



**OHIO SENATE GENERAL GOVERNMENT COMMITTEE  
December 5, 2023**

**Written Interested Party Testimony  
House Bill 86**

Chair Rulli, Vice Chair Schuring, Ranking Member DeMora, and members of the Ohio Senate General Government Committee:

Thank you for the opportunity to provide written interested party testimony regarding Substitute House Bill 86, which includes changes to the state's recreational marijuana law being enacted through Issue 2.

This bill, as accepted yesterday, includes an increased tax on recreational marijuana from 10% to 15%. Along with the additional revenue, it proposes to split the revenue in different ways, including 30% to law enforcement training.

The Ohio Municipal League represents more than 730 cities and villages as members, who carefully consider their financial practices to best carry out important services and programs on behalf of their businesses and residents.

Funding for these services continues to be a critical issue. Even following the .04% increase to the Local Government Fund that was included in House Bill 33, the state operating budget, many communities are experiencing LGF distributions that are less than what they had before because of general revenue reductions at the state level, the floor for county undivided funds being adjusted, and natural fluctuations in the economy. Municipalities worked hard to adjust to past cuts to the LGF, which is critical in providing for the public safety of residents through municipal police departments and fire departments.

We appreciate remarks made by members of the Legislature reflecting support for local governments. This support can be realized by ensuring local governments are adequately funded as the legalization of recreational marijuana is implemented.

Many have cited interest in providing more resources for law enforcement-related needs. With recreational marijuana in place, it is likely that calls for service to police and fire departments will increase, with the potential to further strain municipal budgets.

Every community will have its own experiences and its own needs. Flexible, discretionary funding such as the LGF best allows municipalities to respond to whatever needs their community may experience.

We ask that, as this committee considers additional revenue and where the revenue will be used, you remember the local governments who will be on the front lines of this issue and provide them with the financial resources and flexibility necessary to adjust to the change.

Thank you for the opportunity to share our views on House Bill 86 on behalf of Ohio municipalities.

A handwritten signature in black ink, appearing to read "K Scarrett".

Kent Scarrett  
Executive Director  
Ohio Municipal League