantity of each product purchased or otherwise distributed; and
 - (iv) Date of distribution.
- (3) Permittees must keep and maintain copies of all records, documents, and information required by this Rule for at least three (3) years and in a manner such that they can be readily provided to the Department upon request.
- (4) The Department will maintain all relevant records and information regarding Permittees and facilities at which hemp is processed or handled in Georgia, including a legal description for property on which each processing or handling facility is located, for a period of not less than three (3) calendar years.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.10 Hemp Processor Compliance Inspections

- (1) Processors may be subject to compliance inspections.
- (2) The Processor's operational procedures, documentation, recordkeeping, and other practices may be verified during the compliance inspection.
- (3) The Department may assess whether required reports, records, and documentation are being properly maintained and may assess accuracy and completeness.

- (4) If during a compliance inspection the Department determines that the Processor is not in compliance with the Georgia Hemp Farming Act or these Rules, the Department will require a Corrective Action Plan. The Processor's implementation of a Corrective Action Plan will be reviewed by the Department during future compliance inspections.
- (5) Compliance inspections may be unannounced and conducted at any time during regular business hours. The Department will have complete and unrestricted access during business hours to all hemp, hemp products, land, buildings and other structures used for the processing and handling of hemp. The Department will also have complete and unrestricted access to any and all records, documents, and information required to be kept and maintained in accordance with these Rules.

Authority: O.C.G.A. Sec. 2-23-12.

40-32-3-.11 Violations and Enforcement

- (1) Violations include, but are not limited to, the following:
 - (a) Processing or handling hemp or hemp products without a Hemp Processor Permit from the Department;
 - (b) Processing or handling any cannabis that is not hemp;
 - (c) Processing or handling hemp or hemp products that exceeds the acceptable hemp THC level;
 - (d) Processing hemp that was not lawfully produced under a State or Tribal hemp plan approved by the USDA, under a hemp license issued by USDA, or under 7 U.S.C. 5940 through the State or territory of the Indian Tribe, as applicable;
 - (e) Selling, transferring, shipping, transporting, delivering, distributing, or otherwise providing hemp or hemp products that exceeds the acceptable hemp THC level;
 - (f) Processing or handling hemp or hemp products at a facility not approved by the Department as part of the Hemp Processor Permit;
 - (g) Allowing unsupervised public access to hemp processing or handling areas, including storage areas;
 - (h) Denying any Department or law enforcement official access for compliance, sampling, or inspection purposes;
 - (i) Failure to keep and maintain any records, documents, or information required by these Rules;

- (j) Failure to make any timely report required by these Rules;
 - (k) Failure to comply with any transportation requirement established by these Rules;
 - (l) Failure to comply with any Permittee Restriction;
 - (m) Failure to comply with any Processor Permit Term or Condition; and
 - (n) Failure to comply with, or any violation of, any other provision of the Georgia Hemp Farming Act or these Rules.
- (2) A violation of the Georgia Hemp Farming Act or these Rules will be subject to enforcement in accordance with the Georgia Hemp Farming Act, these Rules, and other applicable state law.
- (3) If the Commissioner determines that a Permittee has violated the Georgia Hemp Farming Act or these Rules with a culpable mental state greater than negligence, the Commissioner will immediately report the Permittee to the United States Attorney General and the Georgia Attorney General.

Authority: O.C.G.A. Sec. 2-23-12.

EXHIBIT C
Form of Laboratory Hemp Testing Affidavit



Analytical Hemp and Hemp Product Testing

Laboratory Affidavit

I am an authorized signatory for _____ (the “Laboratory”), which is in the business of performing analytical testing on hemp and/or hemp products at facilities located at the following physical address(es):

I do hereby attest to the following on behalf of the Laboratory:

- The Laboratory will conduct all analytical testing of hemp for purposes of detecting the concentration levels of delta-9 tetrahydrocannabinol (“THC”) in accordance with the USDA’s most current Laboratory Testing Guidelines, the Georgia Hemp Farming Act, 2-23-1, et seq., Ga. Comp. R. & Regs. R. 40-32-1, et seq., and 7 CFR Part 990.
- The Laboratory will determine the total THC concentration levels of hemp and/or hemp product samples on a post-decarboxylation basis by using gas chromatography, liquid chromatography, or other similarly reliable methods approved by the United States Department of Agriculture or the Georgia Department of Agriculture.
- The Laboratory’s testing methodology considers the potential conversion of delta-9 tetrahydrocannabinolic acid (“THCA”) in hemp into delta-9 THC, and the test results will reflect of the total available THC derived from the sum of the THC and THC-A content.
- The Laboratory will determine and report the total THC concentration level on a dry weight basis.
- The Laboratory will estimate and report a measurement of uncertainty (“MU”), as defined in Ga. Comp. R. & Regs. R. 40-32-1-.02, with official testing results. The Laboratory will use appropriate, validated methods and procedures for all testing activities and evaluating the measurement of uncertainty.
- The Laboratory will report analytical testing results for official hemp samples submitted by the Georgia Department of Agriculture on the Department’s “Grower Laboratory Test Results Report” form and analytical testing results for official hemp product samples on the Department’s “Processor Laboratory Test Results Report” form.
- The Laboratory will not perform analytical testing on official hemp or hemp product samples submitted by the Georgia Department of Agriculture (or a Department-approved sampling agent) when performing such testing will result in an actual or perceived conflict

of interest. Conflicts of interest include, but are not limited to, instances where the Laboratory or any of its owners, employees, agents, or affiliates have a familial relationship with or direct or indirect financial interest in the grower or processor associated with the submitted sample.

- By the 3rd day of each month, the laboratory will provide to USDA-AMS, using the Hemp eManagement Platform (<https://hemp.ams.usda.gov/s/>), the official grower sample results from the previous month (See CFR Part 990.70).
- This affidavit will be valid for a period of five years from the date of execution.

Failure by the Laboratory to comply with the current USDA Laboratory Testing Guidelines, the Georgia Hemp Farming Act, O.C.G.A. § 2-23-1, et seq., or the Departmental Rules, Ga. Comp. R. & Regs. R. 40-32-1, et seq., may result in the revocation of the Laboratory's ability to conduct testing pursuant to O.C.G.A. § 2-23-9.

I hereby declare under of perjury that the foregoing is true and correct.

Signature

Title

Laboratory Legal Name

Laboratory DEA Registration Number

Laboratory ISO/IEC Accreditation Number

Sworn to and subscribed before me this

_____ day of _____, _____.

NOTARY PUBLIC

My commission expires: _____



Hemp Program Certification

Pursuant to Section 297B(a)(2)(A)(vii) of the Agriculture Improvement Act of 2018, I certify that the Georgia Department of Agriculture has the resources and personnel necessary to carry out each of the practices and procedures identified in Section 297B(a)(2) of the Act.

Date: December 20, 2022

Respectfully,



Gary W. Black, Commissioner
Georgia Department of Agriculture