



TO: Ohio House Finance Committee

FROM: Springfield Township Board of Trustees

DATE: March 12, 2025

RE: HB 96 – Opponent Testimony (Adult-Use Marijuana Law Changes)

Dear Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and Members of the House Finance Committee,

On behalf of the Springfield Township Board of Trustees (Hamilton County), we submit this testimony in strong opposition to House Bill 96 (HB 96), which seeks to alter the framework for local regulatory control of marijuana dispensaries and distribution of tax revenue from recreational marijuana sales. The proposed changes would eliminate a critical revenue source that was promised to local communities under the voter-approved framework, further exacerbating the financial strain caused by the state's continued erosion of local government funding.

For years, local communities have faced significant reductions in funding, including cuts to the Local Government Fund, the elimination of the Estate Tax, and the phase-out of the Tangible Personal Property Tax. These losses have forced local governments to seek alternative revenue sources to sustain essential services such as public safety, infrastructure maintenance, and community programs. The current revenue-sharing model for recreational marijuana sales was a step toward restoring some of this lost funding, ensuring that communities directly impacted by these businesses receive a fair share of the tax revenue generated.

Under existing law, 36% of the 10% marijuana sales tax is allocated to host communities of dispensaries. This funding was a crucial factor in local decision-making when approving these establishments, as it provided a direct financial benefit to offset the costs and impacts associated with them. However, HB 96 would not only increase the tax rate to 20%, but it would also redirect these local funds into the state's general revenue fund, stripping communities of the financial support they were assured.

Springfield Township, like many other communities across Ohio, acted in good faith with the understanding that a portion of these tax dollars would remain within our community to serve our residents. Changing the revenue distribution after communities have already approved dispensaries is not only unfair but also undermines our ability to plan for the future.

Furthermore, it is important to note that the General Government Committee in the Senate has already adopted a substitute bill to SB 56 that removed any language altering the distribution of tax revenue to local communities. This demonstrates a clear recognition that maintaining the original revenue-sharing model is the right course of action. The House should follow suit and reject any attempts to strip communities of this critical funding source.

In addition to eliminating the community host fee, the as-introduced version of HB 96 would also strip local governments of their ability to prohibit or limit the operations of an adult-use cultivator, processor, or dispensary after the effective date of the legislation. Only those that enacted moratoriums prior to the effective date would

retain control, while others would lose their ability to regulate these businesses within their jurisdictions. This represents yet another overreach into local governance and removes a critical tool that local communities use to manage development in a way that best serves our residents.

Local governments should not be forced to bear the direct impacts of these businesses while being denied the financial resources to address them. We urge you to oppose this provision in HB 96 and uphold the original revenue-sharing model that Ohioans supported when they voted to legalize recreational marijuana. Our communities rely on these funds to maintain vital services, and shifting them away would only deepen the financial challenges that local governments already face.

Thank you for your time and consideration. We welcome the opportunity to discuss this matter further and strongly urge you to stand with local governments in protecting the funding and regulatory authority we were promised.

Respectfully,

Joseph Honerlaw, Trustee
Sara Braun, Trustee
Mark Berning, Trustee
Springfield Township Board of Trustees (Hamilton County)