

As Introduced

134th General Assembly

Regular Session

2021-2022

H. B. No. 628

Representatives Weinstein, Upchurch



A BILL

To enact sections 3780.01, 3780.02, 3780.03, 1
3780.04, 3780.05, 3780.06, 3780.07, 3780.08, 2
3780.09, 3780.10, 3780.11, 3780.12, 3780.13, 3
3780.14, 3780.15, 3780.16, 3780.17, 3780.18, 4
3780.19, 3780.20, 3780.21, 3780.22, 3780.23, 5
3780.24, 3780.25, 3780.26, 3780.27, 3780.28, 6
3780.29, 3780.30, 3780.31, 3780.32, 3780.33, 7
3780.34, 3780.35, 3780.26, 3780.90, and 3780.99 8
of the Revised Code to enact the law proposed by 9
initiative petition titled An Act to Control and 10
Regulate Adult Use Cannabis. 11

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3780.01, 3780.02, 3780.03, 12
3780.04, 3780.05, 3780.06, 3780.07, 3780.08, 3780.09, 3780.10, 13
3780.11, 3780.12, 3780.13, 3780.14, 3780.15, 3780.16, 3780.17, 14
3780.18, 3780.19, 3780.20, 3780.21, 3780.22, 3780.23, 3780.24, 15
3780.25, 3780.26, 3780.27, 3780.28, 3780.29, 3780.30, 3780.31, 16
3780.32, 3780.33, 3780.34, 3780.35, 3780.26, 3780.90, and 17
3780.99 of the Revised Code be enacted to read as follows: 18

Sec. 3780.01. Definitions. 19

<u>(A) As used in this chapter:</u>	20
<u>(1) "Adult use cannabis" or "cannabis" or "marijuana"</u>	21
<u>means marihuana as defined in section 3719.01 of the Revised</u>	22
<u>Code.</u>	23
<u>(2) "Adult use cannabis operator" means a level I adult</u>	24
<u>use cultivator, a level II adult use cultivator, a level III</u>	25
<u>adult use cultivator, an adult use processor, and an adult use</u>	26
<u>dispensary.</u>	27
<u>(3) "Adult use consumer" means and individual who is at</u>	28
<u>least twenty-one years of age.</u>	29
<u>(4) "Adult use cultivator" means a level I adult use</u>	30
<u>cultivator or a level II adult use cultivator.</u>	31
<u>(5) "Adult use dispensary" means a person licensed</u>	32
<u>pursuant section 3780.15 of the Revised Code, this chapter and</u>	33
<u>any rules promulgated thereunder to sell adult use cannabis as</u>	34
<u>authorized.</u>	35
<u>(6) "Adult use extract" or "extract" means a substance</u>	36
<u>obtained by separating or concentrating cannabinoids and other</u>	37
<u>compounds from any part of the adult use cannabis plant by</u>	38
<u>physical or chemical means, intended to be refined for use as an</u>	39
<u>ingredient in an adult use cannabis product or as a standalone</u>	40
<u>adult use cannabis product.</u>	41
<u>(7) "Adult use processor" means a person licensed pursuant</u>	42
<u>section 3780.14 of the Revised Code, this chapter and any rules</u>	43
<u>promulgated thereunder to manufacture adult use cannabis as</u>	44
<u>authorized.</u>	45
<u>(8) "Adult use testing laboratory" means an independent</u>	46
<u>laboratory located that has been issued a license by the</u>	47

division of cannabis control to have custody and use of adult 48
use cannabis for scientific purposes and for purposes of 49
instruction, research, or analysis. 50

(9) "Advertising" means any written or verbal statement, 51
illustration, or depiction created to induce sales through the 52
use of or a combination of letters, pictures, objects, lighting 53
effects, illustrations, videos, sounds, or other similar means. 54
"Advertisement" includes brochures, promotional and other 55
marketing materials consistent with section 3780.21 of the 56
Revised Code. 57

(10) "Applicant" means an individual or person who files 58
an application for a license pursuant to this chapter. 59

(11) "Certificate of operation" means a certification of 60
operation or license issued by either the department of commerce 61
or the state board of pharmacy to a person pursuant to Chapter 62
3796 of the Revised Code and Chapter 3796 of the Administrative 63
Code. 64

(12) "Confidential information" means information that is 65
not a public record for purposes of section 149.43 of the 66
Revised Code. 67

(13) "Cultivate" means to grow, harvest, package, and 68
transports adult use cannabis pursuant to this chapter. 69

(14) "Cultivation area" means the boundaries of the 70
enclosed areas in which adult use cannabis is cultivated during 71
the vegetative stage and flowering stage of the cultivation 72
process. For purposes of calculating the cultivation area square 73
footage, enclosed areas used solely for the storage and 74
maintenance of mother plants, clones, or seedlings shall not be 75
included. 76

(15) "Cultivation facility" means a facility where an adult use cultivator or a level III adult use cultivator is authorized to operate. 77
78
79

(16) "Dispensary" means a person who has a certificate of operation to operate a dispensary under Chapter 3796 of the Revised Code and Chapter 3796 of the Administrative Code. 80
81
82

(17) "Disqualifying offense" means: 83

(a) A conviction or plea of guilty, including conspiracy to commit, attempt to commit, or aiding and abetting another in committing, the following: 84
85
86

(i) Any offense set forth in Chapters 2925, 3719, or 4729 of the Revised Code, the violation of which constitutes a felony or a misdemeanor of the first degree; 87
88
89

(ii) Any theft offense set forth under division (K) in section 2913.01 of the Revised Code, the violation of which constitutes a felony; 90
91
92

(iii) Any violation for which a penalty was imposed under section 3715.99 of the Revised Code; 93
94

(iv) A crime of moral turpitude as defined in section 4776.10 of the Revised Code; or 95
96

(v) A violation of any former law of this state, any existing or former law of another state, any existing or former law applicable in a military court or Indian tribal court, or any existing or former law of any nation other than the United States that is or was substantially equivalent to any of the offenses listed in paragraphs (a)(iv) to (a)(iv) of this definition. 97
98
99
100
101
102
103

(b) Any first degree misdemeanor offense listed in 104

paragraphs (a) (i) to (a) (v) of this definition will not 105
automatically disqualify an applicant from licensure if the 106
applicant was convicted of or pleaded guilty to the offense more 107
than five years before the date the application for licensure is 108
filed. 109

(c) Notwithstanding paragraph (a) or (b) of this 110
definition, no misdemeanor offense, including misdemeanors of 111
the first degree, related to cannabis possession, cannabis 112
trafficking, illegal cultivation of cannabis, illegal use or 113
possession of drug paraphernalia or cannabis drug paraphernalia, 114
or other cannabis related crimes shall be considered a 115
disqualifying offense. 116

(18) "Director" means the director of the department of 117
commerce. 118

(19) "Level I adult use cultivator" mean either a person 119
who has a certificate of operation as a level I cultivator and 120
who is licensed pursuant to section 3780.12 of the Revised Code, 121
this chapter and any rules promulgated thereunder to cultivate 122
adult use cannabis as authorized, or a person who is licensed as 123
a level I adult use cultivator pursuant to section 3780.12 of 124
the Revised Code, this chapter and any rules promulgated 125
thereunder to cultivate adult use cannabis as authorized, and 126
either person may operate up to one hundred thousand square 127
footage of space designated as the cultivation area in the 128
application which may be increased if a request for expansion is 129
approved by the division of cannabis control. 130

(20) "Level II adult use cultivator" mean either a person 131
who has a certificate of operation as a level II cultivator and 132
who is licensed pursuant to section 3780.12 of the Revised Code, 133
this chapter and any rules promulgated thereunder to cultivate 134

adult use cannabis as authorized, or a person who is licensed as 135
a level II adult use cultivator pursuant to section 3780.12 of 136
the Revised Code, this chapter and any rules promulgated 137
thereunder to cultivate adult use cannabis as authorized, and 138
either person may operate up to fifteen thousand square footage 139
of space designated as the cultivation area in the application 140
which may be increased if a request for expansion is approved by 141
the division of cannabis control. 142

(21) "Level III adult use cultivator" means a person 143
licensed pursuant section 3780.13 of the Revised Code, this 144
chapter and any rules promulgated thereunder to cultivate adult 145
use cannabis as authorized. 146

(22) "Level I cultivator" means a person who has a 147
certificate of operation to operate as a level I cultivator 148
under Chapter 3796 of the Revised Code and Chapter 3796 of the 149
Administrative Code. 150

(23) "Level II cultivator" means a person who has a 151
certificate of operation to operate as a level II cultivator 152
under Chapter 3796 of the Revised Code and Chapter 3796 of the 153
Administrative Code. 154

(24) "License" means a license by the division of cannabis 155
control to a license applicant pursuant to chapter 3780 of the 156
Revised Code and the rules adopted thereunder. 157

(25) "License applicant" means an individual or person who 158
applies for a license under this chapter. 159

(26) "License holder" or "Licensee" means an adult use 160
cannabis operator, adult use testing laboratory or an individual 161
who is licensed under the provisions of chapter 3780 of the 162
Revised Code. 163

(27) "Manufacture" means the process of converting 164
harvested plant material into adult use extract by physical or 165
chemical means for use as an ingredient in an adult use cannabis 166
product. 167

(28) "Medical provisional license" means a provisional 168
license issued by either the department of commerce or the state 169
board of pharmacy to a person pursuant to Chapter 3796 of the 170
Revised Code and Chapter 3796 of the Administrative Code. 171

(29) "Minor cannabinoid" means any cannabinoid other than 172
CBD, CBDa, Delta-9 THC or Delta 9 THCa, including any isomer, 173
analogue, or derivative thereof, and any other cannabinoid that 174
naturally occurs in cannabis, regardless of whether that 175
cannabinoid may be naturally or synthetically derived, which may 176
be used as an ingredient in adult use products. 177

(30) "Mother plant" means an adult use cannabis plant that 178
is cultivated or maintained for the purpose of generating 179
clones, and that will not be used to produce plant material for 180
sale to an adult use processor or an adult use dispensary unless 181
the plant is transferred into the cultivation area of the 182
facility. 183

(31) "Paraphernalia" means any equipment, products, or 184
materials of any kind which are used, intended for use, or 185
designed for use in planting, propagating, cultivating, growing, 186
harvesting, composting, manufacturing, compounding, converting, 187
producing, processing, preparing, testing, analyzing, packaging, 188
repackaging, storing, vaporizing, or containing cannabis, or for 189
ingesting, inhaling, or otherwise introducing cannabis into the 190
human body. 191

(32) "Person" includes, but is not limited to, an 192

individual or a combination of individuals; a sole 193
proprietorship, a firm, a company, a joint venture, a 194
partnership of any type, a joint-stock company, a corporation of 195
any type, a corporate subsidiary of any type, a limited 196
liability company, a business trust, or any other business 197
entity or organization; an assignee; a receiver; a trustee in 198
bankruptcy; an unincorporated association, club, society, or 199
other unincorporated entity or organization; entities that are 200
disregarded for federal income tax purposes; and any other 201
nongovernmental, artificial, legal entity that is capable of 202
engaging in business. 203

(33) "Primary residence" means the residence of an 204
individual in which the individual's habitation is fixed and to 205
which, whenever the person is absent, the person has the 206
intention of returning. 207

(34) "Processor" means a person who has been issued a 208
processing certificate of operation pursuant to Chapter 3796 of 209
the Revised Code and Chapter 3796 of the Administrative Code. 210

(35) "Prohibited facility" means any church, public 211
library, public playground, public park, or school, as defined 212
in section 3796.30 of the Revised Code. 213

(36) "Provisional license" means a temporary license 214
issued to an applicant for an individual license that 215
establishes the conditions that must be met by the licensee 216
before the individual is issued a license in accordance with the 217
requirements and conditions set forth in chapter 3780 of the 218
Revised Code and the rules adopted thereunder. 219

(37) "Tetrahydrocannabinol" or "THC" means the sum of the 220
amount of delta-9 tetrahydrocannabinol (THC) and 87.7 per cent 221

of the amount of delta-9-tetrahydrocannabinolic acid (THCA) 222
present in the product or plant material. THC does not include 223
minor cannabinoids. 224

Sec. 3780.02. Authorization and purpose. 225

(A) Controlled and regulated sales and use of adult use 226
cannabis shall be permitted under this chapter for the following 227
public purposes: 228

(1) Reducing illegal marijuana sales and providing for a 229
safer and regulated cannabis product; 230

(2) Limiting the transportation of out-of-state cannabis 231
into the state; 232

(3) Providing key funding to support social equity, job 233
creation, host communities that have adult use dispensaries, 234
cannabis research, and proper oversight and regulation of the 235
adult cannabis industry; and 236

(4) Improving social equity issues to address the state's 237
compelling interest to redress past and present effects of 238
discrimination and economic disadvantage for individuals in the 239
state. 240

(B) Adult use cannabis shall only be sold to, or used by, 241
an adult use consumer pursuant to this chapter unless otherwise 242
authorized pursuant to the Revised Code. 243

(C) Nothing in this chapter shall limit any sale, use, 244
possession, or any other activity authorized by Chapter 3796 of 245
the Revised Code. 246

Sec. 3780.03. Establishment and authority of division of 247
cannabis control; adoption of rules. 248

(A) There is hereby established a division of cannabis control within the department of commerce. 249
250

(B) To ensure the proper oversight and control of the adult use cannabis industry, the division of cannabis control shall have the authority to license, regulate, investigate, and penalize adult use cannabis operators, adult use testing laboratories and individuals required to be licensed under this chapter. 251
252
253
254
255
256

(C) The division of cannabis control shall adopt, and as advisable and necessary shall amend or repeal, rules on the following: 257
258
259

(1) Prevention of practices detrimental to the public interest consistent with this chapter, and also ways to educate the public about this chapter; 260
261
262

(2) Establishing application, licensure and renewal standards and procedures for license applicants or license holders related to adult use cannabis operators, adult use testing laboratories, and individuals required to be licensed, including any additional background check requirements, the disqualifying offenses under section 3780.01 of the Revised Code that prohibit licensure, and any exemption criteria from licensing requirements for institutional or private investors who do not have significant control or influence over a license applicant or license holder, and whose ownership in a license is for investment purposes only; 263
264
265
266
267
268
269
270
271
272
273

(3) Establishing reasonable application, licensure and renewal fees amounts to ensure license applicants and license holders under this chapter pay for the actual costs for administration and licensure for the division of cannabis 274
275
276
277

<u>control;</u>	278
<u>(4) Establishing standards for provisional licenses for an individual who is required to be licensed and who has exigent circumstances. Such standards for provisional licenses must include submission of a complete application and compliance with a required background check. A provisional license shall be valid not longer than three months. A provisional license may be renewed, at the division of cannabis control's discretion, for an additional three months. In establishing standards with regard to instant background checks the division of cannabis control may use all available resources;</u>	279 280 281 282 283 284 285 286 287 288
<u>(5) Specifying the process and reasons for which a license holder may be fined, suspended either with or without a prior hearing, revoked, or not renewed or issued;</u>	289 290 291
<u>(6) The process and requirements for division of cannabis control approval of any requested change in ownership or transfer of control of an adult use cannabis operator or adult use testing laboratory;</u>	292 293 294 295
<u>(7) Establishing process and standards for expanding the size of the cultivation area for a cultivation facility;</u>	296 297
<u>(8) Establishing standards and procedures for the testing of adult use cannabis by an adult use testing laboratory licensed under this chapter. When establishing standards and procedures for the testing of cannabis, the division of cannabis control shall do all of the following:</u>	298 299 300 301 302
<u>(a) Specify when testing must be conducted;</u>	303
<u>(b) Determine the minimum amount of adult use cannabis that must be tested;</u>	304 305

- (c) Specify the manner in which testing is to be conducted 306
in an effort to ensure uniformity of cannabis products processed 307
for and dispensed; and 308
- (d) Specify the manner in which test results are provided. 309
- (9) The minimum amount of insurance or surety bond that 310
must be maintained by an adult use cannabis operator and adult 311
use testing laboratory; 312
- (10) Requiring the division of cannabis control to adopt 313
reasonable standards for any adult use cannabis samples, and 314
advertising as prescribed in section 3780.21 of the Revised 315
Code; 316
- (11) Requiring that the records, including financial 317
statements, of an adult use cannabis operator or adult use 318
testing laboratory be maintained in the manner up to two years 319
as prescribed by the division of cannabis control and which 320
shall be made available for inspection upon demand by the 321
division of cannabis control, but shall be subject to section 322
3780.31 of the Revised Code; 323
- (12) Prescribing technical standards and requirements 324
consistent with industry standards that must be met for security 325
and surveillance equipment necessary for the provision of 326
security and surveillance of adult use cannabis operators and 327
adult use testing laboratories; 328
- (13) Prescribing requirements for a license holder's 329
provision of security services for an adult use cannabis 330
operator and adult use testing laboratories which shall include 331
the license holder's option to use armed or unarmed services 332
including through agents of the license holder; 333
- (14) Prescribing standards according to which license 334

holders shall keep accounts and standards according to which 335
adult use cannabis operators and adult use testing laboratories 336
accounts shall be audited, and establish guidance for assisting 337
the department of taxation in levying and collecting the adult 338
use tax levied under section 3780.22 of the Revised Code; 339

(15) Determining penalties for violation of division of 340
cannabis control rules or this chapter, and a process for 341
imposing such penalties; 342

(16) Training requirements for employees and agents of 343
adult use cannabis operators and adult use laboratories; 344

(17) Prescribing standards and procedures to allow for 345
adult use cannabis delivery to adult use consumers, and online 346
and mobile ordering procedures, which may only be conducted by 347
an adult use dispensary or their agent; 348

(18) Prescribing cannabis inventory requirements to be 349
maintained in an electronic database consistent with section 350
3780.05 of the Revised Code; 351

(19) Prescribing standards and procedures for product 352
packaging and labeling of adult use cannabis products; 353

(20) Prescribing standards and procedures in coordination 354
with the department of development to administer and enforce the 355
cannabis social equity and jobs program as prescribed under 356
3780.19 of the Revised Code; 357

(21) Establishing a tetrahydrocannabinol content limit for 358
adult use cannabis, which for plant material the content limit 359
shall be no less than thirty-five per cent and for extracts the 360
content limit shall be no less than ninety per cent, but that 361
such content limits may be increased or eliminated by the 362
division of cannabis control; and 363

(22) Prescribing duty to update requirements for license holders. 364
365

(D) All rules adopted under this section and chapter shall be adopted in accordance with Chapter 119 of the Revised Code. 366
367

(E) In addition to the rules described in division (C) of this section, the division of cannabis control may adopt any other rules it considers necessary for the administration, implementation, and enforcement of this chapter consistent with this chapter. 368
369
370
371
372

(F) When adopting rules under this section, the division of cannabis control shall consider standards and procedures that have been found to be best practices relative to the use and regulation of adult use cannabis and shall harmonize any rules with the rules adopted pursuant to sections 3796.03 and 3796.04 of the Revised Code to minimize duplication of operational requirements and fees as much as possible. If there is a conflict with Chapter 3796 and related rules, and chapter 3780 of the Revised Code and related rules, then chapter 3780 and related rules shall govern. 373
374
375
376
377
378
379
380
381
382

Sec. 3780.04. Allowable forms of adult use cannabis. 383

(A) Only adult use cannabis may be sold under this chapter in the following forms: plant material and seeds, live plants, clones, extracts, drops, lozenges, oils, tinctures, edibles, patches, smoking or combustible product, vaporization of product, beverages, pills, capsules, suppositories, oral pouches, oral strips, oral and topical sprays, salves, lotions or similar cosmetic products, and inhalers. 384
385
386
387
388
389
390

(B) Any person may submit a petition to the division of cannabis control requesting that an additional form or method of 391
392

adult use cannabis be approved. A petition shall be submitted to 393
the division of cannabis control in a manner prescribed by the 394
division of cannabis control. 395

(C) On receipt of a petition, the division of cannabis 396
control shall determine whether or not to approve the form or 397
method of adult use cannabis described in the petition within 398
sixty days of petition receipt. 399

(D) The division of cannabis control may adopt rules as 400
necessary to implement this section. 401

Sec. 3780.05. Electronic database. 402

The division of cannabis control shall establish and 403
maintain an electronic database to monitor all adult use 404
cannabis from its seed or clone source through its cultivation, 405
processing, testing, and dispensing for all adult use cannabis 406
operator operations. The division of cannabis control may 407
contract with a separate entity or state agency to establish and 408
maintain all or any part of the electronic database on behalf of 409
the division of cannabis control. 410

The electronic database shall allow for information 411
regarding adult use cannabis to be updated instantaneously. Any 412
license holder licensed under this chapter shall submit to the 413
division of cannabis control any information the division of 414
cannabis control determines is necessary for maintaining the 415
electronic database. 416

The division of cannabis control, and any entity under 417
contract with the division of cannabis control, shall not make 418
public any information reported to or collected by the division 419
of cannabis control under this section that identifies or would 420
tend to identify any adult use consumer. 421

Sec. 3780.06. Information provided by the department of 422
taxation. 423

(A) (1) Notwithstanding section 149.43 of the Revised Code 424
or any other public records law to the contrary or any law 425
relating to the confidentiality of tax return information, upon 426
the request of the division of cannabis control, the department 427
of taxation shall provide to the division of cannabis control 428
all of the following information: 429

(a) Whether an applicant for license under this chapter 430
follows the applicable tax laws of this state; 431

(b) Any past or pending violation by the applicant of 432
those tax laws, and any penalty imposed on the applicant for 433
such a violation. 434

(2) The division of cannabis control shall request the 435
information only as it pertains to an application for license 436
that the division of cannabis control is reviewing. 437

(3) The department of taxation may charge the division of 438
cannabis control a reasonable fee to cover the administrative 439
cost of providing the information. 440

(B) Information received under this section is 441
confidential. Except as otherwise permitted by other state law 442
or federal law, the division of cannabis control shall not make 443
the information available to any person other than the applicant 444
for licensure to whom the information applies. 445

Sec. 3780.07. Facilities. 446

(A) Except as provided in divisions (B), (C), and (D) of 447
this section, no adult use cannabis operator or adult use 448
testing laboratory shall be located within five hundred feet of 449

the end boundaries of a parcel of real estate having situated on 450
it a prohibited facility. 451

If a relocation of an adult use cannabis operator or adult 452
use testing laboratory licensed under this chapter results in 453
the adult use cannabis operator or adult use testing laboratory 454
being located within five hundred feet of the boundaries of a 455
prohibited facility, the division of cannabis control shall deny 456
the relocation and the adult use cannabis operator or adult use 457
testing laboratory may apply with the division of cannabis 458
control to request a relocation to a different location. 459

(B) Division (A) does not apply to: 460

(1) Current facilities and properties of adult use 461
cannabis operators if the license holder or applicant, or the 462
owners of the license holder or applicant, also have a 463
certificate of operation and is doing business at that same 464
location; or 465

(2) Research related to adult use cannabis conducted at a 466
state university, academic medical center, or private or public 467
research and development organization as part of a research 468
protocol approved by an institutional review board or equivalent 469
entity, or any other entity as approved by the division of 470
cannabis control. 471

(C) Upon a level I cultivator or level II cultivator with 472
a certificate of operation, or the same owners of the level I or 473
level II cultivator, receiving a license from the division of 474
cannabis control as a level I adult use cultivator or level II 475
adult use cultivator, the license holder may expand its 476
cultivation area and facility as authorized in this chapter 477
notwithstanding any limitation resulting from Chapter 3796 of 478

the Revised Code or Chapter 3796 of the Administrative Code. 479

(D) Upon the division of cannabis control's receipt of a 480
request from an adult use cultivator or level III adult use 481
cultivator for expansion beyond what is authorized in this 482
chapter, the division of cannabis control shall have ninety days 483
to review and approve or deny a request for expansion consistent 484
with division of cannabis control rule. 485

(E) After the review and approval from the division of 486
cannabis control, an adult use cultivator may relocate all or a 487
portion of the authorized cultivation area to more than one 488
cultivation facility as long as any relocation complies with 489
this chapter, the relocated facility is operated under the same 490
license, and so long as the aggregate square footage for all 491
related cultivation area and facilities does not exceed the 492
square footage limitations under the license as authorized under 493
this chapter. A level I adult use cultivator or level II adult 494
use cultivator who also has, or whose same owner also has, a 495
certification of operation, may only relocate cultivation area 496
that is above the original approved cultivation area under 3796 497
of the Revised Code and 3796 of the Administrative Code. 498

(F) A level III adult use cultivator's cultivation area 499
shall not exceed five thousand square feet unless authorized by 500
the division of cannabis control under this chapter. 501

(G) The division of cannabis control may adopt rules as 502
necessary to implement this section. 503

Sec. 3780.08. Criminal records checks. 504

(A) As used in this section, criminal records check has 505
the same meaning as in section 109.572 of the Revised Code. 506

(B) (1) As part of the application process for a license 507

issued under this chapter, the division of cannabis control 508
shall require each of the following to complete a criminal 509
records check: 510

(a) An administrator or other person responsible for the 511
daily operation of an adult use cannabis operator or an adult 512
use testing facility seeking a license; 513

(b) An owner or prospective owner, officer or prospective 514
officer, or board member or prospective board member of an 515
entity seeking the license as an adult use cannabis operator or 516
an adult use testing facility as determined by the division of 517
cannabis control; and 518

(c) An employee or agent of an adult use cannabis operator 519
or an adult use testing facility required to be licensed under 520
this chapter. 521

(2) If a person subject to the criminal records check 522
requirement does not present proof of having been a resident of 523
this state for the five-year period immediately prior to the 524
date the criminal records check is requested or provide evidence 525
that within that five-year period the superintendent of the 526
bureau of criminal identification and investigation has 527
requested information about the person from the federal bureau 528
of investigation in a criminal records check, the division of 529
cannabis control shall request that the person obtain through 530
the superintendent a criminal records request from the federal 531
bureau of investigation as part of the criminal records check of 532
the person. Even if a person presents proof of having been a 533
resident of this state for the five-year period, the division of 534
cannabis control may request that the person obtain information 535
through the superintendent from the federal bureau of 536
investigation in the criminal records check. 537

(C) The division of cannabis control shall provide the 538
following to each person who is subject to the criminal records 539
check requirement: 540

(1) Information about accessing, completing, and 541
forwarding to the superintendent of the bureau of criminal 542
identification and investigation the form prescribed pursuant to 543
division (C) (1) of section 109.572 of the Revised Code and the 544
standard impression sheet to obtain fingerprint impressions 545
prescribed pursuant to division (C) (2) of that section; 546

(2) Written notification that the person is to instruct 547
the superintendent to submit the completed report of the 548
criminal records check directly to the division of cannabis 549
control. 550

(D) Each person who is subject to the criminal records 551
check requirement shall pay to the bureau of criminal 552
identification and investigation the fee prescribed pursuant to 553
division (C) (3) of section 109.572 of the Revised Code for the 554
criminal records check conducted of the person. 555

(E) The report of any criminal records check conducted by 556
the bureau of criminal identification and investigation in 557
accordance with section 109.572 of the Revised Code and pursuant 558
to a request made under this section is not a public record for 559
the purposes of section 149.43 of the Revised Code and shall not 560
be made available to any person other than the following: 561

(1) The person who is the subject of the criminal records 562
check or the person's representative; 563

(2) The staff of the division of cannabis control and the 564
director; and 565

(3) A court, hearing officer, or other necessary 566

individual involved in a case dealing with either of the 567
following: 568

(a) A license denial resulting from the criminal records 569
check; 570

(b) A civil or criminal action regarding the division of 571
cannabis control or any violation of this chapter. 572

(F) The division of cannabis control shall deny a license 573
if, after receiving the information and notification required by 574
this section, a person subject to the criminal records check 575
requirement fails to do either of the following: 576

(1) Access, complete, or forward to the superintendent of 577
the bureau of criminal identification and investigation the form 578
prescribed pursuant to division (C) (1) of section 109.572 of the 579
Revised Code or the standard impression sheet prescribed 580
pursuant to division (C) (2) of that section; 581

(2) Instruct the superintendent to submit the completed 582
report of the criminal records check directly to the division of 583
cannabis control. 584

(G) The superintendent of the bureau of criminal 585
identification and investigation shall conduct a criminal record 586
check under section 109.572 of the Revised Code in a consistent 587
manner as the superintendent conducts a criminal record check as 588
required for sections 3796.12 and 3796.13 of the Revised Code 589
upon the receipt of a request, a completed form prescribed 590
pursuant to section 109.572(C) (1) of the Revised Code, and a set 591
of fingerprint impressions obtained in a manner described in 592
section 109.572(C) (2) of the Revised Code. The superintendent of 593
the bureau of criminal identification and investigation shall 594
conduct a criminal records check in the manner described in 595

section 109.572(B) of the Revised Code to determine whether any 596
information exists that indicates that the person who is the 597
subject of the request previously has been convicted of or plead 598
guilty to a disqualifying offense as defined in this chapter and 599
as clarified in rules adopted under this chapter. 600

Sec. 3780.09. Location of adult use cannabis operators. 601

(A) Notwithstanding any provision of Chapter 3796 of the 602
Revised Code or Chapter 3796 of the Administrative Code, an 603
adult use cannabis operator and an adult use testing laboratory 604
licensed under this chapter shall conduct business under their 605
license at the same location where the adult use cannabis 606
operator or adult use testing laboratory, or the same owners of 607
the adult use cannabis operator or adult use testing laboratory, 608
also have been issued a certificate of operation, unless the 609
adult use cannabis operator or adult use testing laboratory 610
relocates all or a portion of their facility and business if 611
authorized under this chapter and rules adopted by the division 612
of cannabis control. 613

(B) All other applicants who do not have a certificate of 614
operation shall conduct business at a facility consistent with 615
this chapter and as approved by the division of cannabis 616
control. 617

Sec. 3780.10. Adult use cannabis operator and adult use 618
testing laboratory licenses. 619

(A) No person shall operate as an adult use cannabis 620
operator or adult use testing laboratory without a license 621
issued pursuant to this chapter. 622

(B) The following licenses shall be issued by the division 623
of cannabis control within nine months of the effective date of 624

this section if the license applicant is in compliance with 625
section 3780.11 of the Revised Code and this chapter, and the 626
license applicant, or the same owners of the license applicant, 627
have a certificate of operation or medical provisional license 628
issued as of the effective date of this section: 629

(1) A dispensary issued a certificate of operation or 630
medical provisional license shall be issued an adult use 631
dispensary license under this chapter for the current location 632
of the dispensary; 633

(2) A level I cultivator issued a certificate of operation 634
or medical provisional license shall be issued under this 635
chapter three adult use dispensary licenses at locations 636
designated in a license application, and one level I adult use 637
cultivator license for the current location of the level I 638
cultivation facility; 639

(3) A level II cultivator issued a certificate of 640
operation or medical provisional license shall be issued under 641
this chapter one adult use dispensary license at a location 642
designated in the license application, and one level II adult 643
use cultivator license for the current location of the level II 644
cultivation facility; 645

(4) A dispensary issued a certificate of operation or 646
medical provisional license shall be issued under this chapter 647
one adult use dispensary license at a different location as 648
designated in the license application if the dispensary does not 649
have any common ownership or control with any level I adult use 650
cultivator, level II adult use cultivator, or adult use 651
processor license applicant or licensee; 652

(5) A processor issued a certificate of operation or 653

medical provisional license shall be issued under this chapter 654
one adult use processor license for the current location of the 655
processor; and 656

(6) A testing laboratory issued a certificate of operation 657
shall be issued under this chapter one adult use testing 658
laboratory license for the current location of the testing 659
laboratory. 660

Notwithstanding anything in this section, a license shall 661
not be issued pursuant to division (B) of this section to a 662
license applicant holding only a related medical provisional 663
license unless the medical provisional license holder is issued 664
a certificate of operation within two years of the effective 665
date of this section. 666

(C) The division of cannabis control shall issue up to 667
forty level III adult use cultivator licenses consistent with 668
this chapter with preference provided to applicants who have 669
been certified as cannabis social equity and jobs program 670
participants under the cannabis social equity and jobs program 671
pursuant to 3780.19 of this chapter. No person may have any 672
ownership or control in more than one level III adult use 673
cultivator license under this chapter. No adult use cultivator 674
or adult use processor may have any ownership or control in a 675
level III adult use cultivator license. 676

(D) The division of cannabis control shall issue up to 677
fifty additional adult use dispensary licenses in conformity 678
with this chapter with preference provided to applicants who 679
have been certified as cannabis social equity and jobs program 680
participants under the cannabis social equity and jobs program. 681

(E) Following twenty-four months from the first date of 682

issuance of an adult use operator license, the division of 683
cannabis control shall review the number of adult use cannabis 684
operator licenses on a biannual basis and may authorize 685
additional licenses after considering: 686

(1) The current and anticipated market growth and consumer 687
demand, including the number of adult use consumers seeking 688
adult use cannabis; 689

(2) The current and projected supply of adult use cannabis 690
produced by licensed adult use cultivators, level III adult use 691
cultivators, and adult use processors; and 692

(3) The geographic distribution of adult use dispensary 693
sites in an effort to ensure adult use customer access to adult 694
use cannabis. 695

(F) (1) The division of cannabis control shall provide a 696
report and recommendation within ninety days of the conclusion 697
of the requirements in division (E) of this section to the 698
director for consideration. 699

(2) The division of cannabis control may adopt rules as 700
necessary to implement this division. 701

(3) The division of cannabis control shall adopt a rule 702
regarding the number of licenses a license holder may hold for 703
each type of license consistent with this chapter. As of the 704
effective date of this section, and notwithstanding any other 705
provision of this chapter, no person shall be issued more than 706
eight adult use dispensary licenses, and not more than one adult 707
use cultivator license, and not more than one adult use 708
processor license at any time, unless authorized by the division 709
of cannabis control after an analysis supporting the licensing 710
pursuant to rule. 711

(G) The division of cannabis control may authorize 712
additional adult use testing laboratory licenses at any time. 713

Sec. 3780.11. Application requirements for adult use 714
cannabis operators and adult use testing laboratories. 715

(A) An adult use cannabis operator and adult use testing 716
laboratory license applicant authorized to file an application 717
may file an application for licensure with the division of 718
cannabis control. Each application shall be submitted in 719
accordance with rules adopted under section 3780.03 of the 720
Revised Code and in conformity with this chapter. Initial 721
applications shall be made available to adult use operators and 722
adult use testing laboratory within six months of the effective 723
date of this section and license applicants shall comply with 724
all requirements of this chapter and related rules prior to the 725
issuance of a license. 726

(B) The division of cannabis control shall issue a license 727
to an applicant if all of the following conditions are met: 728

(1) The report of the criminal records check conducted 729
pursuant to section 3780.08 of the Revised Code with respect to 730
the application demonstrates the following: 731

(a) The criminal offenses for which an applicant will be 732
disqualified from licensure; and 733

(b) The criminal offenses that will not disqualify an 734
applicant from licensure if the applicant was convicted of or 735
pleaded guilty to the offense more than five years before the 736
date the application for licensure is filed. 737

(2) The adult use cannabis operator applicant demonstrates 738
that it does not have an ownership or investment interest in or 739
compensation arrangement with any of the following: 740

<u>(a) An adult use testing laboratory licensed under this</u>	741
<u>chapter; or</u>	742
<u>(b) An applicant for a license to conduct adult use</u>	743
<u>laboratory testing.</u>	744
<u>(3) The adult use cannabis operator applicant demonstrates</u>	745
<u>that it does not share any corporate officers or employees with</u>	746
<u>any of the following:</u>	747
<u>(a) An adult use testing laboratory licensed under this</u>	748
<u>chapter; or</u>	749
<u>(b) An applicant for a license to conduct adult use</u>	750
<u>laboratory testing.</u>	751
<u>(4) The adult use testing laboratory applicant</u>	752
<u>demonstrates that it does not have an ownership or investment</u>	753
<u>interest in or compensation arrangement with any of the</u>	754
<u>following:</u>	755
<u>(a) An adult use cannabis operator licensed under this</u>	756
<u>chapter; or</u>	757
<u>(b) An applicant for a license to conduct adult use</u>	758
<u>cannabis operations.</u>	759
<u>(5) The adult use testing laboratory applicant</u>	760
<u>demonstrates that it does not share any corporate officers or</u>	761
<u>employees with any of the following:</u>	762
<u>(a) An adult use cannabis operator licensed under this</u>	763
<u>chapter; or</u>	764
<u>(b) An applicant for a license to conduct adult use</u>	765
<u>cannabis operations.</u>	766
<u>(6) The applicant demonstrates that the operations will</u>	767

not be located within five hundred feet of a prohibited facility 768
consistent with this chapter unless the prohibited facility was 769
located within five hundred feet after the applicant filed the 770
application with the division of cannabis control, or after the 771
applicant, or the applicant owners, was operating under Chapter 772
3796 of the Revised Code at the same location, or unless 773
otherwise authorized in this chapter. 774

(7) The information provided to the division of cannabis 775
control pursuant to section 3780.06 of the Revised Code 776
demonstrates that the applicant is in compliance with the 777
applicable tax laws of this state. 778

(8) The applicant meets all other license eligibility 779
conditions established in rules adopted under section 3780.03 of 780
the Revised Code. 781

(9) The applicant is not employed by a regulatory body of 782
a governmental unit of this state and in that capacity has 783
significant influence or control, as determined by the division 784
of cannabis control, over the ability of the applicant to 785
conduct business in this state. 786

(C) A license expires according to the renewal schedule 787
established in rules adopted under section 3780.03 of the 788
Revised Code and may be renewed in accordance with the 789
procedures established in those rules. A license shall be 790
automatically renewed by the division of cannabis control unless 791
good cause is otherwise shown. 792

Sec. 3780.12. Level I and level II adult use cultivator 793
license. 794

(A) Notwithstanding any conflicting provision of the 795
Revised Code and except as provided in division (B) of this 796

section, the holder of a current and valid level I or level II 797
adult use cultivator license issued under this chapter may do 798
either of the following: 799

(1) Cultivate adult use cannabis; 800

(2) Distribute, transfer, and sell adult use cannabis to 801
other adult use cannabis operators; and 802

(3) Acquire seeds, clones, plants, and other genetic 803
material. 804

(B) A level I or level II adult use cultivator license 805
holder shall not cultivate any adult use cannabis for personal, 806
family, or household use under the license. 807

Sec. 3780.13. Level III adult use cultivator license. 808

(A) Notwithstanding any conflicting provision of the 809
Revised Code, and except as provided in division (B) of this 810
section, the holder of a current and valid level III adult use 811
cultivator license issued under this chapter may do any of the 812
following: 813

(1) Cultivate adult use cannabis; 814

(2) Distribute, transfer, and sell adult use cannabis to 815
other adult use cannabis operators; and 816

(3) Acquire seeds, clones, plants, and other genetic 817
material. 818

(B) A level III adult use cultivator license holder shall 819
not cultivate any adult use cannabis for personal, family, or 820
household use under the license. 821

Sec. 3780.14. Adult use processor license. 822

(A) Notwithstanding any conflicting provision of the 823

Revised Code, the holder of a current and valid adult use processor license issued under this chapter may do any of the following: 824
825
826

(1) Obtain cannabis from adult use cannabis operators; 827

(2) Subject to the rules adopted pursuant to this section, process adult use cannabis obtained from adult use cannabis operators into a form authorized under this chapter; and 828
829
830

(3) Distribute, transfer, and sell processed adult use cannabis to adult use cannabis operators. 831
832

Sec. 3780.15. Adult use dispensary license. 833

(A) Notwithstanding any conflicting provision of the Revised Code, the holder of a current and valid adult use dispensary license issued under this chapter may do the following: 834
835
836
837

(1) Obtain adult use cannabis from adult use processors, adult use cultivators, level III adult use cultivators, and other adult use dispensaries; 838
839
840

(2) Distribute, transfer, or sell adult use cannabis to adult use cannabis operators; 841
842

(3) Provide delivery of adult use cannabis and cannabis paraphernalia to patrons as established in rules adopted under section 3780.03 of the Revised Code; and 843
844
845

(4) Dispense or sell adult use cannabis in accordance with division (B) of this section and sell paraphernalia. 846
847

(B) When dispensing or selling adult use cannabis, a licensed adult use dispensary shall do all of the following: 848
849

(1) Dispense or sell adult use cannabis only to those 850

adult use consumers who present a current, valid identification 851
card demonstrating proof that the adult use consumer is twenty- 852
one years of age or older; 853

(2) Only accept adult use cannabis from a licensed adult 854
use cannabis operator that has been prepackaged and labeled in 855
compliance with chapter 3780 of the Revised Code and the rules 856
adopted under 3780.03 of the Revised Code; and 857

(3) Not dispense or sell adult use cannabis to adult use 858
consumers per day in amounts that exceed the possession limits 859
in 3780.36(B)(1) of the Revised Code. 860

(C) When operating a licensed adult use dispensary, an 861
adult use dispensary shall: 862

(1) Only use licensed individuals who have met the 863
training requirements established in rules adopted under section 864
3780.03 of the Revised Code; and(2) Maintain addiction services 865
information materials available at the adult use consumer's 866
request. 867

Sec. 3780.16. Adult use testing laboratory license. 868

(A) Notwithstanding any conflicting provision of the 869
Revised Code, the holder of a current and valid adult use 870
testing laboratory license issued under this chapter may do both 871
of the following: 872

(1) Obtain adult use cannabis from one or more adult use 873
cannabis operators licensed under this chapter for testing 874
purposes only; and 875

(2) Conduct cannabis testing, research and operations in 876
the manner specified in rules adopted under section 3780.03 of 877
the Revised Code. 878

Sec. 3780.17. Licensure of individuals.

879

(A) The division of cannabis control may issue a license
to an individual applicant required to be licensed related to an
adult use cannabis operator or adult use testing laboratory
after it has determined that the applicant is eligible for a
license under rules adopted by the division of cannabis control
and after the applicant has paid any applicable fees.

880

881

882

883

884

885

(B) To be eligible for a license, an applicant shall be at
least twenty-one years of age.

886

887

(C) Each application for a license shall be on a form
prescribed by the division of cannabis control and shall contain
all information required by the division of cannabis control.

888

889

890

(D) Each applicant shall submit with each application, on
a form provided by the division of cannabis control, two sets of
the applicant's fingerprints and a photograph as required by
rule consistent with this chapter. The division of cannabis
control shall charge each applicant an application fee to cover
all actual regulatory costs generated by each licensee and all
background checks.

891

892

893

894

895

896

897

(E) A license issued under this section is portable and
may be used at any adult use cannabis operator or adult use
testing laboratory as long as such licensee is registered with
the division of cannabis control for each location where the
licensee works or is employed.

898

899

900

901

902

Sec. 3780.18. Purpose of cannabis social equity and jobs
program.

903

904

(A) Additional efforts are needed to reduce barriers to
ownership and opportunities within the adult use cannabis
industry for individuals and communities most adversely impacted

905

906

907

by the enforcement of marijuana-related laws. 908

(B) In the interest of establishing an adult cannabis industry that is equitable and accessible to those most adversely impacted by the enforcement of marijuana-related laws in this State, the cannabis social equity and jobs program should be established. 909
910
911
912
913

(C) Individuals who have been arrested or incarcerated due to drug laws suffer long-lasting negative consequences, including impacts to employment, business ownership, housing, health, and long-term financial well-being. 914
915
916
917

(D) Family members, especially children, and communities of those who have been arrested or incarcerated due to drug laws, suffer from emotional, psychological, and financial harms as a result of such arrests or incarcerations. 918
919
920
921

(E) Certain communities have disproportionately suffered the harms of enforcement of marijuana-related laws. Those communities face greater difficulties accessing traditional banking systems and capital for establishing businesses. 922
923
924
925

(F) Individuals who have resided in areas of high poverty suffer negative consequences, including barriers to entry in employment, business ownership, housing, health, and long-term financial well-being. 926
927
928
929

(G) Promotion of business ownership and employment by individuals who have resided in areas of high poverty and high enforcement of marijuana-related laws furthers an equitable cannabis industry. 930
931
932
933

(H) Therefore, in the interest of remedying the harms resulting from the disproportionate enforcement of marijuana-related laws, a cannabis social equity and jobs program shall 934
935
936

provide financial assistance and license application support to 937
individuals most directly and adversely impacted by the 938
enforcement of marijuana-related laws who are interested in 939
starting or working in cannabis business entities. 940

Sec. 3780.19. Cannabis social equity and jobs program. 941

(A) As used in this section, "cannabis social equity and 942
jobs program participant" means a person certified as a 943
participant in the cannabis social equity program by the 944
department of development under this section of the Revised 945
Code. 946

(B) The department of development shall establish a 947
business assistance program known as the cannabis social equity 948
and jobs program funded by the cannabis social equity and jobs 949
fund, and shall adopt rules in accordance with Chapter 119 of 950
the Revised Code to administer the program including the 951
following: 952

(1) Establish procedures by which a person may apply for 953
certification under the cannabis social equity and jobs program; 954

(2) Establish a system of certifying cannabis social 955
equity and job program applicants based on a requirement that 956
the business owner or owners show both social and economic 957
disadvantage based on the following, as determined to be 958
sufficient by the department of development: 959

(a) Wealth of the business seeking certification as well 960
as the personal wealth of the owner or owners of the business. 961

(b) Social disadvantage based on any of the following: 962

(i) The business owner or owners demonstrate membership in 963
a racial minority group or show personal disadvantage due to 964

color, ethnic origin, gender, physical disability, or long-term residence in an area of high unemployment; 965
966

(ii) The owner or owners, or their spouse, child, or parent, have been arrested for, convicted of, or adjudicated delinquent for a marijuana related offense as determined by rule by the department of development prior to the effective date of this section. 967
968
969
970
971

(c) Economic disadvantage based on economic and business size thresholds and eligibility criteria designed to stimulate economic development through license awards to businesses located in qualified census tracts. 972
973
974
975

(3) Establish standards to determine when a cannabis social equity and jobs program participant no longer qualifies for cannabis social equity program certification; 976
977
978

(4) Develop a process for evaluating and adjusting goals established by this section to determine what adjustments are necessary to achieve participation goals established by the department of development; 979
980
981
982

(5) Implement an outreach program to educate potential participants about the cannabis social equity and jobs program; 983
984

(6) Implement a system of self-reporting by cannabis social equity and jobs program participants on compliance, as well as an on-site inspection process to validate the qualifications of a cannabis social equity program; 985
986
987
988

(7) Establish a process for when there is a transfer of a license from a certified cannabis social equity and jobs program participant to a person or entity that does not qualify as a participant to the cannabis social equity and jobs program, which process shall not undermine the policy goals of the 989
990
991
992
993

<u>program;</u>	994
<u>(8) Provide financial assistance, loans, grants, and</u>	995
<u>technical assistance to persons certified by the department</u>	996
<u>under the cannabis social equity and jobs program pursuant to</u>	997
<u>rules adopted under this section. Notwithstanding any other law</u>	998
<u>to the contrary, the cannabis social equity and jobs program</u>	999
<u>fund is not subject to budgetary sweeps, administrative charge-</u>	1000
<u>backs, or any other fiscal or budgetary maneuver that would in</u>	1001
<u>any way transfer any amounts from the cannabis social equity and</u>	1002
<u>jobs program fund into any other fund of the state;</u>	1003
<u>(9) Encourage employment practices, in which an adult use</u>	1004
<u>cannabis operator can demonstrate a plan of action to inform,</u>	1005
<u>hire, and educate minorities, women, veterans, and persons with</u>	1006
<u>disabilities, engage in fair labor practices, and provide worker</u>	1007
<u>protections;</u>	1008
<u>(10) Study and fund judicial and criminal justice reform</u>	1009
<u>including bail, parole, sentencing reform, expungement and</u>	1010
<u>sealing of records, legal aid, and community policing related to</u>	1011
<u>marijuana;</u>	1012
<u>(11) Study and propose policy reforms to address the</u>	1013
<u>social and economic impacts of the enforcement of marijuana laws</u>	1014
<u>and to track and prevent underage use of marijuana;</u>	1015
<u>(12) Fund direct investment in disproportionately impacted</u>	1016
<u>communities to enhance education, entrepreneurship, legal aid,</u>	1017
<u>youth development, violence prevention, and the arts related to</u>	1018
<u>the program; and</u>	1019
<u>(13) Utilize the cannabis social equity and jobs fund</u>	1020
<u>exclusively for the purposes of this section and for the</u>	1021
<u>implementation of this section.</u>	1022

(C) For certified cannabis social equity and job program participants, the division of cannabis control shall waive at least fifty percent of any license or application fees associated with a license holder's application or license. 1023
1024
1025
1026

(D) Any business or personal financial information, or trade secrets submitted by a cannabis social equity and jobs program applicant to the department of development pursuant to this section are not public records for purposes of section 149.43 of the Revised Code, unless the division of cannabis control or department of development is required to present the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program in which case the agency shall only disclose any required information. 1027
1028
1029
1030
1031
1032
1033
1034
1035
1036

(E) Any license or other preference to persons certified under the cannabis social equity and jobs program under this section shall be based on substantiated evidence that the preference is needed to address the goals of cannabis social equity and job program under this chapter. 1037
1038
1039
1040
1041

(F) The department of development shall create a cannabis social equity and jobs program advisory group promulgated through rule in accordance with Chapter 119 of the Revised Code. The advisory group may develop and submit to the department of development on any recommendations related to the cannabis social equity and jobs program under sections 3780.18 and 3780.19 of the Revised Code. 1042
1043
1044
1045
1046
1047
1048

Sec. 3780.20. Operations. 1049

(A) Adult use cannabis operators and adult use testing laboratories shall adopt operating procedures and comply with 1050
1051

<u>operation requirements required by rules under 3780.03 of the</u>	1052
<u>Revised Code, which include, but are not limited to, the</u>	1053
<u>following as applicable:</u>	1054
<u>(1) Quality assurance;</u>	1055
<u>(2) Package and labeling;</u>	1056
<u>(3) Waste disposal;</u>	1057
<u>(4) Inventory control and storage;</u>	1058
<u>(5) Monitoring, surveillance and security requirements;</u>	1059
<u>(6) Laboratory testing;</u>	1060
<u>(7) Records and reporting requirements;</u>	1061
<u>(8) Hours of operation and procedures when location is</u>	1062
<u>closed;</u>	1063
<u>(9) Receipt of adult use cannabis;</u>	1064
<u>(10) Dispensing errors reporting and review;</u>	1065
<u>(11) Destruction and disposal of adult cannabis;</u>	1066
<u>(12) Recall procedures; and</u>	1067
<u>(13) Transportation of adult use cannabis.</u>	1068
<u>(B) No adult use cannabis operator may sell or dispense</u>	1069
<u>adult use cannabis without remuneration unless authorized under</u>	1070
<u>rule pursuant to 3780.03 of this chapter.</u>	1071
<u>(C) The division of cannabis control may adopt other</u>	1072
<u>operation rules as necessary consistent with this chapter.</u>	1073
<u>Sec. 3780.21. Advertising.</u>	1074
<u>(A) The division of cannabis control may adopt rules</u>	1075

regulating advertisements of license holders to prevent 1076
advertisements that are false, misleading, targeted to minors, 1077
promote excessive use, or that promote illegal activity. 1078

(B) Rules adopted by the division of cannabis control 1079
pursuant to section (A) of this chapter shall not require 1080
preapproval and shall not overly burden the legitimate 1081
commercial speech of adult use cannabis operators in 1082
communicating with adult use consumers. Notwithstanding, the 1083
division of cannabis control may adopt narrowly tailored time 1084
and place restrictions preventing advertising targeted to 1085
minors. 1086

(C) The division of cannabis control at any time may 1087
conduct an audit of license holder's published advertisements to 1088
ensure it complies with section (A) of this chapter and the 1089
rules adopted pursuant to this chapter. 1090

(D) The division of cannabis control may require a license 1091
holder to stop using an advertisement if the division of 1092
cannabis control finds the license holder violated rules adopted 1093
pursuant to division (A) of this section. 1094

Sec. 3780.22. Tax levied on adult use consumers. 1095

(A) For the purpose of supporting social equity issues, 1096
providing funds to support jobs and economic development, 1097
providing funding for host communities who have adult use 1098
dispensaries in their jurisdiction to support these communities, 1099
funding education and treatment for individuals with cannabis 1100
and other addiction issues, and defraying the costs of 1101
regulation and administering the tax, there shall be an adult 1102
use tax on the sale of adult use cannabis by adult use 1103
dispensaries to adult use consumers in accordance with this 1104

chapter. 1105

(B) The rate of the adult use tax shall be ten per cent. 1106
The adult use tax applies and is collectable when the sale is 1107
made, regardless of the time when the price is paid, or when the 1108
adult use cannabis is delivered. 1109

(C) The adult use tax is in addition to the tax levied or 1110
collected under Chapter 5739 of the Revised Code on adult use 1111
cannabis sales by adult use dispensaries to adult use consumers. 1112

(D) The tax authorized under division (A) shall be 1113
collected consistent with Chapter 5739 of the Revised Code, but 1114
the tax commissioner shall adopt rules the commissioner deems 1115
necessary to administer the adult use tax including the 1116
licensure, filing, collection, distribution, refund, assessment, 1117
bad debt, liability of unpaid taxes, recordkeeping, and any 1118
penalty related to the adult use tax consistent with this 1119
chapter. 1120

Sec. 3780.23. Funds created. 1121

(A) For the purpose of receiving and distributing, and 1122
accounting for, revenue received from the adult use tax levied 1123
by section 3780.22 of the Revised Code, the following funds are 1124
created in the state treasury: 1125

(1) The adult use tax fund; 1126

(2) The cannabis social equity and jobs fund; 1127

(3) The host community cannabis fund; 1128

(4) The substance abuse and addiction fund; and 1129

(5) The division of cannabis control and tax commissioner 1130
fund. 1131

(B) All monies collected from the tax levied under this 1132
chapter shall be deposited into the adult use tax fund. 1133

(C) Unless otherwise authorized under this chapter or 1134
rule, the director of budget and management shall transfer 1135
amounts to each fund as follows: 1136

(1) Thirty-six per cent to the cannabis social equity and 1137
jobs fund to be used to implement the requirements of 3780.19 of 1138
the Revised Code; 1139

(2) Thirty-six per cent to the host community cannabis 1140
fund for the benefit of municipal corporations or townships that 1141
have adult use dispensaries, and the municipal corporations or 1142
townships may use such funds for any approved purpose. 1143
Distributions to municipal corporations or townships shall be 1144
based on the percentage of adult use tax attributable to each 1145
municipal corporation or township; 1146

(3) Twenty-five per cent to the substance abuse and 1147
addiction fund to support the efforts of the department of 1148
mental health and addiction services to alleviate substance and 1149
opiate abuse and related research in the state under section 1150
3780.30 of the Revised Code; and 1151

(4) Three per cent to the division of cannabis control and 1152
tax commissioner fund to support the operations of the division 1153
of cannabis control and to defray the cost of the department of 1154
taxation for administering the tax levied under section 3780.22 1155
of the Revised Code. 1156

Payments under of this section shall be made by the end of 1157
the month following the end of each quarterly period. The tax 1158
commissioner shall make the data available to the director of 1159
the office of budget and management for this purpose and the 1160

director of budget and management shall transfer amounts the 1161
funds in this section as required. The tax commission may serve 1162
as agent of the municipal corporations or townships only for the 1163
purposes of division (C) (2) of this section as promulgated by 1164
rule. 1165

Sec. 3780.24. Tax administration and enforcement. 1166

The tax commissioner shall administer and enforce sections 1167
3780.22 through 3780.23 of this chapter. In addition to any 1168
other powers conferred upon the tax commissioner by law, the tax 1169
commissioner may: 1170

(A) Prescribe all forms that are required to be filed 1171
under sections 3780.22 through 3780.23 of this chapter; 1172

(B) Adopt rules that are necessary and proper to carry out 1173
section 3780.22 through 3780.23 of this chapter; and 1174

(C) Appoint professional, technical, and clerical 1175
employees as are necessary to carry out the tax commissioner's 1176
duties under sections 3780.22 through 3780.23 of this chapter. 1177

Sec. 3780.25. Local authority regarding adult use cannabis 1178
operators. 1179

(A) The legislative authority of a municipal corporation 1180
may adopt an ordinance, or a board of township trustees may 1181
adopt a resolution, by majority vote to prohibit, or limit the 1182
number of adult use cannabis operators permitted under this 1183
chapter within the municipal corporation or within the 1184
unincorporated territory of the township, respectively. 1185

(B) Notwithstanding division (A) above: 1186

(1) Existing cultivators, processors, or dispensaries who 1187
have a certificate of operation may not be prohibited or limited 1188

by a municipal corporation or township from operating under 1189
Chapter 3796 of the Revised Code and Chapter 3796 of the 1190
Administrative Code by a municipal corporation or township 1191
unless there is a revocation of the certificate of operation; 1192

(2) Adult use cultivators, adult use processors, and adult 1193
use dispensaries that are co-located on the same parcel or 1194
contiguous parcels with an adult use cultivator and an adult use 1195
processor, who are applicants or license holders under this 1196
chapter, and whose owners also have a certificate of operation 1197
at the same location as the effective date of this section, may 1198
not be prohibited or limited by any municipal corporation or 1199
township from operating as an adult use cultivator, adult use 1200
processor, or an adult use dispensary co-located with an adult 1201
use cultivator and an adult use processor under this chapter 1202
because of the significant capital investment in the facilities; 1203
and 1204

(3) Dispensaries, or the owners of dispensaries, who have 1205
a certificate of operation, and who are not co-located on the 1206
same parcel or contiguous parcels with a cultivator or processor 1207
that has a certificate of operation, as of the effective date of 1208
this section, shall also be authorized to operate as an adult 1209
use dispensary without any municipal or township prohibitions 1210
upon receiving a license from the division of cannabis control, 1211
unless a majority of the members of the legislative authority of 1212
a municipal corporation affirmatively pass an ordinance, or a 1213
majority of township trustees in a township affirmatively pass a 1214
resolution, after the license is issued and within one hundred 1215
and twenty days from license issuance, prohibiting the operation 1216
of the adult use dispensary within the municipal corporation or 1217
within the unincorporated territory of the township, 1218
respectively. 1219

(C) If a majority of the members of the legislative 1220
authority of a municipal corporation pass an ordinance, or a 1221
majority of township trustees in a township pass a resolution, 1222
prohibiting the adult use dispensary pursuant to division (B) (3) 1223
of this section, then the adult use dispensary license holder 1224
shall cease operations within sixty days, unless the adult use 1225
dispensary license holder files with the board of elections 1226
within the sixty day timeframe a petition prescribed by the 1227
secretary of state, and signed by the lessor of one hundred 1228
qualified electors or five per cent of the qualified electors of 1229
the municipal corporation or township, requesting that the 1230
issue, of whether the adult use dispensary shall remain open as 1231
long as the adult use dispensary is licensed pursuant to chapter 1232
3780 of the Revised Code by the division of cannabis control and 1233
the municipal corporation or township is eligible to receive 1234
host community cannabis funding, be placed on the next general 1235
election ballot which election shall not occur less than ninety 1236
days from petition filing. If the required signatures and form 1237
of petition is verified by the board of election, the issue 1238
shall be placed on the next general election which is ninety 1239
days or greater away from the petition filing, and 1240
notwithstanding any provision of this chapter, the adult use 1241
dispensary license holder may continue to operate until the 1242
issue is decided at the next authorized general election. A 1243
board of elections may discontinue verifying signatures when the 1244
number of verified signatures on a petition equals the minimum 1245
number of qualified signatures. The secretary of state shall 1246
adopt rules in accordance with 119 of the Revised Code for the 1247
proper administration and implementation of divisions (C) and 1248
(D) of this section. 1249

(D) The form of the ballot to be used at the election 1250

provided for in division (C) of this section shall be as 1251
follows: 1252

"Shall the following adult use dispensary, _____ 1253
(here insert name of adult use dispensary), whose owners also 1254
have had a licensed medical marijuana dispensary at _____ 1255
(here insert address) since _____ (here insert the date of 1256
opening), remain open as long as the adult use dispensary is 1257
licensed pursuant to Chapter 3780 of the Revised Code by the 1258
Division of Cannabis Control under the Department of Commerce, 1259
and the _____ (here insert name of municipal corporation or 1260
township) is eligible to receive host community cannabis 1261
funding? 1262

Yes for the Issue 1263

No for the Issue 1264

" 1265

(E) If a majority of the voters at the general election 1266
vote yes for the issue, then the adult use dispensary may 1267
operate within the municipal corporation or township and the 1268
municipal corporation or township shall receive related host 1269
community cannabis funding as authorized under section 3780.23 1270
of the Revised Code. 1271

(F) If a majority of the voters at the general election 1272
vote no for the issue, then: 1273

(1) The dispensary with a certificate of operation at that 1274
location may continue to operate at its current address, or the 1275
dispensary may request to relocate the dispensary within ninety 1276
days of election certification consistent with the requirements 1277
of Chapter 3796 of the Revised Code, and related rules, which 1278
relocation request shall be approved regardless of the 1279

dispensary districts established by the board of pharmacy as 1280
long as the relocation request meets all other applicable 1281
requirements of Chapter 3796 of the Revised Code and related 1282
rules; and 1283

(2) The adult use dispensary must close within ninety days 1284
of election certification unless the adult use dispensary 1285
applies to the division of cannabis control for a request to 1286
relocate within ninety days of the election certification, and 1287
then the adult use dispensary may continue to operate until the 1288
request to relocate is approved by the division of cannabis 1289
control. The division of cannabis control shall review and 1290
approve a request to relocate timely once the request to 1291
relocate application is in compliance with this chapter and 1292
related rules. 1293

(G) A legislative authority of a municipal corporation or 1294
a board of township trustees is prohibited from: 1295

(1) Adopting an ordinance or resolution limiting research 1296
related to marijuana conducted at a state university, academic 1297
medical center, or private research and development organization 1298
as part of a research protocol approved by an institutional 1299
review board or equivalent entity; 1300

(2) Levying any tax, fee, or charge on adult use cannabis 1301
operators, their owners or their property which is not generally 1302
charged on other businesses in the municipal corporation or 1303
township; 1304

(3) Prohibiting or limiting home grow otherwise authorized 1305
under this chapter; and 1306

(4) Prohibiting or restricting an activity that is 1307
authorized by this chapter. 1308

Sec. 3780.26. Enforcement authority of the division of 1309
cannabis control. 1310

(A) The division of cannabis control shall enforce, or 1311
cause to be enforced, all sections of this chapter and the rules 1312
adopted thereunder. If the division of cannabis control has 1313
information that any provision of this chapter or that any rule 1314
adopted thereunder has been violated, it may investigate the 1315
matter and take any reasonable action as it considers 1316
appropriate. 1317

(B) The division of cannabis control may do any of the 1318
following for any reason specified in rules adopted under 1319
section 3780.03 of the Revised Code: 1320

(1) Suspend, suspend without prior hearing upon finding 1321
clear and convincing evidence that continued distribution of 1322
adult use cannabis presents a danger of immediate and serious 1323
harm to others, revoke, restrict, or refuse to renew a license 1324
it issued under this chapter; 1325

(2) Refuse to issue a license unless a license is required 1326
in accordance with this chapter; 1327

(3) Inspect the premises of an adult use cannabis operator 1328
or an adult use testing laboratory without prior notice; or 1329

(4) Impose on a provisional license holder or license 1330
holder a civil penalty in an amount to be determined by the 1331
division of cannabis control through rule to be paid into the 1332
division of cannabis control and tax commissioner fund. 1333

(C) If the division of cannabis control suspends, revokes, 1334
or refuses to renew any license issued under this chapter or 1335
determines that there is clear and convincing evidence of a 1336
danger of immediate and serious harm to any individual, the 1337

division of cannabis control may place under seal all adult use 1338
cannabis owned by or in the possession, custody, or control of 1339
the affected license holder. Except as provided in this section, 1340
the division of cannabis control shall not dispose of the adult 1341
use cannabis sealed under this section until the license holder 1342
exhausts all of the license holder's appeal rights under Chapter 1343
119 of the Revised Code. The court involved in such an appeal 1344
may order the division of cannabis control, during the pendency 1345
of the appeal, to sell cannabis that is perishable. The division 1346
of cannabis control shall deposit the proceeds of the sale with 1347
the court. 1348

(D) The division of cannabis control's enforcement actions 1349
under this section shall be taken in accordance with Chapter 119 1350
of the Revised Code. 1351

(E) Nothing in this chapter shall be construed to require 1352
the division of cannabis control to enforce minor violations of 1353
this chapter if the division of cannabis control determines that 1354
the public interest is adequately served by a notice or warning 1355
to the alleged offender. 1356

Sec. 3780.27. Enforcement by the attorney general. 1357

(A) Upon receiving a written request from the division of 1358
cannabis control, the Ohio attorney general may bring a cause of 1359
action to restrain a violation of this chapter. Such an action 1360
is a civil action, governed by the Rules of Civil Procedure. 1361

(B) The court of common pleas of Franklin county shall 1362
give any claim filed under division (A) of this section priority 1363
over all other civil cases before the court, irrespective of 1364
position on the court's calendar, and shall make a determination 1365
on the claim expeditiously. A court of appeals shall give any 1366

appeal from a final order issued in a case brought under 1367
division (A) of this section priority over all other civil cases 1368
before the court, irrespective of position on the court's 1369
calendar, and shall make a determination on the appeal 1370
expeditiously. 1371

(C) Any action filed under division (A) of this section 1372
does not preclude an administrative or criminal proceeding on 1373
the same facts. 1374

Sec. 3780.28. Enforcement of chapter. 1375

(A) If the division of cannabis control fails to adopt 1376
rules necessary to initially implement this chapter within nine 1377
months of the effective date of this chapter or fails to begin 1378
accepting license applications within six months of the 1379
effective date of this chapter as provided in section 3780.11 of 1380
the Revised Code, any citizen of the state of Ohio may commence 1381
an action in the court of common pleas of Franklin county, Ohio 1382
to compel the division of cannabis control to perform the 1383
actions mandated under this chapter. 1384

(B) If the division of cannabis control fails to issue a 1385
license to an adult use cannabis operator, or send a notice of 1386
denial to an applicant, within three months after receiving a 1387
complete adult use cannabis operator application pursuant to 1388
section 3780.11 of the Revised Code, the applicant may: 1389

(1) Commence an action in the court of common pleas of 1390
Franklin county, Ohio to compel the division of cannabis control 1391
to perform the actions mandated under this chapter; and 1392

(2) Unless the division of cannabis control can 1393
demonstrate in writing that operating presents a danger of 1394
immediate and serious harm to others, operate under a temporary 1395

license, which shall be issued by the division of cannabis control, and in compliance with this chapter, until the division of cannabis control issues or denies the license. If this occurs, the adult use cannabis operator license applicant may only operate if the applicant: 1396
1397
1398
1399
1400

(a) Is also operating at the application location under a corresponding certificate of operation issued under Chapter 3796 of the Revised Code and Chapter 3796 of the Administrative Code; and 1401
1402
1403
1404

(b) Complies with this chapter and any rules adopted by the division of cannabis control under this chapter. 1405
1406

(C) Nothing in this section shall be construed to authorize the operation of an adult use cannabis operator or a medical marijuana cultivator, processor, or dispensary whose license, certificate of operation or application has been suspended, revoked, or denied, including a suspension, revocation, or denial due to a determination by the division of cannabis control that the applicant or operator has violated this chapter or committed a disqualifying offense. 1407
1408
1409
1410
1411
1412
1413
1414

Sec. 3780.29. Home Grow 1415

(A) Except as otherwise provided in this chapter, and notwithstanding any other provision of the Revised Code, the following acts by an adult use consumer are lawful: 1416
1417
1418

(1) Cultivating, growing, and possessing not more than six cannabis plants at the individual's primary residence, if all of the following apply: 1419
1420
1421

(a) Not more than twelve cannabis plants are cultivated or grown at a single residence where two or more individuals who are at least twenty-one years of age reside at any one time; and 1422
1423
1424

(b) Cultivation or growing of adult use cannabis only 1425
takes place within a secured closet, room, greenhouse, or other 1426
enclosed area in or on the grounds of the residence that 1427
prevents access by individuals less than twenty-one years of 1428
age, and which is not visible by normal unaided vision from a 1429
public space. 1430

(2) Processing by manual or mechanical means adult use 1431
cannabis cultivated or grown in accordance with this section; or 1432

(3) Transferring up to six cannabis plants to an adult use 1433
consumer as long as the transfer is without remuneration and not 1434
advertised or promoted to the public. 1435

(B) An adult use consumer may store at their primary 1436
residence adult use cannabis that was purchased from an adult 1437
use dispensary licensed under this chapter or produced in 1438
compliance with this section. 1439

(C) This section does not authorize an individual to: 1440

(1) Cultivate, grow, or process adult use cannabis except 1441
at the individual's primary residence; 1442

(2) Permit individuals less than twenty-one years of age 1443
to use, cultivate, process, transfer, or transport adult use 1444
cannabis; 1445

(3) Process adult use cannabis by hydrocarbon-based 1446
extraction; or 1447

(4) Sell, or profit from, adult use cannabis except as 1448
specifically authorized in this chapter. 1449

(D) A landlord may prohibit conduct otherwise authorized 1450
under division (A) this section so long as such prohibition is 1451
included in the applicable lease agreement. 1452

(E) The division of cannabis control shall adopt rules 1453
setting forth a schedule of civil penalties that may be applied 1454
for violations of this section. 1455

(F) If an individual cultivates or grows double the 1456
maximum number of cannabis plants permitted under division (A) 1457
of this section or transfers cannabis plants in violation of 1458
division (A) (3) of this section, division (F) of section 3780.99 1459
of the Revised Code shall apply. 1460

Sec. 3780.30. Cannabis addiction services; toll-free 1461
numbers. 1462

(A) The division of cannabis control shall enter into an 1463
agreement with the department of mental health and addiction 1464
services under which the department shall provide a program for 1465
cannabis addiction services to be implemented on behalf of the 1466
division of cannabis control which includes best practices for 1467
education and treatment for individuals with addiction issues 1468
related to cannabis or other controlled substances including 1469
opioids. 1470

(B) The department of mental health and addiction services 1471
shall establish, operate, and publicize an in-state, toll-free 1472
telephone number Ohio residents may call to obtain basic 1473
information about addiction services available to consumer, and 1474
options for an addicted consumer to obtain help. The telephone 1475
number shall be staffed twenty-four hours per day, seven days a 1476
week in order to respond to inquiries and provide that 1477
information. The costs of establishing, operating, and 1478
publicizing the telephone number shall be paid for with money in 1479
the substance abuse and addiction fund. 1480

(C) The director of mental health and addiction services 1481

shall administer the substance abuse and addiction fund. The 1482
director shall use the money in the fund to support addiction 1483
services or other services that relate to addiction and 1484
substance abuse, and research that relates to addiction and 1485
substance abuse. Treatment and prevention services supported by 1486
money in the fund under this section shall be services that are 1487
certified by the department of mental health and addiction 1488
services. 1489

(D) The director mental health and addiction services 1490
shall prepare an annual report describing the use of the fund 1491
for these purposes. The director shall submit the report to the 1492
director of the department of commerce, the speaker and minority 1493
leader of the house of representatives, the president and 1494
minority leader of the senate, and the governor. 1495

(E) License holders shall provide informational resources 1496
for patrons related to cannabis addiction issues and services. 1497

(F) License holders shall provide training for their 1498
employees regarding the cannabis addiction services resources 1499
for patrons related to this section. 1500

Sec. 3780.31. Confidentiality. 1501

(A) The following information submitted, collected, or 1502
gathered under this chapter is confidential and not subject to 1503
disclosure by any state agency or political subdivision as a 1504
public record under section 149.43 of the Revised Code: 1505

(1) Social security numbers, passport numbers, or federal 1506
tax identification numbers; 1507

(2) Home addresses and telephone numbers; 1508

(3) Birth certificates; 1509

<u>(4) Driver's license numbers;</u>	1510
<u>(5) Dates of birth;</u>	1511
<u>(6) Places of birth;</u>	1512
<u>(7) The personal financial information and records,</u>	1513
<u>including tax returns and information, and records of criminal</u>	1514
<u>proceedings;</u>	1515
<u>(8) Any information concerning a victim of domestic</u>	1516
<u>violence, sexual assault, or stalking;</u>	1517
<u>(9) Electronic mail addresses;</u>	1518
<u>(10) Internet Protocol addresses or similar addresses;</u>	1519
<u>(11) Any trade secret, and patents, or exclusive licenses;</u>	1520
<u>(12) Client records and adult use consumer identifying</u>	1521
<u>information; and</u>	1522
<u>(13) Security information, including risk prevention</u>	1523
<u>plans, detection and countermeasures, location of vaults or</u>	1524
<u>other money and/or cannabis storage areas, emergency management</u>	1525
<u>plans, security and surveillance plans, equipment and usage</u>	1526
<u>protocols, and theft and fraud prevention plans and</u>	1527
<u>countermeasures.</u>	1528
<u>(B) Notwithstanding any other law, upon written request,</u>	1529
<u>the division of cannabis control shall provide the following</u>	1530
<u>information, except as provided in this chapter:</u>	1531
<u>(1) The amount of tax paid to the state by any license</u>	1532
<u>holder; and</u>	1533
<u>(2) A copy of a letter providing the reasons for the</u>	1534
<u>denial of an applicant's license, but with confidential</u>	1535
<u>information redacted.</u>	1536

(C) An individual who holds, held, or has applied for a license under this chapter may waive the confidentiality requirements of division (A) of this section. 1537
1538
1539

(D) Confidential information received by the division of cannabis control from another jurisdiction relating to an individual who holds, held, or has applied for a license under this chapter is confidential and not subject to disclosure as a public record under section 149.43 of the Revised Code. 1540
1541
1542
1543
1544

(E) After giving reasonable notice to the applicant, the current or former provisional license holder, or the current or former license holder, the division of cannabis control may share any information gathered pursuant to this chapter with, or disclose the information to, the inspector general, any appropriate prosecuting authority, any law enforcement agency, or any other appropriate governmental or licensing agency, but the agency that receives the information shall comply with the same requirements regarding confidentiality required under Ohio law. 1545
1546
1547
1548
1549
1550
1551
1552
1553
1554

(F) The division of cannabis control, and any entity under contract with the division of cannabis control, shall not make public any information reported to or collected by the division of cannabis control under this chapter that identifies or would tend to identify any adult use consumer, or tend to show any adult use consumer's purchase history. 1555
1556
1557
1558
1559
1560

Sec. 3780.32. Venue for court actions. 1561

(A) Any action asserting that this chapter, any portion of this chapter, or any rule adopted thereunder, violates any provision of the Ohio Constitution or federal law shall be brought in the court of common pleas of Franklin county within 1562
1563
1564
1565

ninety days after the effective date of the enactment of this 1566
chapter or within ninety days after the effective date of any 1567
rule adopted pursuant to this chapter, as applicable. 1568

(B) Any claim asserting that any action taken by the 1569
division of cannabis control under this chapter violates any 1570
provision of the Ohio Constitution or any provision of the 1571
Revised Code shall be brought in the court of common pleas of 1572
Franklin county within ninety days after the action is taken. 1573

(C) Divisions (A) and (B) of this section do not apply to 1574
any claim within the original jurisdiction of the Supreme Court 1575
of Ohio or any court of appeals under Article IV of the Ohio 1576
Constitution. 1577

(D) The court of common pleas of Franklin county shall 1578
give any claim filed under (A) or (B) of this section priority 1579
over all other civil cases before the court, irrespective of 1580
position on the court's calendar, and shall make a determination 1581
on the claim expeditiously. A court of appeals shall give any 1582
appeal from a final order issued in a case brought under 1583
divisions (A) or (B) of this section priority over all other 1584
civil cases before the court, irrespective of position on the 1585
court's calendar, and shall make a determination on the appeal 1586
expeditiously. 1587

Sec. 3780.33. Liabilities and immunities. 1588

(A) The holder of a license, as defined in section 4776.01 1589
of the Revised Code, or other license, certification, or 1590
registration issued by any professional board in the state of 1591
Ohio, or pursuant to 2923.125 of the Revised Code, are not 1592
subject to disciplinary action solely for engaging in 1593
professional or occupational activities related to adult use 1594

cannabis in accordance with this chapter, for owning or 1595
providing professional assistance to prospective or licensed 1596
adult use operators, adult use testing laboratories or to other 1597
individuals for activity in accordance with this chapter, or for 1598
obtaining, possessing, transporting, or using adult use cannabis 1599
in accordance with this chapter. 1600

(B) Unless there is clear and convincing evidence that a 1601
child is unsafe, the use, possession, or administration of adult 1602
use cannabis in accordance with this chapter shall not be the 1603
sole or primary basis for any of the following: 1604

(1) An adjudication under section 2151.28 of the Revised 1605
Code determining that a child is an abused, neglected, or 1606
dependent child; 1607

(2) An allocation of parental rights and responsibilities 1608
under section 3109.04 of the Revised Code; or 1609

(3) A parenting time order under section 3109.051 or 1610
3109.12 of the Revised Code. 1611

(C) Notwithstanding any conflicting provision of the 1612
Revised Code, the use or possession of adult use cannabis in 1613
accordance with this chapter shall not be used as a reason for 1614
disqualifying an individual from medical care or from including 1615
an individual on a transplant waiting list. 1616

(D) Notwithstanding any conflicting provision of the 1617
Revised Code, the use, possession, administration, cultivation, 1618
processing, testing, dispensing, transporting, sale, delivery, 1619
or transferring of adult use cannabis in accordance with this 1620
chapter shall not be used as the sole or primary reason for 1621
taking action under any criminal or civil statute. 1622

(E) Notwithstanding any conflicting provision of the 1623

Revised Code, when an adult use consumer engages in activities 1624
related to adult use cannabis in compliance with this chapter, 1625
such activities alone do not constitute sufficient basis for 1626
conducting a field sobriety test on the individual or for 1627
suspending the individual's driver's license. To conduct any 1628
field sobriety test, a law enforcement officer must have an 1629
independent, factual basis giving reasonable suspicion that the 1630
individual is operating a vehicle under the influence of adult 1631
use cannabis or with a prohibited concentration of marijuana in 1632
the person's whole blood, blood serum, plasma, breath, or urine. 1633

(F) Notwithstanding any conflicting provision of the 1634
Revised Code, an individual's status as an adult use consumer 1635
shall not be used as the sole or primary basis for rejecting the 1636
individual as a tenant unless the rejection is required by 1637
federal law. Notwithstanding this division, a landlord may 1638
prohibit the consumption of cannabis by combustion so long as 1639
such prohibition is included in the applicable lease agreement. 1640

(G) Notwithstanding any conflicting provision of the 1641
Revised Code, the use or possession of adult use cannabis in 1642
accordance with this chapter shall not be used as a reason for 1643
disqualifying an individual from a public benefit program 1644
administered by any state or local authority, or for otherwise 1645
denying an individual a public benefit administered by the state 1646
or any locality. 1647

(H) This chapter does not do any of the following: 1648

(1) Permit the use, possession, cultivation, processing, 1649
dispensing, or transportation of adult use cannabis other than 1650
as authorized by this chapter; 1651

(2) Permit the cultivation, processing, and dispensing of 1652

adult use cannabis by any person unless licensed as an adult use 1653
cannabis operator by the division of cannabis control except as 1654
authorized under this chapter; 1655

(3) Permit the use, cultivation, dispensing, or processing 1656
of adult use cannabis on federal, state, or locally owned land 1657
located in the state of Ohio; 1658

(4) Require any public place to accommodate an 1659
individual's use of adult use cannabis; 1660

(5) Prohibit any public place from accommodating an 1661
individual's use of adult use cannabis; or 1662

(6) Restrict research related to cannabis at a state 1663
university, academic medical center, or private research and 1664
development organization as part of a research protocol approved 1665
by an institutional review board or equivalent entity. 1666

(I) It is the public policy of the state of Ohio that 1667
contracts related to adult use cannabis operators and adult use 1668
cannabis testing laboratories are enforceable. 1669

Sec. 3780.34. Financial institutions. 1670

(A) As used in this section: 1671

(1) "Financial institution" means any of the following: 1672

(a) Any bank, trust company, savings and loan association, 1673
savings bank, or credit union or any affiliate, agent, or 1674
employee of a bank, trust company, savings and loan association, 1675
savings bank, or credit union; 1676

(b) Any money transmitter licensed under sections 1315.01 1677
to 1315.18 of the Revised Code or any affiliate, agent, or 1678
employee of such a licensee. 1679

(2) "Financial services" means services that a financial institution is authorized to provide under Title XI, sections 1315.01 to 1315.18, or Chapter 1733 of the Revised Code, as applicable, including electronic payments to the extent not in conflict with other state law or federal law. 1680
1681
1682
1683
1684

(B) A financial institution that provides financial services to any adult use cannabis operator, or testing laboratory licensed under this chapter shall be exempt from any criminal law of the state of Ohio an element of which may be proven by substantiating that a financial institution provides financial services to an individual or entity who cultivates, possesses, delivers, processes, or dispenses cannabis or cannabis derived products, including section 2925.05 of the Revised Code and sections 2923.01 and 2923.03 of the Revised Code as those sections apply to violations of Chapter 2925 of the Revised Code, if the adult use consumer, adult use cannabis operator or adult use testing laboratory is in compliance with this chapter and the applicable tax laws of the state of Ohio. 1685
1686
1687
1688
1689
1690
1691
1692
1693
1694
1695
1696
1697

(C) (1) Notwithstanding section 149.43 of the Revised Code or any other public records law to the contrary, upon the request of a financial institution providing services to an adult use cannabis operator or adult use testing laboratory, the division of cannabis control shall provide to the financial institution all of the following information: 1698
1699
1700
1701
1702
1703

(a) Whether an individual or entity with whom the financial institution is seeking to do business is an adult use cannabis operator or adult use testing laboratory licensed under this chapter; 1704
1705
1706
1707

(b) The name of any other business or individual affiliated with the individual or entity; 1708
1709

(c) An unredacted copy of the application for a license 1710
under this chapter, and any supporting documentation, that was 1711
submitted by the individual or entity; 1712

(d) If applicable, information relating to sales and 1713
volume of product sold by the individual or entity, except where 1714
prohibited by this chapter; 1715

(e) Whether the individual or entity follows this chapter; 1716
and 1717

(f) Any past or pending violation by the individual or 1718
entity of this chapter, and any penalty imposed on the 1719
individual or entity for such a violation. 1720

(2) The division of cannabis control may charge a 1721
financial institution a reasonable fee to cover the 1722
administrative cost of providing the information. 1723

(D) Information received by a financial institution under 1724
division (C) of this section is confidential. Except as 1725
otherwise licensed by other state law or federal law, a 1726
financial institution shall not make the information available 1727
to any individual other than the customer to whom the 1728
information applies and any trustee, conservator, guardian, 1729
personal representative, or agent of that customer. 1730

Sec. 3780.35. Rights of employer. 1731

(A) Nothing in this chapter does any of the following: 1732

(1) Requires an employer to permit or accommodate an 1733
employee's use, possession, or distribution of adult use 1734
cannabis otherwise in compliance with this chapter; 1735

(2) Prohibits an employer from refusing to hire, 1736
discharging, disciplining, or otherwise taking an adverse 1737

employment action against an individual with respect to hire, 1738
tenure, terms, conditions, or privileges of employment because 1739
of that individual's use, possession, or distribution of 1740
cannabis otherwise in compliance with this chapter; 1741

(3) Prohibits an employer from establishing and enforcing 1742
a drug testing policy, drug-free workplace policy, or zero- 1743
tolerance drug policy; 1744

(4) Interferes with any federal restrictions on 1745
employment, including the regulations adopted by the United 1746
States Department of Transportation in Title 49 of the Code of 1747
Federal Regulations, as amended; 1748

(5) Permits an individual to commence a cause of action 1749
against an employer for refusing to hire, discharging, 1750
disciplining, discriminating, retaliating, or otherwise taking 1751
an adverse employment action against an individual with respect 1752
to hire, tenure, terms, conditions, or privileges of employment 1753
related to the individual's use of cannabis; or 1754

(6) Affects the authority of the administrator of workers' 1755
compensation to grant rebates or discounts on premium rates to 1756
employers that participate in a drug-free workplace program 1757
established in accordance with rules adopted by the 1758
administrator under Chapter 4123 of the Revised Code. 1759

(B) An individual who is discharged from employment 1760
because of that individual's use of cannabis shall be considered 1761
to have been discharged for just cause for purposes of division 1762
(D) of section 4141.29 of the Revised Code if the individual's 1763
use of cannabis was in violation of an employer's drug-free 1764
workplace policy, zero-tolerance policy, or other formal program 1765
or policy regulating the use of cannabis. 1766

<u>Sec. 3780.36. Limitations on conduct by individuals.</u>	1767
<u>(A) Except as otherwise provided in this chapter and</u>	1768
<u>notwithstanding any conflicting provision of the Revised Code,</u>	1769
<u>an adult use consumer, may do the following:</u>	1770
<u>(1) Use adult use cannabis;</u>	1771
<u>(2) Possess, transfer without remuneration to another</u>	1772
<u>adult consumer, or transport adult use cannabis, subject to</u>	1773
<u>division (B) of this section; and</u>	1774
<u>(3) Purchase adult use cannabis from an adult use</u>	1775
<u>dispensary per day in amounts that do not exceed the possession</u>	1776
<u>limits set forth in division (B)(1) of this section.</u>	1777
<u>(B) Except as otherwise provided in chapter 3796 of the</u>	1778
<u>Revised Code:</u>	1779
<u>(1) The amount of cannabis that may be possessed by an</u>	1780
<u>adult use consumer shall not exceed:</u>	1781
<u>(a) Two and one-half ounces of adult use cannabis in any</u>	1782
<u>form except adult use extract; and</u>	1783
<u>(b) Fifteen grams of adult use cannabis in the form of</u>	1784
<u>adult use extract.</u>	1785
<u>(2) The amount of cannabis that may be transferred by an</u>	1786
<u>adult use consumer without remuneration and not advertised or</u>	1787
<u>promoted to the public shall not exceed:</u>	1788
<u>(a) Two and one-half ounces of adult use cannabis in any</u>	1789
<u>form except adult use extract; and</u>	1790
<u>(b) Fifteen grams of adult use cannabis in the form of</u>	1791
<u>adult use extract.</u>	1792
<u>(3) The amount of cannabis that may be transported by an</u>	1793

adult use consumer shall not exceed: 1794

(a) Two and one-half ounces of adult use cannabis in any 1795
form except adult use extract; and 1796

(b) Fifteen grams of adult use cannabis in the form of 1797
adult use extract. 1798

(C) Except as otherwise provided in this chapter, an adult 1799
use consumer shall not be subject to arrest, criminal 1800
prosecution, or civil penalty for engaging in any of the 1801
activities authorized under this chapter, including: 1802

(1) Obtaining, using, possessing, or transporting adult 1803
use cannabis; 1804

(2) Performing conduct authorized under section 3780.29 of 1805
the Revised Code; 1806

(3) Acquiring, possessing, using, purchasing, 1807
manufacturing, selling, or transporting paraphernalia; and 1808

(4) Assisting another adult use consumer, or allowing 1809
property to be used, in any of the acts authorized by this 1810
chapter. 1811

(D) (1) An individual is prohibited from operating a 1812
vehicle, motor vehicle, streetcar, trackless trolley, bike, 1813
watercraft, or aircraft while using adult use cannabis or while 1814
under the influence of adult use cannabis and is subject to 1815
section 4511.19 of the Revised Code for any violation of this 1816
division. 1817

(2) An individual is prohibited from smoking, vaporizing, 1818
or using any other combustible adult use cannabis product while 1819
in a vehicle, motor vehicle, streetcar, trackless trolley, bike, 1820
watercraft, or aircraft and is subject to section 4511.19 of the 1821

Revised Code for any violation of this division. 1822

(E) Except as otherwise provided in this chapter, no individual under twenty-one years of age shall knowingly show or give false information concerning the individual's name, age, or other identification for the purpose of purchasing adult use cannabis from an adult use dispensary licensed under this chapter. 1823
1824
1825
1826
1827
1828

(F) Nothing in this chapter is intended to permit the transfer or sale of adult use cannabis, with or without remuneration, to an individual under twenty-one years of age, or to allow an individual under twenty-one years of age to purchase, possess, use, process, transport, or cultivate cannabis except where authorized by Chapter 3796 of the Revised Code. 1829
1830
1831
1832
1833
1834
1835

(G) It is unlawful for any parent or guardian to knowingly permit their residence, any other private property under their control, or any vehicle, conveyance, or watercraft under their control to be used by an invitee of the parent's child or the guardian's ward, if the invitee is under twenty-one years of age, in a manner that constitutes a violation of this chapter. 1836
1837
1838
1839
1840
1841

(1) A parent or guardian is deemed to have knowingly permitted their residence, any other private property under their control, or any vehicle, conveyance, or watercraft under their control to be used in violation of this chapter if they knowingly authorize or permit consumption of cannabis by underage invitees. 1842
1843
1844
1845
1846
1847

(2) Where the residence or other property has an owner and a tenant or lessee, the trier of fact may infer that the residence or other property is occupied only by the tenant or 1848
1849
1850

lessee. 1851

Sec. 3780.90. Severability. 1852

If any provision of this chapter or its application is 1853
held invalid, the invalidity does not affect other provisions or 1854
applications of this chapter that can be given effect without 1855
the invalid provision or application, and to this end the 1856
provisions of this chapter are severable. 1857

Sec. 3780.99. Penalties. 1858

(A) Except as otherwise provided in Chapter 3796 of the 1859
Revised Code, section 2925.11 of the Revised Code shall apply 1860
when an adult use consumer possesses an amount of cannabis 1861
greater than the limits set forth in division (B)(1) of section 1862
3780.36 of the Revised Code. 1863

(B) Except as otherwise provided in this chapter, an adult 1864
use consumer who uses adult use cannabis in public areas, or who 1865
violates division (D)(2) of section 3780.36 of the Revised Code 1866
as a passenger, is guilty of a minor misdemeanor. 1867

(C)(1) An individual under twenty-one years of age who 1868
knowingly shows or gives false information concerning the 1869
individual's name, age, or other identification for the purpose 1870
of purchasing or otherwise obtaining adult use cannabis from an 1871
adult use dispensary licensed under this chapter is guilty of a 1872
misdemeanor of the first degree. If, in committing a first 1873
violation, the offender presented to an adult use dispensary 1874
licensed under this chapter a false, fictitious, or altered 1875
identification card, a false or fictitious driver's license 1876
purportedly issued by any state, or a driver's license issued by 1877
any state that has been altered, the offender is guilty of a 1878
misdemeanor of the first degree and shall be fined not less than 1879

two hundred fifty and not more than one thousand dollars, and 1880
may be sentenced to a term of imprisonment of not more than six 1881
months. 1882

(2) On a second violation in which, for the second time, 1883
the offender presented to an adult use dispensary licensed under 1884
this chapter a false, fictitious, or altered identification 1885
card, a false or fictitious driver's license purportedly issued 1886
by any state, or a driver's license issued by any state that has 1887
been altered, the offender is guilty of a misdemeanor of the 1888
first degree and shall be fined not less than five hundred nor 1889
more than one thousand dollars, and may be sentenced to a term 1890
of imprisonment of not more than six months. The court also may 1891
impose a class seven suspension of the offender's driver's or 1892
commercial driver's license or permit or nonresident operating 1893
privilege from the range specified in division (A) (7) of section 1894
4510.02 of the Revised Code. The court, in lieu of suspending 1895
the offender's temporary instruction permit, probationary 1896
driver's license, or driver's license, instead may order the 1897
offender to perform a determinate number of hours of community 1898
service, with the court determining the actual number of hours 1899
and the nature of the community service the offender shall 1900
perform. 1901

(3) On a third or subsequent violation in which, for the 1902
third or subsequent time, the offender presented to an adult use 1903
dispensary licensed under this Chapter a false, fictitious, or 1904
altered identification card, a false or fictitious driver's 1905
license purportedly issued by any state, or a driver's license 1906
issued by any state that has been altered, the offender is 1907
guilty of a misdemeanor of the first degree and shall be fined 1908
not less than five hundred nor more than one thousand dollars, 1909
and may be sentenced to a term of imprisonment of not more than 1910

six months. Except as provided in this division, the court also 1911
may impose a class six suspension of the offender's driver's or 1912
commercial driver's license or permit or nonresident operating 1913
privilege from the range specified in division (A)(6) of section 1914
4510.02 of the Revised Code, and the court may order that the 1915
suspension or denial remain in effect until the offender attains 1916
the age of twenty-one years. The court, in lieu of suspending 1917
the offender's temporary instruction permit, probationary 1918
driver's license, or driver's license, instead may order the 1919
offender to perform a determinate number of hours of community 1920
service, with the court determining the actual number of hours 1921
and the nature of the community service the offender shall 1922
perform. 1923

(D) An individual who is under twenty-one years of age and 1924
who solicits another individual to purchase adult use cannabis 1925
from an adult use dispensary licensed under this chapter is 1926
guilty of: 1927

(1) For a first violation, a misdemeanor of the fourth 1928
degree; and 1929

(2) For a second or subsequent violation, a misdemeanor of 1930
the second degree. 1931

(E) An employee or agent of an adult use dispensary 1932
licensed under this chapter who knowingly sells cannabis to an 1933
individual under twenty-one years of age is guilty of a 1934
misdemeanor of the first degree. 1935

(F) Any individual who violates division (A) of section 1936
3780.10 of the Revised Code, or division (F) of 3780.29 of the 1937
Revised Code, is guilty of the illegal trafficking in drugs 1938
under section 2925.03 of the Revised Code and the illegal 1939

<u>manufacture of drugs under section 2925.04 of the Revised Code.</u>	1940
<u>(G) Any individual who violates divisions (B) (2) or (B) (3) of section 3780.36 of the Revised Code is guilty of the illegal trafficking in drugs under section 2925.03 of the Revised Code.</u>	1941
	1942
	1943
<u>(H) Any individual who violates division (B) of section 3780.20 of the Revised Code is guilty of illegal dispensing of drug samples under section 2925.36 of the Revised Code.</u>	1944
	1945
	1946
<u>(I) (1) An individual who violates division (G) of Section 3780.36 of the Revised Code is guilty of:</u>	1947
	1948
<u>(a) For a first violation, a misdemeanor of the third degree; and</u>	1949
	1950
<u>(b) For a second or subsequent violation, a misdemeanor of the first degree.</u>	1951
	1952
<u>(2) If a violation of division (G) of Section 3780.36 of the Revised Code directly or indirectly results in great bodily harm or death to any individual, the individual violating this division is guilty of a felony of the fourth degree.</u>	1953
	1954
	1955
	1956
Section 2. The General Assembly finds as follows:	1957
(A) On January 28, 2022, the Ohio Secretary of State certified the validity and sufficiency of a statewide initiative petition proposing a law to the General Assembly titled "An Act to Control and Regulate Adult Use Cannabis."	1958
	1959
	1960
	1961
(B) The Ohio Secretary of State transmitted the proposed law titled "An Act to Control and Regulate Adult Use Cannabis" to the General Assembly on January 28, 2022, and the General Assembly received it on that date, pursuant to Article II, Section 1b of the Ohio Constitution.	1962
	1963
	1964
	1965
	1966